

BYLAWS

OF

CEDAR BLUE PROPERTY OWNERS' ASSOCIATION, INC.

A NONPROFIT CORPORATION

Revised 9-6-87 Annual Meeting

**Recorded as Document No. 01752
In Book No. 00391 at Pages 232-235
On July 26, 1993
In the Office of the Murray County Clerk
Murray County
Sulphur, Oklahoma**

This is a "reader-friendly" version of the original Bylaws and has been retyped for the purposes of using a larger type-style and narrower margins. Over the years, the original document was copied, then those copies re-copied, and so on, resulting in a small typeface and poor quality, making it a difficult "read". The original document has been re-typed word for word. Although that original was a total of four pages, this reader-friendly version is nine pages including the cover page.

(Printer-friendly version re-typed March 27, 2015 and contains 9 pages including the cover page. On June 20, 2015 the Board approved these had been fully reviewed and were correct.)

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A NONPROFIT CORPORATION

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ARTICLE I NAME AND LOCATION

The name of the corporation is CEDAR BLUE PROPERTY OWNERS' ASSOCIATION, INC. The principal office of the corporation shall be located at Route 1 Box 222, Sulphur, Oklahoma 73086, but meetings of members and directors may be held at such places within the State of Oklahoma as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

SECTION 1. "Association" shall mean and refer to CEDAR BLUE PROPERTY OWNERS' ASSOCIATION, INC., its successors and assigns.

SECTION 2. "Common area" shall mean all real property owned by the association for the common use and enjoyment of the owners.

SECTION 3. "Declarant" shall mean and refer to TRAVERTINE PROPERTIES, INC., a corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

SECTION 4. "Declaration" shall mean and refer to the Declaration of Covenants applicable to the subdivision and recorded on the 25th day of May, 1979, in the Office of the County Clerk of Murray County, Oklahoma, in Book 242, Pages 174-196.

SECTION 5. "Lot" shall mean and refer to any plot of land shown on the recorded subdivision plat with the exception of the common area.

SECTION 6. "Member" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any campsite within the subdivision, including contract owners but excluding persons holding title merely as security for the performance of an obligation.

SECTION 7. "Associate Member" shall mean and refer to each of the following if not otherwise a member: (a) the spouse and children of a member who have the same principal residence as the member and (b) persons who by virtue of a contractual agreement with the Declarant are entitled to membership in the Association.

SECTION 8. "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of the fee simple title to any lot which is a part of the subdivision, including contract owners, but excluding those holding title merely as security for the performance of an obligation.

SECTION 9. "Immediate Family" shall mean and refer to any person residing in the same residence as the owner.

SECTION 10. "Guest" shall mean and refer to any person other than the "Owner" and their "Immediate Family" who is visiting with the owner and/or immediate family.

SECTION 11. "Subdivision" shall mean and refer to that certain tract of real property described in the declaration, and such additions thereto as may be brought within the jurisdiction of the association pursuant to the provisions of the declaration.

ARTICLE III. MEETINGS OF MEMBERS

SECTION 1. Annual Meetings. The first annual meeting of members shall be held on the Sunday prior to Labor Day in 1980. Subsequent annual meetings of members shall be held on the same day of the same month of each year thereafter at a time of day to be specified as provided in Article III. Section 3.

SECTION 2. Special Meetings. Special meetings of members may be called at any time by the president or by the board of directors, or on written request of members who are entitled to vote one-fourth of all votes of the Class A membership.

SECTION 3. Notice of Meetings. Written notice of each meeting of members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) but not more than thirty (30) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the association, or supplied by such member to the association for the purpose of receiving notice. Such notice shall specify the day, hour and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

SECTION 4. Quorum. The presence at the meeting, in person or by proxy, of members entitled to cast one-tenth of the votes of each class of voting membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the declaration, the articles of incorporation, or these bylaws. If a quorum is not present at any meeting, the 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, until a quorum is present.

SECTION 5. Proxies. At all meetings of members, each voting member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Proxies shall be revocable. The proxy of any owner shall automatically terminate on conveyance by him of his lot.

ARTICLE IV. VOTING RIGHTS

SECTION 1. As provided in the Declaration, the Association shall have members and associate members. Associate members shall not be entitled to voting rights in Association matters.

ARTICLE V. BOARD OF DIRECTORS; TERM OF OFFICE; FIRST ELECTION; REMOVAL

SECTION 1. Number. The affairs of the association shall be managed by a board of nine (9) directors who shall be members of the association.

SECTION 2. Term of Office. The initial board of directors shall consist of seven (7) directors, who shall hold office until the election of their successors. At the first annual meeting, the members shall elect three (3) directors for terms of two (2) years to succeed three of the initial directors, at the next annual meeting, the members shall elect four (4) directors for terms of two (2) years to succeed the four

remaining initial directors; at each annual meeting thereafter, the members shall elect the number of directors necessary to succeed those directors whose two-year terms have expired that year. Beginning with Directors elected after September 1, 1987, the term of office shall be three (3) years with no more than three (3) members being elected to a full term at any one annual meeting.

