

# Bylaws of Indian Ridge Homeowners Association, INC.

The name of the organization shall be the Indian Ridge Homeowners Association, Inc.

## ARTICLE I PURPOSE AND PARTIES

- 1. GOVERNANCE OF REGIME:** The purpose for which this non-profit corporation is formed is to own, manage and maintain the Common Areas and other properties of the Association in the planned Lot/ Unit development known as the Indian Ridge Addition, hereinafter referred to as the “**Addition**”, situated in the county of Logan, State of Oklahoma, which property is described in the various Declarations of Covenants, Conditions and Restrictions, hereinafter referred to as “**Declaration**”, of the Indian Ridge Addition and which property has been submitted to the regime created by the Real Estate Development Act of the State of Oklahoma by the recording of the Declaration of Covenants, Conditions, and Restrictions in Book 2739, page 392, records of the County Clerk’s office of Logan county, which Declarations are re-recorded at Book 2873, page 713, records of the County Clerk’s office of Logan county to correct the legal description. All definitions contained in said Declarations, and any amendments thereto, shall apply hereto and are incorporated herein by reference.
- 2. OWNERS SUBJECT TO THESE BYLAWS; ACCEPTANCE OF BYLAWS:** All present or future owners, tenants, future tenants of any Lot, or any other person who might use in any manner the Common Areas or any facilities or property of the Indian Ridge Homeowners’ Association, hereinafter referred to as “**Association**”, are subject to the provisions and any regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Lot or the mere act of occupancy of a Lot will signify that these Bylaws are accepted, approved, ratified, and will be complied with. Declaration should **have been** provided at closing at the Title company.

## ARTICLE II

### MEMBERSHIP, VOTING, MAJORITY OF CO-OWNERS, hereinafter referred to as “Owners,” QUORUM, PROXIES

- 1. MEMBERSHIP:** Except as is otherwise provided in the Declarations, Articles of Incorporation or in these Bylaws, ownership of a Lot in the Indian Ridge Additions development is required in order to qualify for membership in this Association. Any person or an entity representing an Owner of a Lot upon becoming an owner of a Lot shall mandatorily and automatically become a member of this Association and be subject to the Bylaws. Such membership shall terminate without any formal Association action whenever such person or **entity** ceases to own a Lot, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership **and** membership, or impair any rights or remedies which the owners have, either through the Board of Directors of the Association or directly against any such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto. **Owners of lots who are building for the purpose of selling houses on those lots are not members.**
- 2. VOTING:** Except as to the Developer, hereinafter referred to as the “Declarant” (who has **10** votes per Lot owned), there shall be one vote per one Home/Lot/**Homestead** owned. Co-owners or joint

tenants shall only exercise one vote. No fractional votes are allowed. No Home/Lot/Homestead owner not current in his/her/their annual dues may vote at any meeting, however, said Owner's attendance may be counted for Quorum purposes. Owners of lots who are building for the purpose of selling houses on those lots are not allowed to vote.

3. **ELECTRONIC VOTE:** Owners may elect to vote electronically at any or all voting opportunities. A Notice to Vote Electronically must be filed with the Secretary/Assistant Secretary 5 days prior to the meeting or can be filed annually with the Secretary/Assistant Secretary by March 1 of each year. Electronic votes shall be submitted via the Association website no more than 5 days nor less than 24 hours immediately prior to the meeting to be considered valid.
4. **QUORUM:** Except as otherwise provided in these Bylaws the presence in person or by proxy of one-third of the owners (if voting is disproportional owners shall mean the cumulative percentage total of ownership) or via certified electronic vote shall constitute a quorum. In the event a quorum is not attained, then the meeting called shall be adjourned, and, if notice has not already been given, notice of a new meeting for the same purpose(s) within two (2) weeks shall be sent by US mail or email as designated by each Owner by March 1 each year, at which meeting the number of owners represented in person, by proxy or electronic vote shall be sufficient to constitute a quorum. An affirmative vote of a majority (51%) of the Members or their designated proxy either in person or via a certified electronic vote within 5 days immediately prior to the meeting shall be required to transact the business of the meeting. ~~IF THE NOTICE SO STATES THERE IS NO QUORUM REQUIREMENT IF THE ONLY BUSINESS BEFORE THE MEMBERSHIP REQUIRING A VOTE IS THE ELECTION OF DIRECTORS.~~
5. **PROXIES:** Votes may be cast in person, electronically, or by written proxy. Written proxies must be filed with the Secretary or Assistant Secretary of the Association in accordance with Article X, Section 10.a. of these Bylaws.
6. **One Home/Lot/Homestead; One Vote:** Owners shall not vote in more than one method provided. Attempts to do so will render all votes invalid but will continue to count toward the attainment of a quorum.

#### ARTICLE III ADMINISTRATION

1. **ASSOCIATION RESPONSIBILITIES:** The Association shall have the direct obligation and responsibility for maintenance, operation and repair of the Common Areas shown on the Plat(s) as common areas and as further defined in the Declaration.

The Association's maintenance responsibility of the Common Areas also includes, but is not hereby limited to, the areas appurtenant to statutory street right-of-way along section line or arterial roads and any other areas shown on the plat as common right-of-way such as entrances and center medians. It is the intent of these Bylaws and of the Declaration (CCRs) to require the Association to maintain all areas outside any Lot line including any improvements made by the Declarant or Board of Directors for the benefit of the neighborhood.

2. **PLACE OF MEETING:** Meeting of the Association may be held at such suitable place, convenient to the Owners, as the Board of Directors may determine.
3. **INITIAL MEETING:** The first meeting of the Association shall be held upon notification from the Declarant of its intention to turn over control of the Association(s) to the Owners or upon notification by the Declarant that more than eighty (80%) of the Lots for all Sections (Phases) have been sold and occupied by Owners, whichever occurs first. Notice of the time and place of the initial meeting to all Owners shall be the responsibility of the Declarant and shall be given in accordance with the requirements for Annual Meetings of the Association. The Declarant must give notice of the initial meeting of the Association within sixty (60) days of eighty (80%) percent of the Lots being sold to Owners.

