

**BYLAWS OF BROOKHAVEN
HOMEOWNERS ASSOCIATION OF EDMOND, INC.**

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BYLAWS OF BROOKHAVEN HOMEOWNERS ASSOCIATION OF EDMOND, INC.

Article 1 Name, Principal Office, and Definitions

- 1.1 Name.** The name of the corporation is Brookhaven Homeowners Association of Edmond, Inc. (the "Association").
- 1.2 Mailing Address.** The mailing address of the Association shall be located at P.O. Box 30251 in Edmond, Oklahoma 73003. The Association may have such offices, either within or outside the State of Oklahoma, as the Board of Directors may determine or as the affairs of the Association may require.
- 1.3 Definitions.** The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that certain Recorded Covenants as it may be amended, unless the context indicates otherwise.

1. "Covenants": The "Restrictive Covenants of Brookhaven North" as listed by Plat and as it may be amended.

Plat 1 – Amended And Restated Restrictive Covenants Of Brookhaven North, a Subdivision within the City of Edmond, Oklahoma County, Oklahoma, Blocks 1 Through 4, inclusive, filed at Book 46, page 15 for the Brookhaven North Addition, located within the City of Edmond, Oklahoma County, State of Oklahoma, according to the Recorded Plat thereto; and

Plat 2 – Restrictive Covenants of Brookhaven North a Subdivision of a part of the NE ¼ of Section 24, Township 14 North, Range 3 West, of the I.M., Oklahoma County, Oklahoma, Blocks 5 through 8, both inclusive; and

Plat 3 - Restrictive Covenants of Brookhaven North a Subdivision of a part of the NE ¼ of Section 24, Township 14 North, Range 3 West, of the I.M., Oklahoma County, Oklahoma, Blocks 9 through 15, both inclusive.

2. "Property(ies)": Land embraced and included within Brookhaven North, Blocks 1-15, inclusive, an Addition to Edmond, Oklahoma County, State of Oklahoma.
3. "Modifications": Any buildings, structures, installations, improvements, outbuildings, additions, garages, and carports erected, placed or altered on any of the Lots or Blocks in Brookhaven North.

4. "Member": Any Person on becoming the Owner of a Lot within any Plat or Plats within Brookhaven North subject to mandatory participation within the Association; or any Person voluntarily subjecting their Lot to the Association by declaration shall be a full member of the Association. Only Members may vote to create, change or end any Base Assessment or Special Assessment.
5. "Associate Member": Any Person on becoming the Owner of a Lot within any Plat or Plats of Brookhaven North not subject to mandatory participation within the Association shall be an Associate Member of the Association upon payment of the assessments in effect at that time. Associate Members in good standing shall have a vote in the election of Board members, Officers, and regular business of the Association. Due to lien implications upon Members, Associate Members shall not have a vote in Base Assessments or Special Assessments.
6. "Active Member": A Member and an Associate Member, collectively.

Article 2 Association Membership, Meetings, Quorum, Voting, Proxies

- 2.1 Membership.** Membership of the Association consists of Members and Associate Members (Active Members).

Active Members shall be subject to the Bylaws. Membership shall terminate without any formal Association action whenever such Person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligations 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 such former Owner arising out of or in any way connected with ownership and membership and the Covenants and obligations incident thereto. An Associate Member's membership terminates on an annual basis unless such Associate Member renews his or her membership as provided within these Bylaws.

- 2.2 Place of Meetings.** Meetings of the Association shall be held at such a suitable place convenient to Active Members as the Board may designate.
- 2.3 Annual Meetings.** Meetings shall be of Active Members. Regular annual meetings shall be set by the Board to occur during the second or third quarter of the Association's calendar year on a date and at a time set by the Board.

2.4 Special Meetings. Subject to the Board's discretion, the President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board, upon a petition signed by Active Members representing at least twenty five percent (25%) of the total votes of the Association.

2.5 Notice of Meetings. Written, electronic, or printed notice stating the place, day, and hour of any meeting of Active Members shall be:

1. Posted at the Covell and Bryant entrances to Brookhaven North Addition;
or
2. Posted on the Association's website; or
3. Delivered personally, or by postal mail, or by electronic mail to each Active Member entitled to vote at such meeting.