SECTION 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the association. In the event of the death, resignation, or removal of a director, his successor shall be selected by the majority of the remaining members of the Board of Directors and shall serve until the next annual meeting at which time a member shall be elected to serve for the unexpired term of the predecessor.

SECTION 4. Compensation. No director shall receive compensation for any service he may render to the association. However, any director may be reimbursed for his actual previously authorized expenses incurred in the performance of his duties.

ARTICLE VI. BOARD OF DIRECTORS – NOMINATION AND ELECTION

SECTION 1. Nomination. Nomination for election to the board of directors shall be by nominating committee. However, nominations may also be made from the floor at any annual meeting of members. The nominating committee shall consist of a chairman who shall be a member of the board of directors, and two or more members of the association. The committee shall be appointed by the board of directors prior to each annual meeting to serve from the close of such meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but in no event shall it nominate less than the number of vacancies to be filled.

SECTION 2. Election. Election to the board of directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise pursuant to Article IV of these bylaws. Persons receiving the largest number of votes shall be elected.

ARTICLE VII. BOARD OF DIRECTORS – MEETINGS

SECTION 1. Regular Meetings. Regular meetings of the board of directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the board. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day which is not a legal holiday.

SECTION 2. Special Meetings. Special meetings of the board of directors shall be held when called by the president of the association, or by any two directors, after not less than three (3) days' notice to each director.

SECTION 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Each act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the board.

ARTICLE VIII. BOARD OF DIRECTORS – POWERS AND DUTIES

SECTION 1. Powers. The board of directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of the common areas and facilities including the personal conduct of the members, associate members and their guests hereon; and to establish penalties for infractions of such rules and regulations; including a provision of notifying members of such infraction prior to suspension of the right to use the recreational facilities pursuant to Article VIII Section 1.(b) below;
- (b) Suspend the voting rights and right to use of the recreational facilities of any member or association member during any period in which such member is in default in the payment of any assessment levied by the association. Such rights may also be suspended for a period not to exceed thirty (30) days for infraction of published rules and regulations;
- (c) Exercise on behalf of the association all powers, duties and authority vested in or delegated to the association and not specifically reserved to the membership by the declaration, articles of incorporation, or by other provisions of these bylaws;
- (d) Declare the office of a member of the board of directors to be vacant in the event that such member is absent from three (3) consecutive regular meetings of the board of directors;
- (e) Employ a manager, independent contractors, and such other employees as they deem necessary, and to prescribe their duties; and
- (g) Exercise other powers appropriate and necessary to manage the affairs of the Association including the expenditures of assessments;
- (h) To determine the size of and to appoint or remove members of the Environmental Committee or any other committees provided for in the covenants or these bylaws.

SECTION 2. Duties. It shall be the duty of the board of directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a report thereof to the members at each annual meeting, or at any special meeting at which such a report is requested in writing by one-fourth (1/4) of the Class A members entitled to vote thereat;
- (b) Supervise all officers, agents and employees of the association and see to it that their duties are properly performed;
- (c) As more fully provided in the declaration to:
 - (1) Fix the amount of the annual assessments against each lot at least forty-five (45) days in advance of each annual assessment period;
 - (2) Send written notice of each assessment to every owner subject hereto at least thirty (30) days in advance of each annual assessment period, and

- (3) May foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, and may bring an action at law against the owner personally obligated to pay the same.
- (d) Issue, or cause an appropriate officer to issue, on request by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The board may impose a reasonable charge for the issuance of these certificates.
- (e) Procure and maintain adequate liability and hazard insurance on all property owned by the association.
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate, and
- (g) Cause the common area to be maintained.

ARTICLE IX. OFFICERS AND THEIR DUTIES

SECTION 1. Enumeration of Offices. The officers of the association shall be a president and vice president, who shall at all times be members of the board of directors, and a secretary, treasurer, and such other officers as the board may from time to time by resolution create.

SECTION 2. Election of Officers. With the exception of the initial officers, the election of officers shall take place at the first meeting of the board of directors following each annual meeting of members.

SECTION 3. Term. The officers of the association shall be elected annually by the board. Each shall hold office for a term of one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

SECTION 4. Special Appointments. The board may elect such other officers as the affairs in the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

SECTION 5. Resignation and Removal. Any officer may be removed from office by the board at any time with or without cause. 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 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.

SECTION 6. Vacancies. A vacancy in any office may be filled by appointment of the board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

SECTION 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

SECTION 8. Duties. The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings of the board of directors, shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other instruments, and shall have all other power that are necessary and appropriate to execute the will of the board.
- (b) Vice President. The vice president shall act in the place of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members, keep the corporate seal of the association and affix it to all papers so requiring; service notice of meetings of the board and of members; keep appropriate current records showing the members of the association together with their addresses, and perform such other duties as may be required by the board or by law.
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the association, and shall disburse such funds as directed by resolution of the board of directors, shall sign all checks and promissory notes of the association; shall keep proper books of account, shall cause an annual audit of the association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be given at the regular annual meeting of members.