Notwithstanding anything herein to the contrary, an initial meeting may not be held by the Declarant if, at the Declarant's sole discretion, a homeowner-controlled Board of Directors is appointed by the Declarant who shall have the responsibility and authority to schedule and hold the Initial Meeting. This homeowner appointed Board of Directors is required to hold the first annual meeting of all homeowners on or before six (6) months from their date of appointment.

4. **ANNUAL MEETINGS:** Annual meetings of the Association shall be held each year. The date, time and place shall be set by the Board of Directors, which shall be designed to be as convenient as possible for all Owners to attend. At such meetings there shall be elected by ballot of the Owners a Board of Directors in accordance with the requirements of Paragraph 5 of these Bylaws. The Owners may also transact such other business of the Association as may properly come before them. ~~IF THE NOTICE SO STATES THERE IS NO QUORUM REQUIREMENT IF THE ONLY BUSINESS BEFORE THE MEMBERSHIP REQUIRING A VOTE IS THE ELECTION OF DIRECTORS.~~
5. **BLANK.**
6. **SPECIAL MEETINGS:** It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by a majority in voting interest of the Owners and having been presented to the Secretary or Assistant Secretary of the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. ~~No business except as stated in the notice shall be transacted at a special meeting unless consent of two-thirds (2/3), in interest, of the owners present, either in person, or by proxy.~~ Any such meetings shall be held after the first annual meeting and shall be held within thirty (30) days after receipt by the President or Secretary (Board) of such resolution or petition.
7. **NOTICE OF MEETING:**
  - A. **NOTICE BY MAIL:** It shall be the duty of the Secretary or Assistant Secretary of the Association to mail, or by electronic notification, if selected by Owner a notice of each meeting (annual or special) by first class mail with postage prepaid thereon stating the purpose thereof as well as the time and place it is to be held, to each owner of record at least ten (10) days, but not more than thirty (30) days prior to such meeting. The mailing of

notice in the manner provided in this paragraph shall be considered notice served. Notice of the annual meeting of the Association may also include notice of the subsequent meeting to be held in the event a quorum is not achieved at the called meeting.

- B. ELECTRONIC NOTICE: In lieu of the written notice stated hereinabove, the Association may adopt Rules and Regulations to allow for notice to be given by electronic means such as (i) posting on a neighborhood website, (ii) social networking sites, (iii) or such other generally recognized and utilized electronic means such as, but not limited to group email distribution. The method(s) of notification adopted by the members for such notice shall be posted and distributed in such a manner as to reasonably ensure that all Owners and new buyers have notice of the approved method(s) and an opportunity to ensure that said Owners have registered and will receive actual notice of any Meeting. The time frame described in (A) above shall also apply to electronic notices.
- C. NOTICE POSTED AT ALL ENTRANCES/EXITS TO THE NEIGHBORHOOD: Notice of all meetings of the Board which may be attended by Owners except Executive Sessions, shall be posted at each exit/entrance to the Addition(s) ten (10) days prior to the meeting. An Executive Session of the Board Directors may be called, for a specific purpose only for situations requiring confidentiality, in order to review sensitive or privileged information (example: filing a lien against an Owner). Executive sessions may be held in-person or through video or audio (or both). Email shall not be permitted to conduct an executive session.
- D. PRELIMINARY AGENDAS PROVIDED TEN (10) TO THIRTY (30) DAYS PRIOR TO ANNUAL/SPECIAL MEETINGS: A preliminary agenda shall be provided for each registered Owner or new buyer ten (10) days prior to the scheduled annual/special meeting to allow Owners the opportunity to review the items and obtain knowledge/understanding of those items for discussion scheduled by the Board. Owners may present items for the agenda to be reviewed by the Board no later than five (5) days prior to the annual/special meeting.
- E. Organizational Meetings: Organizational meetings of the Board may be held without notification of the Owners for the purpose of creating a strategic plan for allocating the resources of the Association and prepare for meetings to present such information for Owners to review and approve. Organizational meetings will allow for communication, collaboration, planning and participation in Association business among Directors. Possible business to be conducted within these meetings may include but not be limited to:
- a. monitoring and evaluating the Association's progress on ongoing projects, issues, challenges, etc. to be faced by the Association,
  - b. organization of Directors' efforts on behalf of the Association,
  - c. assigning individual Directors additional or specific roles/duties necessary to conduct the business of the Association,
  - d. provision of input for problem-solving purposes, discussion, and preparation of possible options/solutions to be presented to Owners,
  - e. preparation and organization for upcoming meetings.

Owners with expertise that might provide additional insight to the Directors may be invited to the organizational meetings as needed.

8. **ORDER OF BUSINESS:** The order of business at all meetings of the Owners shall be determined by the Board of Directors. A written agenda, by the Board of Directors, reflecting the order of business shall be as follows.
  - a. Determination of Quorum;
  - b. Proof of notice of meeting or waiver of notice;
  - c. Reading and disposal of unapproved minutes (unless waived);
  - d. Reports of Officers and committee;
  - e. Election of Directors (regardless of the presence of a quorum) as applicable;
  - f. Unfinished business
  - g. New Business;
  - h. Owner's Concerns, Comments, Questions, Ideas, etc.
  - i. Adjournment.

## ARTICLE IV BOARD OF DIRECTORS

1. **NUMBER, QUALIFICATION AND APPOINTMENT OR ELECTION:** Until the first annual meeting of the Association, the affairs of the Association shall be governed by the Declarant or its appointed agent. Declarant and its appointed Directors shall have no liability in law or equity for any claim or cause of action based on conflict of interest.