Meeting notices shall be provided not less than 10 or more than 60 days before the date of such meeting as directed by the President, Secretary, the officers or persons calling the meeting.

Notices for special meetings or for meetings otherwise required by statute or these Bylaws shall state the purpose or purposes for which the meeting is called. No business shall be transacted at a special meeting except as stated in the notice.

Meeting notices shall be deemed delivered when:

1. Delivered personally; or
2. Delivered by postal mail, three days after deposit in the United States mail addressed to the Active Member, at such Active Member's address as it appears on the records of the Association, with postage prepaid; or
3. Posted, three days after such notice is posted at the Covell and Bryant entrances to Brookhaven North Addition; or
4. On the date sent by electronic transmission, as follows:
 - a. by facsimile, when directed to a number at which the Active Member has consented to receive notice;
 - b. by electronic mail, when directed to an electronic mail address at which the Active Member has consented to receive notice;
 - c. by a posting on an electronic network together with separate notice to the Active Member of such posting, upon the later of such posting, and the giving of such separate notice; or
 - d. by any other form of electronic transmission when directed and consented to by the Active Member.

- 2.6 Waiver of Notice.** Waiver of notice of a meeting of Active Members shall be deemed the equivalent of proper notice. Any Active Member may waive, in writing, notice of any meeting of Active Members, either before or after such meeting. Attendance at a meeting by an Active Member shall be deemed a waiver by such Active Member of notice of the time, date, and place thereof, unless such Active Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall be deemed a waiver of notice of all business transacted at such meeting, unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.
- 2.7 Adjournment of Meetings.** If any meeting of the Association cannot be held because a quorum is not present, a Majority of Active Members who are present at such meeting may adjourn the meeting as provided within Section 2.11 “Quorum” within these Bylaws.
- 2.8 Voting.** There shall be one vote per each Lot owned. Co-owners or joint tenants may only exercise one vote. No fractional votes are allowed.

A Member or an Associate Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Active Members, within the meaning of these Bylaws, if, and only if:

1. They have fully paid all assessments made or levied against them and the Lot or Lots owned by them, or they are making payments in good faith under a written payment arrangement with the Treasurer, and
2. They are not in violation of any rule or regulation of the Association then in force.

The voting rights of the Members shall be as set forth in the Covenants and in these Bylaws, and the voting rights of the Associate Members shall be as set forth in these Bylaws.

- 2.9 Proxies.** On any matter as to which an Active Member is entitled personally to cast the vote for a Lot, such vote may be cast in person, by written ballot, or by proxy, subject to the limitations of Oklahoma law relating to use of general proxies and subject to any specific provision to the contrary in the Covenants or these Bylaws.

Every proxy shall be in writing specifying the Lot for which it is given, signed by an Active Member or such Active Member’s duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. If such proxies have not been properly completed or returned in a timely fashion to the Secretary and an Active Member or such Active Member’s duly authorized attorney-in-fact does not personally appear at a meeting, the proxy of the Active Member shall be deemed to have been given to the President for quorum purposes. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Active Member

giving such proxy is entitled to cast. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid; however, such conflicting proxies shall be counted for purposes of determining the presence of a quorum.

Every proxy shall be revocable and shall automatically cease upon:

1. Conveyance of any Lot for which it was given;
2. Receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of an Active Member who is a natural person; or
3. On the date specified in the proxy.

2.10 Majority. As used in these Bylaws, the term "Majority" shall mean those votes, Owners, or other group as the context may indicate, totaling more than fifty percent (50%) of the total eligible number thereof.

2.11 Quorum. Except as otherwise provided in these Bylaws or in the Covenants, the presence of Active Members representing one quarter (25%) of the total Member and Associate Member votes in the Association shall constitute a quorum at all meetings of the Association except as otherwise provided in the Articles of Incorporation, the Covenants, or these Bylaws. If, however, such quorum is not present or represented at any meeting, Active Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, and the Active Members present or represented at the rescheduled meeting shall automatically constitute a quorum.

For purposes of Special Assessment votes, the presence of Members representing one half (50%) of the total Member votes in the Association shall constitute a quorum. If, however, such quorum shall not be present or represented at a Special Assessment vote meeting, then the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, with proper notice to Members, and the Members present or represented at the rescheduled meeting shall automatically constitute a quorum.

