

KEYSTONE COLONY PROPERTY OWNERS ASSOCIATION
ROUTE 1 BOX 109 CLEVELAND, OKLAHOMA 74020

BY-LAWS

ARTICLE I

NAME & OFFICE

1. NAME: The name of the Association will be KEYSTONE COLONY PROPERTY OWNERS ASSOCIATION.

2. OFFICE: The principal office of the association shall be located in Keystone Colony, in the County of Pawnee, State of Oklahoma, or such other place as the Officers may from time to time determine.

ARTICLE II

PURPOSE

1. The purpose of the Association shall be to promote safety, and welfare of the property owners of Keystone Colony and Block 7 thru 10, INCLUSIVE, KEYSTONE COLONY, an addition in Pawnee County, State of Oklahoma. The Association shall maintain the roads & drainage systems, and fix dues, and other assessments to be levied against the properties; enforce any and all regulations, restrictions, and covenants applicable to the properties; pay taxes if any with tax returns filed annually.

ARTICLE III

MEMBERS and MEETINGS of MEMBERS

1. MEMBERSHIP: All property owners are members of the KEYSTONE COLONY PROPERTY OWNERS ASSOCIATION. Temporary property owners, such as individuals and/or Companies involved in repossession proceedings, are not members of the Association.

2. RIGHTS OF MEMBERS: Only members whose assessments are paid in full shall have voting rights. Property of members whose assessments are not paid in full will be subject to lien within the jurisdiction of the KEYSTONE COLONY PROPERTY OWNERS ASSOCIATION.

3. TERMINATION OF MEMBERSHIP: Membership in the KEYSTONE COLONY PROPERTY OWNERS ASSOCIATION is mandatory as provided in paragraph 1 of Article III and may be terminated only upon the transfer of title of the real property upon which the membership is based or by operation of law or death.

4. ANNUAL MEETINGS: An annual meeting shall be held to elect officers and transact other pertinent business.

5. NOTICE OF ANNUAL MEETING: Notice of the time, place, and purpose of the annual meeting shall be given to each member, either personally or by mail, not less than ten nor more than forty days before the meeting. If mailed, such notice shall be directed to the member at his/her address as it appears on the books of the association. Notice shall be deemed complete when deposited in the mail or personally served.

6. SPECIAL MEETINGS: Special meetings of members may be called by the president or a majority of the officers or at least 10% of the voting membership as petitioned in writing. All members shall be notified of the time, place and purpose of such meeting, according to the procedure stated in paragraph 5, Article III.

BY-LAWS ARTICLE III CONTINUED;

7. QUORUM: At any meeting of the members of the Association, those members attending in person shall constitute a quorum. The majority vote of such quorum shall be sufficient to transact any and all business. (See Paragraph 8)

3. VOTING: Property on which assessments are paid in full shall entitle the owner(s) to one vote regardless of the number of lots owned or the number of owners per lot. Proxy votes shall be accepted.

ARTICLE IV

OFFICERS

1. The officers of the KEYSTONE PROPERTY OWNERS ASSOCIATION shall be the president, vice-president, secretary, treasurer and such other officers with power and duties not inconsistent with these by-laws as may be appointed and determined by the Association. Any two offices, except those of president and vice-president, may be held by the same person.

2. Officers shall be elected annually by the KEYSTONE PROPERTY OWNERS ASSOCIATION at the first annual meeting.

3. In case any office becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority vote of the officers may elect an officer to fill such vacancy.

4. The President shall preside at all meetings of the Association. He shall exercise general charge and supervision of the affairs of the Association and shall perform such other duties as may be assigned to him/her by the Association.

5. At the request of the President, or in the event of his absence or disability, the Vice-President shall perform the duties and exercise the power of the President and shall perform such other duties as may be assigned to him/her by the Association.

6. The Secretary shall have charge of such books, documents, and papers as the Officers may determine. He/she shall attend and keep the minutes of all meetings, maintain a current record of members of the Association, including names and addresses, and may sign written transactions along with the President or Vice-President when so authorized by the Officers. The secretary will also furnish new property owners with copies of BY-LAWS, COVENANTS, and the ROAD MAINTENANCE AGREEMENT.