At the first meeting, there shall be elected no less than three (3) or more than nine (9) members of the Association to the Board of Directors, and who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. The number of Directors may be increased or decreased at any annual meeting of the Owners with a vote of approval of two-thirds (2/3) of Owners or in the event of a second meeting called due to lack of a quorum, a majority of the Owners present in-person, by proxy or who have voted electronically in the five (5) days immediately prior to the first meeting. In the event the number of Directors is an even number, the Board President shall be entitled to one extra vote for the purpose of breaking the tie. Nominations for election as a Director at any annual meeting of the Owners shall be taken from the floor by any qualified Owner. No Owner who is not current in his/ her/ their annual dues shall nominate or be nominated to be a Director.

2. **GENERAL POWERS AND DUTIES:** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance consistent with the first class residential Addition. The Board of Directors may do all such acts as and things except as prohibited by law or by these Bylaws or by the Declaration. Any business conducted by the Board shall be approved by a majority of the entire Board or by those Directors present if a waiver has been submitted by an absent Board Director.

1. As provided by Oklahoma state statutes, every Director of the Board of this Association shall exercise the fiduciary duties of the Duty of Care, Duty of Loyalty, and Duty to Act within the Scope of Authority. At all times, the Directors of the Board shall act in a prudent, objective, fair and reasonable manner, using sound business judgment and avoiding arbitrary and capricious actions while in service to the Owners of the Addition. Directors shall educate themselves regarding their legal responsibilities

for the Association, effective and efficient performance of their duties, and knowledge of the governing documents of the Association as well as state and federal statutes for the management of a Homeowner's Association. No Director of the Board shall act where there is a conflict of interest. Directors of the Board must, at all times, protect Owners' confidentiality and not divulge information provided by an Owner in confidence to individual or collective Board members to any person (other than a legal representative of the Association) who is not a Board member.

3. **OTHER POWERS AND DUTIES:** Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the Owners of the Addition. No two board members can be of the same household.
- a. **Administration:** The Board has the authority to administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration submitting the property to the provisions of the Real Estate Development Act of the state of Oklahoma, the Bylaws of this Association, and supplements and amendments thereto to ensure compliance with such reasonable rules as may be necessary for the operation, use and occupancy of the Addition.
  - b. **Rules and Regulations; Fines:** To establish, make and enforce compliance with such reasonable rules as may be necessary for the operation, use and occupancy of the Addition with the right to amend same from time to time. The procedures for adoption, hearing and imposition of fines are set forth in the Declarations. The amount of a fine adopted by the Board shall be included in the adopted Rules and Regulations.
  - c. **Maintenance of Common Areas:** To keep in good order, condition, and repair all of the general common areas and all items of common personal property used by the owners in the enjoyment of the entire premises.
  - d. **Insurance:** To insure and keep insured all of the insurable interests of the Association, as further described in Articles VII and VIII.
  - e. **Budget: Determination of Assessments; Increase or Decrease of Same; Levy of Special Assessments.** To prepare an annual budget. To levy and collect special assessments, whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies, **not exceed 10% of the annual dues without approval of a majority vote (51%) of Owners.**
  - f. **Enforcement of Assessment Lien Rights.** The Board of Directors shall have the responsibility to take prompt action to collect any unpaid dues or assessments which remain unpaid more than fifteen (15) days from the due date for payment thereof. In the event of a default by an Owner in the payment of dues or an assessment, such Owner shall be obligated to pay interest at the rate of eight percent (8%), or such higher rate (provided the same shall not be usurious) as the Board of Directors may from time to time determine, per annum accrued daily on the amount of the dues or assessment from the due date thereof, together with all expenses, including attorney's fees and any costs charged by a collection company to send an account to collection, incurred to collect such dues or assessments together with late charges as provided by the Bylaws of the Association.
  - g. **Protect and Defend:** To protect and defend the entire premises from loss and damage by suit or otherwise.
  - h. **Borrow Funds:** **To borrow funds annually, not to not exceed three thousand dollars(\$3000), by Board vote in order to pay for any expenditure or outlay required by the authority granted by**

the provisions of the recorded Declaration and these Bylaws or by a vote of approval by two-thirds 2/3 of the Owners and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary.

- i. **Contract:** To enter into contracts within the scope of their duties and powers.
- j. **Bank Account:** The Treasurer has authority to establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.
- k. **Manage:** To make repairs, additions, alterations, and improvements to the general common areas consistent with managing the Addition in a first class manner and aligned with the best interests of the Owners.
- l. **Books and Records:** To keep and maintain full and accurate books and records showing all the receipts, expenses, or disbursements and to permit examination thereof by each of the owners and each first mortgagee and to cause a review of the books and accounts by a qualified person as the Board determines necessary.
- m. **Quarterly Statement:** To prepare quarterly a statement showing receipts, expenses, and disbursements since the last such statement(s) and post a copy of said statement(s) to the Association Website requiring same.
- n. **Meetings:** To meet at least quarterly, provided that any Board of Directors meeting may be amended and conducted by telephone or other device via video, audio, or both which permits all the Directors in attendance to participate in such meeting. No Director may act for the Board without a vote of approval by the majority of the Board except in the event of an emergency to prevent the loss of life, property or significant damage that must be addressed before a phone call can be made to the Board. As soon as the emergency has been resolved and the Board can be assembled, the Board must review the decision made and vote to approve or moderate the independent action taken by the Director.
- o. **Personnel:** To designate, employ and dismiss the personnel necessary for the maintenance and operation of the common areas or other administration of the Addition.
- p. **Administration of Association:** In general, to carry on the administration of this Association and to do all of those things necessary and reasonable to carry out the governing and operation of this Association.
- q. **Managing Agent:** The Board of Directors may employ for the Association a management agent (Managing Agent), subject to a vote of approval by a majority (51%) of Owners, who shall have and exercise all the powers granted to the Board of Directors by the Declaration and Bylaws.
- r. **Property Manager Duties; Management Agreement:** A property manager/management company may be hired with the approval of a majority vote (51%) of the Owners, to employ workmen and others, to contract for services to be performed including those of a manager:
  - i. to purchase supplies and equipment.
  - ii. to enter into contracts with the approval by a majority of the board present;
  - iii. generally have the powers of the Board in connection with the matters herein set forth as defined by the Bylaws, except that the Association may not encumber or dispose of the fee simple title of any Owner except to satisfy a lien, award or judgement against such Owner for violation of the Owner's covenants imposed by the Declaration and provided by law.