Any Active Member or their duly authorized attorney-in-fact not personally present at a meeting and who has not properly completed or returned their proxy in a timely fashion to the Secretary shall be deemed to have given to the President the vote of such Active Member for quorum purposes. If the President is unable to serve or attend, then said proxy shall pass to the Vice President.

- 2.12 Conduct of Meetings.** The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.
- 2.13 Action without a Meeting.** Any action required or permitted by law to be taken at a meeting of Active Members may be taken without a meeting, without prior notice, and without a vote if written consent specifically authorizing the proposed action is signed by Active Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Active Members entitled to vote thereon were present. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of Active Members at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give notice to all Active Members entitled to vote who did not give their consent, fairly summarizing the material features of the authorized action.

Article 3 Board of Directors: Number, Powers, Meetings

3.1 Composition and Selection.

3.1.1 Governing Body and Composition. The affairs of the Association shall be governed by a Board of Directors (Board). Each director on the Board shall have one vote. The directors shall be Active Members provided, however, no Active Members representing the same Lot may serve on the Board at the same time. In the case of an Active Member which is not a natural person, any officer, director, partner, or trust officer of such Active Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Active Member; provided, no Active Member may have more than one such representative on the Board at a time. Directors must be Active Members in good standing throughout their term of office. A majority of the directors shall be Members.

3.1.2 Number of Directors. The Board shall consist of no less than three or more than nine directors, as provided in Section 3.1.4 “Election and Term of Office” below. The initial Board shall consist of three directors as identified in the Articles of Incorporation.

3.1.3 Nomination and Election Procedures.

Nominations and Declarations of Candidacy. Prior to each election of directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible Person that has a bona-fide interest in serving as a director may file as a candidate for any position to be

filled by Active Member votes. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient, and cost-effective manner.

Nominations for election to the Board may also be made by a Nominating Committee. The Nominating Committee, if any, shall consist of a Chairman, who shall be a Board member, and three or more Active Members or representatives thereof. The members of the Nominating Committee shall be appointed by the Board not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced in the notice of each election.

The Nominating Committee may make as many nominations for election to the Board as it shall, in its discretion, determine. The Nominating Committee shall nominate separate slates for the directors, if any, to be elected at large by Active Member votes. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Each candidate shall be given a reasonable, uniform opportunity to communicate qualifications to Active Members and to solicit votes.

Election Procedures. Each Member or Associate Member may cast all votes assigned to the Lots which such Member or Associate Member represents for each position to be filled from the slate of candidates on which such Member or Associate Member is entitled to vote. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.1.4 Election and Term of Office. At the first annual meeting, three or more directors shall be elected by Active Members. Two directors shall serve a term of two years, and one director shall serve a term of one year, as such directors determine among themselves. If more than three directors are elected, the number of directors elected greater than three shall serve one year terms.

Upon the expiration of the term of office of each director elected by Active Members, Active Members entitled to elect such director shall be entitled to elect a successor to serve a term of two years. The directors elected by Active Members shall hold office until their respective successors have been elected.

3.1.5 Removal of Directors and Vacancies. Any director elected by Active Members may be removed, with or without cause, by the vote of Active Members holding a Majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by Active Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by Active Members who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent (or is the representative of an Active Member who is so delinquent) in the payment of any assessment or other charge due the Association, may be removed by a Majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, resignation, or termination of membership of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time Active Members entitled to fill such directorship may elect a successor for the remainder of the term.

3.2 Board Meetings.

3.2.1 *Organizational Meetings.* The first meeting of the Board following each annual meeting of the membership shall be held within 30 days thereafter at such time and place the Board shall fix.

3.2.2 *Regular Meetings.* Regular meetings of the Board may be held at such time and place a Majority of the directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one per quarter. Notice of the time and place of a regular meeting shall be communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

3.2.3 *Special Meetings.* Special meetings of the Board shall be held when called by written notice signed by the President or Vice President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by:

1. Personal delivery; or
2. First class mail, postage prepaid; or
3. Telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or
4. Facsimile, computer, fiber optics, electronic mail, or such other communication device.