ARTICLE X. COMMITTEES

The Board of Directors shall appoint an Environmental Committee, as provided in the declaration. The Board of Directors shall appoint a nominating committee as provided in Article VI of these Bylaws. In addition, the Board of Directors may appoint such other committees as it may deem appropriate in the performance of its duties.

ARTICLE XI. ASSESSMENTS

As provided in the declaration, each member except the Declarant is obligated to pay to the association annual and special assessments which are secured by a continuing lien on the property against which such assessments are made. The obligation for and the procedure for the payment of assessments is set out in the declaration, which provides the following: Any assessments which are not paid within thirty (30) days after the due date, the assessment bears interest from the date of delinquency at the rate of ten percent (10%) per annum, and the association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against his property. Interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of any assessment due. No owner may waive or otherwise escape liability for assessments by nonuse of the common area or abandonment of his lot.

Maximum Annual Assessment

- (a) Until January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner the maximum annual assessment shall be One Hundred Dollars (\$100.00).

- (b) From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased each year not more than twenty-five percent (25%) above the maximum assessment for the previous year without a vote of the members.
- (c) From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased above twenty-five percent (25%) by the vote or written assent of two-thirds (2/3) of each class of members.
- (d) The board of directors of the association may fix the annual assessment at an amount not in excess of the maximum.

In light of the substantial contribution of the Declarant in the improvement of Cedar Blue subdivision, and because the Declarant does not use the Common Property to the same extent that other members use the Common Property, unsold lots held by the Declarant shall not be subject to the annual or special assessments.

ARTICLE XII. PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

SECTION 1. Each member shall be entitled to the use and enjoyment of the Common Property including improvements thereon and utility services provided by the Association, subject to reasonable rules and regulations which the Board of Directors shall have the power to prescribe and enforce and subject to the payment of annual and special assessments.

SECTION 2. Each associate member shall also be entitled to the use and enjoyment of the Common Property, provided however, that such use and enjoyment of the Common Property shall also be subject to the rules and regulations prescribed by the board of directors. The rights and privileges of such associate members are subject to suspension pursuant to Article VIII, Section 1 to the same extent as those of the member.

ARTICLE XIII. BOOKS AND RECORDS; INSPECTION

The books, records, and papers of the association shall be subject to inspection by any member during ordinary business hours. The declaration, articles of incorporation, and bylaws of the association shall be available for inspection by any member at the principal office of the association, where copies shall be made available for sale at a reasonable price.

ARTICLE XIV. CORPORATE SEAL

The association shall have a seal in circular form having within its circumference the words: CEDSAR BLUE PROPERTY OWNERS' ASSOCIATION, INC.

ARTICLE XV. GUESTS

Owners shall limit their guests to one guest family per visit except by consent of the resident manager. All guests must be accompanied by the owner. Any corporate owner shall designate, in writing, a resident family who shall enjoy the privilege and responsibilities of individual owners and all other persons not so designated shall be guests. Owners shall be responsible for the actions of their guests and guests' children. Any damage sustained to buildings or equipment by owners' guests must be corrected or repaired at the expense of owners.

ARTICLE XVI. AMENDMENTS

These bylaws may be amended, at a regular or special meeting of members, by vote of a majority of a quorum of members present in person or by proxy except that Declarant as that term is defined herein shall have the right to veto amendments while Class B membership exists.

Those provisions of these bylaws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law, and any matter stated herein to be or which is in fact governed by the Declaration applicable to the subdivision may not be amended except as provided in such Declaration.

ARTICLE XVII. CONFLICTS

In the case of any conflict between the articles of incorporation and these bylaws, the articles shall control; in the case of any conflict between the declaration and these bylaws, the declaration shall control.

IN WITNESS WHEREOF, we, being all the Directors of the Cedar Blue Property Owners' Association, Inc. have hereunto set our hands this 1st day of May, 1979.

Original signed: Lucian J. Hunt
Original signed: Marguerite E. Hunt
Original signed: L. Jack Hunt

Original signed: Art Slone Date 7/15/93
President, Cedar Blue Property Owners Association

ATTEST:
Original signed: Wanda Kay Clough, Secretary
Notary Public Seal of Cleveland County, Oklahoma

Of Note: A resolution to amend the Bylaws with regard to an audit of the Association's books was recorded October 15, 1993. However, the Board of Directors on June 20, 2015 noted that the amendment appeared to be invalid in that it stated a majority of the Board of Directors voted to take the action which is not allowed by the Bylaws. Amendments to the Bylaws must be voted on by the members per Article XVI of the Bylaws. On June 20, 2015 the Board of Directors voted unanimously to not add this amendment to the Bylaws.