- iv. The Association shall not enter into any contract or management agreement for the furnishing of services (other than utility services), materials, or supplies, not to exceed the terms of which is in excess of one year; and further provided,
  - v. that any contract or management agreement entered into (excluding those utilities) by the Association shall be terminable by the Association for cause upon 30 days written notice or without cause or payment of a termination fee upon ninety (90) days written notice.
    - s. **Ownership of Lots:** To own, convey, encumber, lease or otherwise deal with Lots conveyed to the Association as the result of enforcement of the lien for common expenses or otherwise.
    - t. **All Things Necessary and Proper:** To do all things necessary and proper for the sound and efficient management of the Addition.
    - u. **Tax Exempt Status:** To determine each year the advisability of election of tax-exempt status under the appropriate Section of the Internal Revenue Code.
4. **NO WAIVER OF RIGHTS:** The omission or failure of the Association or any Owner to enforce the covenants, conditions, restrictions, easements, use limitations, obligations and other provisions of the Declaration, the Bylaws or the regulations and rules adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or the Managing Agent shall have the right to enforce the same thereafter.
5. **ELECTION AND TERM OF OFFICE ; STAGGERED OFFICE.** At the first annual meeting of the Association the initial term of office for two Officers of the Board and two non-Officer Directors shall be fixed at two (2) years, the initial term of office for the remaining Officers and the remaining non-Officer Directors shall be fixed at one (1). At the expiration of the initial term of office of each respective Director, his/her successor shall be elected to serve a term of two (2) years unless otherwise noted in Article VI. If more than three (3) Directors are elected by the Association, the terms of the additional Directors should also be staggered so that approximately one-half of the authorized Directors are elected each year. The Directors shall hold office until their successors have been elected and hold their first meeting, except as is otherwise provided. If a successor has not been elected at the end of a Director's term, that Director's term shall be extended until a successor has been elected.
6. **VACANCIES IN BOARD:** Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by appointment by a majority vote of the remaining directors even though they may constitute less than a quorum and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.
7. **REMOVAL OF DIRECTORS:** At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a vote of two-thirds (2/3) of the Owners entitled to vote, and a successor may then and there be elected by Owners to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard by the Owners at the meeting. Should any Director miss three (3) consecutive regular meetings of the Board of Directors or be more than sixty (60) days delinquent in the payment of any dues or assessments, he or she shall be automatically removed from the Board and a successor selected and approved by the Board to fill his unexpired term.



- 8. DIRECTORS' ORGANIZATIONAL MEETING:** The organizational meeting of a newly elected Board of Directors shall be held immediately following the annual Owners' meeting and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present.
- 9. DIRECTORS' REGULAR MEETINGS:** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one such meeting shall be held during each calendar quarter. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, e-mail, via social media, or telegraph. Owners shall be notified by posting the notice of the meeting on the Association Website, by email and posted at entrances to the Addition(s) at least ten (10) days prior to the day named for such meeting. These meetings shall contain open sessions.
- 10. DIRECTORS' SPECIAL MEETINGS:** Special meetings of the Board of Directors may be called by the President on five (5) days' notice to each Director, given personally, by mail, e-mail, telephone, via social media, or by telegraph. Such notice shall state the time, place (as herein provided) and purpose of the meeting. Owners shall also be notified by posting the notice of the meeting on the Association Website, email and at entrances to the Addition(s) at least five (5) days prior to the day named for such meeting. Special Meetings of the Board of Directors shall be called by the President, Secretary or Assistant Secretary of the Association in like manner and on like notice on the request of one or more Directors. These meetings shall contain open sessions.
- 11. ADJOURNMENTS; EXECUTIVE SESSION:** The Board may, with the approval of a majority and a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Homeowners Association is or may become involved in orders of business of a similar nature. The nature of all business to be considered in executive session shall first be announced in open session.
- 12. WAIVER OF NOTICE:** Before or at the meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.
- 13. BOARD OF DIRECTORS' QUORUM:** At all meetings of the Board, a majority of Directors shall constitute a quorum for the transaction of business and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been conducted at the meeting as originally called may be transacted at a future meeting with further notice of time and location to Directors and Owners. Such meeting may be conducted via electronic video/audio means to expedite the attendance of all Directors and Owners (excepting an executive session). Meetings held via electronic video/audio means shall be recorded by the Host of the meeting and provided to the Secretary of the Board.