All such notices shall be given at the director's telephone number, fax number, electronic mail number, or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

3.2.4 Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (1) a quorum is present; and (2) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes.

The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.2.5 Telephonic and Electronic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting. Participation may include voting by electronic communication as determined appropriate by the President and in accordance with Quorum rules.

3.2.6 Quorum of Board. At all meetings of the Board, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Covenants. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a Majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.2.7 Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by Active Members representing a Majority of the total Active Member votes in the Association at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a Majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a Majority of the Board, excluding the interested director.

3.2.8 Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.2.9 Notice to Owners and Open Meetings. Except in an emergency, notice of the time and place of Board meetings shall be posted at least 48 hours in advance of the meeting as the Board establishes for the posting of notices relating to the Association. Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment. Subject to the provisions of Section 3.2.10 “Action Without a Formal Meeting”, all meetings of the Board shall be open to Active Members and, if required by law, all Owners, but attendees other than directors may not participate in any discussion or deliberation unless permission to speak is authorized by a vote of the Majority of a quorum of the Board. In such case, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than directors, to discuss any or all of the following:

1. Employment or personnel matters for employees of the Association;
2. Legal advice from an attorney retained for the Board or the Association;
3. Pending or contemplated litigation; or
4. Pending or contemplated matters relating to enforcement of the Governing Documents.

3.2.10 Action without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

3.3 Powers and Duties.

3.3.1 Powers. The Board shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Covenants, these Bylaws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things which the Covenants, Articles, these Bylaws, or Oklahoma laws do not direct to be done and exercised exclusively by Active Members or the membership generally.

3.3.2 Duties. The duties of the Board may include, without limitation:

1. Preparing and adopting an annual budget and establishing each Owner's share of the Common Expenses;
2. Providing for the operation, care, upkeep, and maintenance of the Common Area;
3. Designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
4. Depositing all funds received on behalf of the Association in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board's business judgment, in depositories other than banks;
5. Proposing and coordinating the amendment of use restrictions and rules in accordance with the Covenants;
6. Opening of bank accounts on behalf of the Association and designating the signatories required;
7. Making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Covenants and these Bylaws;
8. Enforcing the provisions of the Covenants, these Bylaws, and the rules adopted pursuant thereto and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board in the exercise of its business judgment determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;
9. Obtaining and carrying reasonable and available property and liability insurance and fidelity bonds, paying the cost thereof, and filing and adjusting claims, as appropriate;
10. Paying the cost of all services rendered to and approved by the Association;
11. Keeping books with detailed accounts of the receipts and expenditures of the Association;
12. Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Brookhaven North Addition;
13. Indemnifying a director, officer, or committee member, or former director, officer, or committee member of the Association to the extent such indemnity is authorized by Oklahoma law, the Articles of Incorporation, or the Covenants;
14. Assisting in the resolution of disputes between Owners and others without litigation.

3.3.3 Management. The Board may employ for the Association a professional manager agent or agents (Managing Agent) at such compensation as the Board may establish to perform such duties and services as the Board shall authorize. The manager may be a corporation or an individual. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority or those duties set forth in Sections 3.3.2(1-2), 3.3.2(5-6), 3.3.2(8), and 3.3.2(13-14) "Duties."

The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the manager, if any, which might arise between meetings of the Board.

3.3.4 Accounts and Reports. The following management standards of performance may be followed unless the Board by resolution specifically determines otherwise.

1. Cash accounting, as defined by generally accepted accounting principles, shall be employed.
2. Accounting and controls should conform to generally accepted accounting principles.
3. Cash accounts of the Association shall not be commingled with any other accounts.
4. No remuneration shall be accepted by the manager, officers, or Board members from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association.
5. Any financial or other interest which the manager may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board.
6. Commencing at the end of the quarter in which the first Lots is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:
 - a. An income statement reflecting all income and expense activity for the preceding period on a cash basis;
 - b. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - c. A balance sheet as of the last day of the preceding period; and
 - d. A delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless otherwise specified by Board resolution).

7. An annual report consisting of at least the following shall be made available to Active Members within 120 days after the close of the fiscal year:
 - a. A balance sheet;
 - b. An operating (income) statement; and
 - c. A statement of changes in financial position for the fiscal year.

Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines.

3.3.5 *Borrowing.* The Board on behalf of the Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Active Member approval in the same manner provided in the Covenants and these Bylaws for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year.

3.3.6 *Right to Contract.* The Board on behalf of the Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, and other owners or residents' associations, within and outside the Properties. Any common management agreement shall require the consent of an absolute Majority of the Board.

3.3.7 *Enforcement.* The Board on behalf of the Association shall have the power, if provided in the Covenants of Member Properties, to impose sanctions for any violation of any duty imposed under Brookhaven North Governing Documents. In the event that any Owner, occupant, tenant, employee, guest, or invitee of a Lot violates the Covenants, Bylaws, or a rule and a fine is imposed, the fine shall be assessed against the Owner.

The Association shall not be obligated to take any enforcement action if the Board reasonably determines that the Association's position is not strong enough to justify taking such action in accordance Section 3.3.8 "Property Violation Notification and Due Process Requirements." Such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other covenant, restriction, or rule.

The Association, by contract or other agreement, may, but shall not be obligated to, enforce applicable city and county ordinances, if applicable, and may, but shall not be obligated to, permit Oklahoma County or the City of Edmond to enforce ordinances within the Properties for the benefit of the Association and Active Members.

In conducting the business of the Association, the Board, at all times, shall act within the scope of Brookhaven North Governing Documents and in good faith to further the legitimate interests of the Association and Active Members. In fulfilling its governance responsibilities, the Board shall limit its actions to those reasonably related to the Association's purposes; those reasonably related to or within the Association's powers, as provided by Brookhaven North Governing Documents and as provided by the laws of the State of Oklahoma; and those that are reasonable in scope. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in Brookhaven North Governing Documents.

3.3.8 Property Violation Notification and Due Process Requirements.

Notice. Prior to imposition of any sanction hereunder or under the Covenants, the Board or its delegate shall serve the Owner of the Lot in violation with written notice describing:

1. The nature of the alleged violation;
2. The proposed sanction to be imposed;
3. A period of not less than fourteen (14) days within which the Owner is to correct the alleged violation, or present a written request for a hearing to the Architectural Review Committee (ARC), or the Covenants Committee (CC), if these have been appointed pursuant to Article 5, or the Board; and
4. A statement that the proposed sanction shall be imposed as contained in the notice unless a hearing is begun within 14 days of the notice.

If the Owner of the Lot does not request a hearing within 14 days from the notice date, the sanction stated in the notice shall be imposed; provided that the ARC, CC, or Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within 14 days from the notice date. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

Hearing. If a hearing is requested within the allotted 14-day period, the hearing shall be held before the ARC, CC, or Board in executive session, as applicable. The Owner of the Lot in violation shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Person, who delivered such notice. The notice requirement shall be deemed satisfied if the Owner of the Lot in violation or their

representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The ARC, CC, or Board will notify the Owner in writing of the hearing results and any imposed sanctions.

Appeal. Following a hearing before the ARC or CC, the Owner of the Lot in violation shall have the right to appeal the decision to the Board. To exercise this right, a written notice of appeal must be received by the President or Secretary of the Association within 10 days after the ARC or CC hearing date. A vote of two-thirds (2/3) of the Board shall be necessary to overrule a decision of the ARC or CC.

Article 4 Officers

- 4.1 Officers.** The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President and Secretary shall be elected from among the Board members; other officers may, but need not be Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary. Officers must be Active Members in good standing throughout their term of office.
- 4.2 Election and Term of Office.** The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of Active Members, to serve until their successors are elected.
- 4.3 Removal and Vacancies.** The Board may remove any officer whenever in the Board's judgment the best interests of the Association shall be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.
- 4.4 Powers and Duties.** The officers of the Association each shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board. The duties of the officers are as follows:
1. **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board and of Active Members; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, deeds, contracts, and other written instruments.

2. Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the Vice-President by the Board.
 3. Secretary. The Secretary or a designated agent shall record the votes and keep the minutes of all meetings and proceedings of the Board and of Active Members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board and of Active Members; shall keep appropriate current records showing Active Members of the Association together with their addresses; and shall perform such other duties as required by the Board.
 4. Treasurer. The Treasurer or a designated agent shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign or authorize a designated agent to sign promissory notes and checks of the Association; shall keep proper books of account; shall prepare and send invoices for assessments due and statements for balances owed to all Owners; shall cause an annual compilation report of the Association books to be made; and shall have primary responsibility for the preparation of the budget to be presented to the membership at its regular annual meeting and deliver a copy to Active Members. The Treasurer may delegate all or part of the preparation and notification duties to a finance committee, manager, or both.
- 4.5 Resignation.** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 4.6 Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.
- 4.7 Compensation.** Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.2.7 "Compensation."

Article 5 Committees

5.1 General. The Board may, but shall not be required to, appoint any of the following standing committees and/or any other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the following applicable guidelines and/or with the terms of such resolution, unless hereinafter amended or waived in writing.

5.2 Standing Committees.

5.2.1 Architectural Review Committee (ARC). The ARC shall consist of three (3) Active Members, of whom a majority shall be Members, appointed by the Board. The ARC shall oversee the conformity and harmony of any Modifications with the Plat, setback lines, and Covenants on Lots located in Brookhaven North.

1. Quorum of ARC. An affirmative vote of Majority of ARC members, which shall be the required quorum of the ARC, is required to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval, or the like pursuant to the authority contained in these By-laws.
2. Approval, Copy of Plans and Specifications Deposited, Lapse of Time Paramount to Approval.
 - a. The ARC shall review building plans, specifications and plot plan (proposed plans) submitted by the Owner showing the type, style, specifications, and location of the Modifications on the Lot.
 - b. A Majority of the ARC shall either approve or disapprove the Owner's proposed plans within thirty (30) days from the date the Owner submits the proposed plans. The ARC shall notify the Owner of its decision in writing. If the ARC fails to approve or disapprove the proposed plans within 30 days after submission, such approval is not required.
 - c. When the ARC approves the Owner's proposed plans, the ARC shall keep a copy of the approved plans and specifications in the ARC's permanent records and return a copy of such plans and specifications bearing such approval, in writing, to the Owner.
3. Construction; Limitations; Deviations from Plans and Specification.

Construction or alterations in accordance with plans and specifications approved by the ARC shall begin within six (6) months following the ARC approval date, and shall be substantially completed within twelve (12) months following the beginning date, or within such longer period as

the ARC shall specify. In the event construction is not started within the period aforesaid, then approval of the plans and specifications by the ARC shall be conclusively deemed to have lapsed and compliance with the provisions of Section 5.2.1(2) "Approval" shall again be required. There shall be no deviations from plans and specifications approved by the ARC without the prior consent in writing of the ARC. Approval for use on any Lot of any particular plans and specifications or design shall not be construed as a waiver of the right of the ARC to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use upon any other Lot or Lots.

4. Certificate of Compliance.

Upon the completion of the Modifications in accordance with plans and specifications approved by the ARC, the ARC shall, at the request of the Owner, issue a certificate of compliance which shall be evidence that the building, or other improvements or structure referenced in such certificate has been approved by the ARC and constructed or installed in full compliance with the approved plan and with such other provisions and requirements of these Bylaws as may be applicable.

5. Rules and Regulations of ARC.

The ARC shall from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval. The ARC shall publish such statements of policy, standards, or guidelines. The ARC may also establish such criteria relative to architectural styles or details, or other matters, as it may consider necessary and appropriate. No such rules, regulations, statements, criteria, or the like shall be construed as a waiver of the provisions of Section 5.2.1(2) "Approval" or any other provision or requirement of the Covenants. The ARC may charge and collect a reasonable fee, to be approved by the Board, for the examination of any plans and specifications submitted for approval.

6. Enforcement; Right to Correct Violations.

In the event any Modifications are started, erected, placed, moved, or maintained on any Lot, other than in accordance with the provisions and requirements of Section 5.2.1(2) "Approval", then those Modifications are considered to have been undertaken in violation of Section 5.2.1(2) and without the required approval of the ARC. The ARC shall notify the Owner of the Lot of the applicable violation in accordance with Section 3.3.8 "Property Violation Notification and Due Process Requirements."