7. The Treasurer shall be responsible for all monetary transactions and shall enter regularly in the books of the Association a full and accurate account of all monies and obligations received and paid for or on account of the Association. He/she may endorse collection checks, notes and other obligations, and shall deposit the same to the credit of the Association at such bank or banks as the Officers may designate. He/she shall sign all receipts and vouchers; and along with the President or Vice-President, shall sign all checks of the Association. He/she shall provide a financial report at all meetings and at such time report may be requested by the Officers or the membership.

8. The Officers shall serve without compensation.

9. Any Officers may be removed from office by the affirmative vote of a majority of the Association, registered either in person at any regular or special meeting called for the purpose, for conduct detrimental to the interest of the Association. Any such Officer shall be entitled to at least five days' notice in writing of the meeting and shall be entitled to be heard at such meeting.

BYLAWS ARTICLE IV CONTINUED:

10. All activities of which the Officers are responsible shall be conducted according to the by-laws and shall comply with State and Federal laws to assure the Association's tax exempt status as non-profit in the public interest.

ARTICLE V

AGENTS, REPRESENTATIVES, and CONTRACTS

1. The Officers may appoint or contract others as agents or representatives of the Association for special projects on behalf of the Association as the officers see fit; so far as such appointments or contracts are consistent with the by-laws, or are permitted by law.

2. No officer, agent or employee, shall have the authority to bind the Association by any contract or engagement, or to pledge its credit, or render the Association liable pecuniarily for any purpose or to any amounts unless so authorized by the Association.

3. The officers may file liens and other legal documents as approved by the membership of the Association. The Officers will contact any property owners that are in violation of the Covenants, Road Maintenance Agreement, or By-Laws to remedy the violation. If the problem can't be peacefully resolved, the Officers will send notice to all property owners to vote on placing a lien on said properties, according to the procedure stated in paragraph 8, Article III.

ARTICLE VI

COMMITTEES

1. NOMINATING COMMITTEE: The President shall appoint a nominating committee to propose officer candidates to be elected by the Association members at the annual meeting.

2. OTHER COMMITTEES: The Officers may appoint any committee from the membership to advise, implement, or enforce items or projects within the Restrictions, Covenants, and Reservations of KEYSTONE COLONY.

ARTICLE VII

FISCAL YEAR

1. The fiscal year of the Association shall begin on the first day of JANUARY of each year and shall end of the thirty-first day of DECEMBER of that year.

ARTICLE VIII

FINANCES and INVESTMENTS

1. The ASSOCIATION shall be supported by:
(a) Dues and membership assessments
(b) Public and/or private donations
(c) Special gifts and grants

BY-LAWS ARTICLE VIII CONTINUED;

2. All funds of the Association shall be deposited in such bank or banks as the Officers may determine. Funds may be withdrawn only on check of the Association signed by persons authorized by the Association (See paragraph 7, Article IV).

3. Dues for maintenance of the roads and drainage are set by a majority vote of all members of the Association, and will be due on July 1 of each year. Proposals to change or increase the dues will require approval by a majority of all the members of the association. In accordance with paragraph 8, Article III

4. Proposed assessments for overlays and other major repairs will be submitted to the Association for approval and will require approval by a majority of the Association in accordance with paragraph 8, Article III.

ARTICLE IX

PROHIBITION AGAINST SHARING IN ASSOCIATION EARNINGS

1. NO MEMBER of the ASSOCIATION shall receive any of the net earnings or pecuniary profit from the operation of the Association.

ARTICLE X

EXEMPT ACTIVITIES

1. NO MEMBER or REPRESENTATIVE of the Association shall take any action on behalf of the Association which is not permitted by an organization exempt under Section 501 (c) (3) and deductible under Section 170 (c) (2) of the Internal Revenue Code and its Regulations.

ARTICLE XI

AMENDMENTS

1. BY MEMBERS: The by-laws may be altered, amended or repealed at any meeting of the members of the Association by a majority vote of all members. Provided that the proposed action is inserted in the notice of such meeting. In accordance with paragraph 6, & 8 of Article III.

These by-laws have been read, amended and approved the _____ of _____, 1997.

ATTESTED:

PRESIDENT

SECRETARY/TREASURER

VICE-PRESIDENT