- 14. COMPENSATION:** No member of the Board of Directors shall receive any compensation for acting as such. However, members of the Board of Directors of the Association may be reimbursed for expenses incurred by them in the performance of Association business, **provided those expenses are provided for by a budget line item (i.e.: office supplies, repairs to entrance gate, etc.) in the Association finances for that purpose, approved by a majority vote (51%) of the board, or in the event of an emergency to the extent of preventing loss of life or property and or serious injury.** Compensation does not include gifts of appreciation or condolences to any member or outgoing Directors.
- 15. CONFLICT OF INTEREST:** The Association hereby adopts the following procedures to hand director' conflicts of interest:
- a. **A director is deemed to have a conflict of interest if any of the following would derive a financial benefit from a contract, Board decision or Board action: the director; the director's parent, grandparent, spouse, child, sibling; or the parent or spouse of the director's parent, grandparent, spouse, child, or sibling.**
  - b. **The director shall disclose the conflict of interest in the matter in an open meeting prior to the discussion and vote on the matter. Such disclosure shall be reflected in the minutes of the meeting or other written form.**
  - c. **The director shall not take part in the discussion and shall leave the room during the discussion and the vote on the matter. Notwithstanding the foregoing, a majority of the disinterested Board members may ask the interested Board member to remain during any portion of the discussion and/or vote, provided that the director does not vote.**
  - d. **The director shall not oversee, approve work, or approve invoices relating to the contract for which there is a conflict of interest.**
  - e. **The interested director shall count for the purpose of establishing a quorum of the Board for the matter in which there is a conflict.**
  - f. **The contract, Board decision or other Board action must be approved by a majority of the disinterested Board members. No contract, Board decision, or other Board action in which a Board member has a conflict of interest shall be approved unless it is commercially reasonable to and/or in the best interests of the Association.**
  - g. **If the interested director fails to disclose the financial interest in violation of this resolution and of Oklahoma law, any contract entered into by the Association will be void and unenforceable. The interested director shall be responsible for any damages arising from the failure to disclose.**
  - h. **Each director shall I be required to sign an acknowledgement of this policy within 30 days of becoming a director, or after the adoption of this requirement whichever is later.**

## **ARTICLE V FISCAL MANAGEMENT**

The provision for fiscal management of the Association for and on behalf of all the members as set forth in the Declaration shall be supplemented by the following provisions:

1. **FISCAL YEAR:** The fiscal year of the Association shall be the calendar year.
2. **DUES; DUE DATE; ADJUSTMENT; COMMENCEMENT:** The annual dues have been set in the Declarations at \$600 per year. The dues shall be collected annually. The initial due date is set at March 1<sup>st</sup> of each year. During the period of Declarant's management, the dues may be adjusted up

or down as necessary for the developing neighborhood. Once a homeowner Board has been elected, the annual dues may be increased each year by the Board of Directors up to 10% of the previous year's dues without a vote of approval of the Owners. Any increase greater than 10% shall be approved by a majority (51%) vote of Owners in attendance at the annual meeting or any special meeting called for that purpose. The Developer and approved Builders who purchase a lot for construction and resale do not pay dues.

3. **ACCOUNTS:** The funds and expenditures of the Owners by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses.
  - a. Current or Common expenses, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies, and working funds, except expenditures chargeable to reserves and to additional improvements.
  - b. Reserves for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.
  - c. Reserves for replacement (sinking funds), which shall include funds for repair or replacement required because of damage, wear, or obsolescence.
  - d. Capital improvements, which shall include funds for construction of new improvements for which reserves for replacement have not been established.

## **ARTICLE VI OFFICERS AND BOARD MEMBERS**

1. **DESIGNATION:** The Officers of the Association's Board of Directors shall be a President, Vice President, Secretary, Treasurer and Member-At-Large ~~Chairman of the Maintenance committee, all of whom shall be members of and elected by the Board of Directors, and such assistant officers as the Board shall, from time to time, elect. Such assistant officers need not be members of the Board of Directors, but each shall be an owner of a Lot.~~ The Directors may establish a position for an Officer who shall serve as Maintenance Chair/Gate (who shall serve as head of the Maintenance Committee) as well as Directors who shall be elected by the Owners within their phase and serve as representatives from each phase of the Addition(s). All Directors shall be duly elected by the Owners. Assistant Members, who shall be Owners, may be appointed temporarily from time to time to assist the Board in specific tasks. Such assistant Members shall not be given a vote in the daily operations of the Board but shall serve in all other manner and hold all other responsibilities and fiduciary duties as the elected Directors. Such Members will not serve or be present when the Board is in Executive Session unless that person(s) is directly related to the issue at hand and asked by the President to be present at the Executive Session.
2. **ELECTION OF OFFICERS:** The officers of the Association shall be elected as specified in the Bylaws by the Board of Directors at the organizational meeting **and confirmed by a vote of approval by the Owners at** the organizational meeting of each new Board. All Directors shall hold their terms of office subject to the continuing approval of the Owners and the Board.
3. **REMOVAL OF OFFICERS:** Upon an affirmative vote of a majority (51%) of the Directors of the Association Board **and confirmed by an affirmative electronic vote of a majority (51%) of the Owners with voting privileges within five (5) days of the Board vote,** any Officer may have his/her office removed either with or without cause, and his successor elected at any regular meeting of the Board of

Directors or at any special meeting of the Board called for such a purpose. Any Director may resign at any point in time with written notice to the Board.

4. **PRESIDENT:** The President of the Board shall be the chief executive officer of the Association. He/She shall preside at all meetings of the Association and the Board of Directors unless he/she is absent. He/She shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Owners from time to time as he/she may, in his/her discretion, decide are important to assist in the operation of the Association or as may be established by the Board or by the Owners of the Association at any regular or special meeting.
5. **VICE PRESIDENT:** The Vice President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his/her inability for any reason to exercise such powers and functions or perform such duties. The Vice President shall also perform any duties he/she is directed to perform by the President.
6. **SECRETARY:**
  - a. The Secretary shall keep all the minutes of the meetings of the Board of Directors and the minutes of all meeting of the Association, he/she shall have charge of such books and papers as the Board of Directors may direct; and he/she shall, in general, perform all the duties incident to the office of Secretary and is provided in the Declaration and the Bylaws.
  - b. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of Owners, as shown on the records of the Association, including:
    - i. last known home address,
    - ii. Lot number(s) or appropriate designation of the Lot owned,
    - iii. email address(s),
  - i. telephone number(s),
  - iv. designated voter(s) of the household (only 1 vote per household shall be cast) or
  - v. designated proxy.