Upon written notice from the ARC, the Owner shall have 14 days from the date of that notice to remove such unapproved Modifications or request a hearing in accordance with Section 3.3.8. In the event the Owner of the Lot does not remove the unapproved Modifications or does not otherwise terminate the violation, or does not request a hearing within 14 days from the date of notice of such violation, then the Association shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate such violation.

The Association shall assess costs thereof against the Lot of an Owner upon which the Modifications have occurred. The Association shall render a statement for the amount thereof to the Owner of said Lot at which time the assessment shall become due and payable and a continuing lien upon said Lot and an obligation of the Owner. The assessment may be enforced as provided in Section 20.3.4 "Specific Assessments" of the Covenants.

The Association shall have the further right, through its agents, employees, or committees, to enter upon and inspect any Lot at any reasonable daylight hour for the purpose of determining whether any violation of the provisions of this Section 5.2.1(2) "Approval" or any of the other provisions or requirements of the Covenants exist on such Lot. However, no such entry and inspection shall be taken without a resolution of the Board and after reasonable notice to the Owner of such Lot. Neither the Association nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

7. Appointment of ARC Member.

In the case of the death of any ARC member, the surviving ARC members shall have the authority to appoint a successor ARC member to fill any vacancy created by the death of the ARC member. The newly appointed member shall have the same authority hereunder as their predecessors.

5.2.2 Covenants Committee (CC). The CC, consisting of the members of the ARC, shall have the duties of reviewing, inspecting, and enforcing covenant violations.

1. Quorum of CC. An affirmative vote of Majority of CC members, which shall be the required quorum of the CC, is required to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling, or order, or to issue any permit, consent, authorization, approval, or the like pursuant to the authority contained in these By-laws.

2. Rules and Regulations of CC.

The CC shall from time to time adopt and promulgate such rules and regulations regarding enforcement of covenant violations. The CC shall publish such statements of policy, standards, or guidelines. No such rules, regulations, statements, criteria, or the like shall be construed as a waiver of any of the Covenants and/or conditions contained the Covenants.

3. Enforcement; Right to Correct Violations.

In the event any Owner and/or tenants of any Lot or Lots in Brookhaven North violate any of the Covenants and/or conditions contained within the Covenants, the CC shall notify the Owner of the applicable violations in accordance with Section 3.3.8 “Property Violation Notification and Due Process Requirements.”

Upon written notice from the CC, the Owner shall have 14 days from the date of that notice to remove such Covenant violations or request a hearing in accordance with Section 3.3.8. In the event the Owner of the Lot does not request a hearing in accordance with Section 3.3.8, and the Covenant violations are not removed or are not otherwise terminated, within 14 days from the notice date of such violation, then the Association shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate such violation.

The Association shall assess costs thereof against the Lot of an Owner upon which the Covenant violations have occurred. The Association shall render a statement for the amount thereof to the Owner of said Lot at which time the assessment shall become due and payable and a continuing lien upon said Lot and an obligation of the Owner. The assessment may be enforced as provided in Section 20.3.4 “Specific Assessments” of the Covenants.

The Association shall have the further right, through its agents, employees, or committees, to enter upon and inspect any Lot at any reasonable daylight hour for the purpose of determining whether any Covenant violations exist on such Lot. However, no such entry and inspection shall be taken without a resolution of the Board, and after reasonable notice to the Owner of such Lot. Neither the Association nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

5.2.3 Communications Committee. The Communications Committee, consisting of at least two (2) Active Members, shall have the responsibility of preparing newsletters and other notices, maintaining the Association webpage, and disseminating information through these and other mediums to inform the Active Members of Association business matters and activities.

5.2.4 Beautification Committee. The Beautification Committee, consisting of at least two (2) Active Members, shall have the responsibility of planning programs that conserve, enhance, and protect the Common Area.

5.2.5 Welcoming Committee. The Welcoming Committee, consisting of at least two (2) Active Members, 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 welcome letter, a copy of the applicable Brookhaven North Covenants and Bylaws and other information as deemed appropriate by the Committee.

5.2.6 Events Committee. The Events Committee, consisting of at least two (2) Active Members shall have the responsibility of planning programs to encourage the interaction and involvement of Brookhaven North residents.