Such list shall be open to inspection by Owners and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.
7. **TREASURER:** The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He/She shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. In the event a Managing Agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the Managing Agent within fifteen (15) days after the first day of the month. **Checks shall require the signatures of two Officers of the Board and expenditures that are not included in operational costs outlined by the annual budget be approved by a majority of the Board.**
8. **Member-At-Large:** The member-at-large Officer shall attend all Board meetings. He/She may serve as liaison between the Owners and the Board of Directors at the annual conference for discussion of any concerns Owners might have. The member-at-large Officer shall function as the contact for the Board

for issues related to the performance and maintenance of the gates and the issuance of key fobs for the gates.

9. The remaining Directors elected to the Board shall serve as the representatives of their phase and shall be elected by the Owners within that phase. In the event the Board needs to replace a Director due to the resignation or removal of an Officer, the position shall be appointed by the President chosen from the representative Phase Directors until such time as the Association can be called for a vote to fill the vacant position.

## ARTICLE VII INSURANCE

1. **GENERAL INSURANCE REQUIREMENT:** To insure and keep insured all of the insurable Common Areas of the Addition, including structures and other improvements thereon, in an amount equal to their maximum replacement value. To insure and keep insured all of the common fixtures, equipment and personal property for the benefit of the Owners of the Lots and their mortgagees. Further to obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than \$250,000.00 per person, \$1,000,000 per accident and \$100,00.00 property damages. And to obtain such other insurance policies as deemed appropriate by the Board of Directors.

NOTE: You might want to discuss coverage with an insurance agent and discuss M and O coverage for the Board Members.

## ARTICLE VIII INDEMNIFICATION OF OFFICERS, DIRECTORS AND MANAGING AGENT

1. **INDEMNIFICATION:** The Association shall indemnify through insurance or other means every Director, Officer, Managing Agent, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including counsel fees, reasonably incurred by him/her in connection with an action, suit or proceedings to which he/she may be made a party by reason of his/her being or having been a Director, Officer, or Managing Agent of the Association, except as to matters as to which he/she shall be finally adjudicated in such an action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his/her duty as such Director, Officer, or Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, Officer or Managing Agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however that nothing in this **Article VIII** shall be deemed to obligate the Association to indemnify any Owner of a Lot who is or has been a Director or Officer of the Association with respect to any duties or obligations assumed or liability incurred by him/her under and by virtue of the Declaration. This Article may be superseded by the specific terms and conditions as provided by the insuring agreement.
2. **NO PERSONAL LIABILITY:** Contracts or other commitments made by the Board of Directors, Officers or the Managing Agent shall be made as agent for the Owners, and they shall have no personal responsibility on any such contract or commitment (except as Owners), and the liability of any Owner

of such contract or commitment shall be limited to such proportionate share of the total liability thereof as the common interest of each Owner to the total assets of the Association.

## ARTICLE IX AMENDMENTS TO BYLAWS

- AMENDMENTS TO BYLAWS:** These Bylaws may be amended by the Initial Board of Directors at any time prior to the first annual meeting of the Owners subject to a two-thirds (2/3) vote of approval by the Owners. Thereafter these Bylaws may be amended by the Association only at a duly constituted meeting called for such purpose or in any regular meeting so long as the notice of such meeting sets forth the complete text of the proposed amendment with written notice given via US mail electronic notice, or email to all Owners no less than 10 days nor more than 30 days prior to the meeting as designated in these Bylaws. No amendment by the Association shall be effective unless approved by a two thirds (2/3) vote of the members present at the first called meeting, or a two-third (2/3) vote of a second called meeting of the members present should a quorum not be met at the first called meeting and memorialized in a writing signed by the Board of Directors. In accordance with Oklahoma statute Title 18 OS 1013 (1), at all times, the amendment power shall be in the Owners entitled to vote. As each new phase is added to the Association, a special amendment meeting/vote will be held to confirm the addition of the phase with a two-thirds (2/3) vote of the Owners.

## ARTICLE X

### EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND DESIGNATION OF VOTING REPRESENTATIVE

- PROOF OF OWNERSHIP:** Any person, on becoming an Owner of a Home/Lot/Homestead, shall furnish to the Managing Agent or Board of Directors a true and correct copy of the original or a certified copy of the recorded instrument vesting that person with an interest or ownership in the Home/Lot/Homestead, which copy shall remain in the files of the Association. An Owner shall not be deemed to be in good standing, nor shall he/she be entitled to vote at any annual or special meetings of Owners unless this requirement is first met.
- CLOSING AND ACKNOWLEDGEMENT OF RESTRICTIONS:** In conjunction with furnishing to parties such as closing agents, notice of any lien claim by the Association for unpaid dues and assessments the Board of Directors, or Managing Agent, shall require the Seller/Lot Owner or the closing agent, to obtain from the Purchaser of a Lot, a signed acknowledgement of receipt of a copy of the Declarations, Articles of Incorporation, Bylaws and the rules or regulations of the Association if any. Copies of these instruments will be furnished by the Association for this purpose to every Home/Lot/Homestead Owner, closing or transfer agent or Purchaser.
- REGISTRATION OF MAILING ADDRESS:** The Owner or several Owners of an individual Lot shall have one and the same registered mailing address to be used by the Association for mailing of annual statements, notices, demands, and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of an Owner or Owners shall be furnished by such Owner(s) to the Managing Agent or Board of Directors within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in

written form and signed by all of the owners of the Lot or by such persons as are authorized by law to represent the interest of the Owner(s) thereof.

**4. DESIGNATION OF VOTING REPRESENTATIVE PROXY:**

- a. If a lot is owned by one person, his/her right to vote shall be established by the record title thereto. If title to a Lot is held by more than one person or by a firm, corporation, partnership, association or other legal entity, or any combination thereof, such Owners shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meetings of members and thereat to cast whatever vote the Owner him/herself/themselves might cast if he/she/they were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended, or sooner terminated by the operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the Owner(s) shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as provided by this paragraph.
- b. The requirements herein contained in this Article shall be first met before an owner of a Lot shall be deemed in good standing and entitled to vote at an annual or special meeting of the Owners.
- c. The Secretary/Assistant Secretary shall create and maintain a file of the Owners of the Association in accordance with Article VI, Paragraph 6, Section b to track the in-person, proxy and electronic voting as well as note the Owners who do not meet the criteria for voting at any Association occasion in which a vote is cast.

## **ARTICLE XI OBLIGATIONS OF THE OWNERS**

1. **ASSESSMENTS:** All Owners shall be obligated to pay the homeowner's dues and other assessments imposed by the Association to meet its expenses. The assessments imposed hereinunder shall be due and payable yearly in advance as provided in **Article V, paragraph 2**. The amount of such assessments may be altered in accordance with **Article V** of the Declaration. An Owner shall be deemed to be in good standing and entitled to vote in any annual or special meeting of the Owners, within the meaning of these Bylaws, if, and only if, he/she/they shall have fully paid all assessments made or levied against him/her/them, and the **Home/Lot/Homestead** owned by him/her/them, and is not in violation of any rule or regulation of the Association then in force.
2. **LIEN(S):** The obligations of each Owner to pay assessments shall be secured by a lien on the Home/Lot in favor of the Association and such obligation shall survive any sale thereof.
3. **GENERAL:**
  - a. Each Owner shall comply strictly with the provisions of the recorded Declaration and these Bylaws and amendments thereto.
  - b. Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this **Addition** was developed.
  - c. Each Owner shall always endeavor to maintain, care for, and maintain their lot/home in accordance with the covenants, conditions and restrictions of the Declaration.

4. **USE OF LOTS:** All Lots shall be utilized only for residential purposes except as otherwise provided in the Declaration and Plat map. Each Home/Lot/Homestead shall be allowed one vote.
5. **USE OF GENERAL COMMON AREAS:** Each Owner may use the general common areas, pathways, roads, and streets located within the entire project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners.

**FUTURE AMENITIES:** Any Owner(s) may propose a future amenity or improvement to the common areas of the Association, in writing, given to the Secretary or Assistant Secretary ten (10) days prior to any open meeting to be reviewed by the Board, Architectural Committee, if appropriate, and Owners. Such proposal for an amenity is subject to a vote of approval by a two-thirds (2/3) vote of Owners. The proposition shall contain pertinent information as to the projected cost or necessary allowance for the amenity:

- a. provision for a location within common areas owned by the Association,
- b. projection of expense for any building, fencing, equipment, roads, sidewalks, hardscape, or landscape necessary for the construction of the amenity,
- c. the maintenance costs including repair or replacement of such immovable property as may be placed upon the property,
- d. a proposal for the provision of funding for the amenity (any funding by the Association or Owners as a special assessment shall be approved by a two-thirds (2/3) vote of the Owners,
- e. projected additional cost to the provision of liability insurance consistent with the Association's insurance requirements for common areas.

## **ARTICLE XII**

### **FINES; ABATEMENT AND ENJOINMENT OR VIOLATIONS BY OWNERS; DISPUTE RESOLUTION**

The Board of Directors shall, at its sole option and discretion, have available the following power and authority for the enforcement of the Declarations, the Bylaws of the Association and any Rules and Regulations duly adopted by the Board.

1. **ABATEMENT AND ENJOINMENT:** Subject to the provisions contained in this Article, the violation of any rule or regulation accepted by the Board of Directors or the breach of any Bylaws, or the breach of any provision of the Declaration, shall give the Board of Directors or the Managing Agent the right, after exhausting all attempts at due process to resolve the breach at the lowest possible level as established by the Association and outlined in this Article to remediate the same, and in addition to any other rights set for therein to:
  - i. enter the Lot on which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Lot Owner, any person, structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Directors or Managing Agent shall not be deemed guilty in any manner of trespass, and to expel, remove and put out, using such force as may be necessary in so doing, without being liable to prosecution or any damages thereof; and
  - ii. enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.



2. **IMPOSITION OF FINES; DUE PROCESS:** The Board of Directors may impose Fines for the violation of the Declarations, the Bylaws, or any Rules or Regulation duly adopted by the Board. In order to afford due process to each Owner before any punitive actions may be finally imposed by the Board of Directors, each Owner shall have the right to a hearing before the Board of Directors, en banc (as a tribunal). The Owner is entitled to notice of the hearing of the Board's intended imposition of a fine or other punitive action, of not less than **fifteen (15)** days written notice served upon the Owner by certified mail with return receipt requested. At said hearing, the Owner shall be entitled to present evidence for the purpose of avoiding or mitigating any penalty or punitive action at which hearing both the Association and the Owner may present evidence and witnesses. The Board of Directors shall resolve the dispute and announce its decision **within three (3) business days**, which in such instances shall be final as to all matters.
3. **DENIAL OF USE OF AMENITIES:** Should any Owner be in default in the payment of any dues, assessments, or other sums due under the Terms of the Declaration or these Bylaws, or be in violation of any of the terms of the Declaration, these Bylaws, or any rule or regulations then in force, after due notice to correct such violation, then in any such events, such Owner shall be denied the use of any of the amenities **until** such default or violation is appropriately cured.
4. **MANDATORY DISPUTE RESOLUTION FOR NON-MONETARY DISPUTES:** As an alternative to the imposition of Fines, the Association and every Owner may resort to a mandatory dispute resolution process in lieu of litigation for non-monetary violation(s) of the Declaration, these Bylaws and/or Rules and Regulations adopted pursuant thereto. The election to submit to this process shall be agreed to by both parties. However, the Association shall not be required to this dispute resolution process in the collection or assessment of any dues, fines, costs, assessments, or any other monetary items.