5.3 Vacancies. A vacancy in any committee shall be filled by the President until the next meeting of the Board, except the ARC shall select a new ARC member in the event of the death of an ARC member.

Article 6 Miscellaneous

6.1 Fiscal Year. The fiscal year of the Association shall be a calendar year, unless the Board establishes a different fiscal year by resolution.

6.2 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Oklahoma law, the Articles of Incorporation, the Covenants, or these Bylaws.

6.3 Conflicts. If there are conflicts among the provisions of Oklahoma law, the Articles of Incorporation, the Covenants, and these Bylaws, the provisions of Oklahoma law (unless displaceable by the Governing Documents), the Covenants, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

6.4 Books and Records.

6.4.1 Inspection by Active Members. The Board shall make the following information available for inspection and copying to any Active Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Covenants; Bylaws; and

Articles of Incorporation, including any amendments; the rules of the Association; the membership register; books of account, including financial records; and the minutes of meetings of the Active Members, the Board, and committees. The Board shall provide for such inspection to take place at the office of the Association or at such other place as the Board shall designate.

6.4.2 *Rules for Inspection.* The Board shall establish rules with respect to notice to be given to the custodian of the records, hours and days of the week when such an inspection may be made, and payment of the cost of reproducing documents requested.

6.4.3 *Inspection by Directors.* Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical Properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

6.4.4 *Exceptions to Inspection Requirement.* Notwithstanding any provision to the contrary, the Board shall not be required to make available for inspection any portion of any book or record which relates to any of the following:

1. Personnel matters or a person's medical records;
2. Communication between an attorney for the Association and the Association;
3. Pending or contemplated litigation;
4. Pending or contemplated matters relating to enforcement of the Governing Documents; or
5. Meeting minutes or other records of a session of a Board or Association meeting that is not required by law to be open to Active Members.

In addition, the Board shall not be required to disclose or make available for inspection any financial or other records of the Association if disclosure would violate local, state, or federal law.

6.5 *Notices.* Except as otherwise provided in the Covenants or these Bylaws, all notices, demands, bills, statements, or other communications under the Covenants or these Bylaws shall be in writing and shall be deemed to have been duly given if posted at each major entrance to Brookhaven North, delivered personally, delivered electronically, posted on the Association's publicly available website, or if sent by United States mail, first class postage prepaid:

1. If to an Active Member, at the address which the Active Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Active Member;

2. If to the Association, the Board, or the manager, at the principal office of the Association or the managing agent or at such other address as shall be designated by notice in writing to Active Members pursuant to this Section; or
3. If to any committee, at the principal address of the Association or at such other address as shall be designated by notice in writing to Active Members pursuant to this Section.

6.6 Amendment.

6.6.1 *By Active Members Generally.* Except as provided above and by Oklahoma law, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Active Members representing a Majority of a quorum of Active Members present in person or by proxy. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

6.6.2 *Validity and Effective Date of Amendments.* Amendments to these Bylaws shall become effective upon being Recorded by the Secretary unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its Recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

Article 7 Indemnification of Officers, Directors and Managing Agent

7.1 *Indemnification.* The Association shall indemnify, through insurance, commonly known as directors and officers liability insurance, or other means, every director, officer, Managing Agent, their respective successors, personal representatives, heirs and Association volunteers (the Indemnified Party), against all loss, costs, and expenses, including attorney's fees, reasonably incurred by him in connection with any action, suit, or proceedings to which the Indemnified Party may be made a party by reason of the Indemnified Party being or having been a director, officer, or Managing Agent of the Association, except as to matters as to which the Indemnified Party shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful act.

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 Indemnified Party has not been guilty of gross negligence or willful misconduct in the performance of his 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 paragraph 7 shall be deemed to obligate the Association to indemnify any Active Member or 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 under and by virtue of the Covenants.

- 7.2 No Personal Liability.** Contracts or other commitments made by the Board, 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).

CERTIFICATION

I, the undersigned, do hereby certify: I am the duly elected and acting Secretary of Brookhaven Homeowners Association of Edmond, Inc., an Oklahoma corporation; the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board thereof held on the 3rd day of July, 2013.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association the same date as written above.

 7-3-13
Secretary: Greg Landowski