For the purposes of this paragraph, Mandatory Dispute Resolution shall include the following procedures:

- a. The Board may provide a process of remediation to resolve a dispute that would allow for an option of self-mediation between parties.
- b. **Facilitator:** When the Board believes an Owner is violating one or more provisions of the Association Documents, the Board may employ an independent third-party to function as a "Facilitator". The Facilitator is authorized to contact both parties to the dispute and enter a written memorandum of the results of his/her attempt to settle the dispute including which party should pay the Facilitator's fee, if any. If the Facilitator is not able to settle the dispute, after receipt of the written memorandum, a party may choose to proceed to mediation as described in **paragraph B** below. The Facilitator may be any individual, including another owner, if both parties agree, or if the Owner does not respond to the Board's request for a Facilitator, the Board shall employ an individual who holds themselves out as someone who regularly engages in dispute resolutions.
- c. **Mediation:** In the event a dispute is not settled after facilitation, the parties shall participate in mediation in accordance with Oklahoma Statutes, Title 12, Chapter 37: Dispute Resolution Act, Section 1801-1806 and The District Court Mediation Act, Chapter 38, Section 1821-1825. The parties shall share equally in the costs of the mediation. A list of

qualified mediators shall be chosen by each party to the dispute and presented to the other party. In the event the parties cannot agree as to a mediator, the facilitator shall choose the mediator.

- d. **Binding Arbitration:** In the event the parties are unable to settle the dispute through mediation, such dispute shall be settled by arbitration in accordance with (i) Oklahoma's Uniform Arbitration Act and, (ii) if additional rules and procedures are necessary, the rules of the American Arbitration Association in effect at the time such arbitration is initiated. The mediator shall choose the Arbitrator and the hearing shall be held at a mutually convenient location in Logan or Oklahoma counties. The decision of the arbitrator shall be final and binding on all Parties and shall be enforceable in any court of competent jurisdiction. The prevailing party at such arbitration shall be awarded the costs of the arbitration and the costs of all filing fees and related administration costs. Administrative and other costs of enforcing an arbitration award, including the costs of subpoenas, depositions, transcripts, and the like, witness fees, payment of reasonable attorney's fees, and similar costs related to collecting an arbitrator's award, will be added to, and become a part of, the amount due. Any questions involving the interpretation of this provision shall use the laws of Oklahoma. An arbitrator's decision may be entered into any jurisdiction in which the party has assets in order to collect any amounts due hereunder.

## ARTICLE XIII COMMITTEES

1. **DESIGNATION:** The Board of Directors may, but shall not be required to, appoint an executive committee, and it may designate and appoint members to standing committees or special ad-hoc committees for any useful or worthwhile purpose to function in an advisory capacity to the Board of Directors. The Board may establish rules for the conduct of these committees and may delegate responsibility to said committees. Suggested Committees for the Board to consider appointing and their respective membership are as follows:
  - a. **Welcoming Committee:** The welcoming committee shall have the responsibility of assisting new residents in settling into their Lots and becoming a part of the Association by means of, among other things, a directory of the current Directors and the Website address for the Association.
  - b. **Social Committee:** The Social Committee shall have the responsibility of planning programs to make the best possible use of the facilities and amenities of the Association by the means of developing an ongoing program of interaction and involvement.
  - c. **Maintenance/Gate Committee:** The Maintenance/Gate Committee shall have primary responsibility for the day-to-day performance and planning of all maintenance, replacement and repair of the Common Areas and Association property. Members of the Maintenance Committee/ Gate shall be chosen by the Board of Directors so as to allow proportional representation of Lots. The Maintenance/Gate Committee shall also be responsible for estimating future needs for replacement and repair of the Common Areas and Association property and presenting that plan to the Board of Directors thirty (30) days prior to the budget being due.
  - d. **Architectural Committee:** The Architectural Committee, consisting of at least three (3) to five (5) persons, shall be chaired by a Board member and shall be responsible for the approval or denial of any requests for changes, additions, or alterations to any structure on a Lot.

2. **VACANCIES:** A vacancy in any committee shall be filled by the President until the next meeting of the Board of Directors.

## ARTICLE XIV COMPENSATION

This Association is not organized for profit. No Owner, Member of the Board of Directors, Officer or person from whom the Association may receive any property or funds or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary, credit for dues or compensation to, or distributed to, or inure to the benefit of any member of the Association or the Board of Directors for normal Board Member duties, with the following exceptions;

1. A member, Director or Officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association; and
2. A member may in engage in business with the Association for normal repair and/or maintenance activities (e.g., gate, wells, landscaping, roads, etc.) provided that Article IV, Section 15 of these Bylaws are not violated.

## ARTICLE XV EXECUTION OF DOCUMENTS

The persons who shall be authorized to execute any and all contracts, documents, instruments or conveyance or encumbrances, including promissory notes, shall be the President or Vice-President and the Secretary of Assistant Secretary of the Association.

## ARTICLE XVI MISCELLANEOUS

1. **CONFLICT IN DOCUMENTS:** In the event that any inconsistency or conflict exists between the items of the Declaration, these Bylaws, or any rule or regulation then in force, the inconsistency or conflict shall in every instance be controlled by the Declaration.
2. **EXCULPATION OF UNAVOIDABLE LOSS:** The Association shall not be liable for any loss to any Owner or inflicted upon any Lot or the property of the Owner situated therein, brought about by flooding, water damage caused by burst pipes, acts of God or other force majeure. It is intended that for losses of this nature each Owner will bear the same or effect his/her/their own insurance to cover the same. Each Owner may obtain additional insurance at his own expense for his own benefit. Insurance coverage on all furnishings, decorations and other personal property belonging to an Owner and casualty and public liability insurance coverage within each individual Lot are specifically made the responsibility of the Owner thereof.