

**BY-LAWS  
OF  
CHARDONNAY ASSOCIATION, INC.**

**ARTICLE I  
NAME AND LOCATION**

The name of the nonprofit corporation is **CHARDONNAY ASSOCIATION, INC.**, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 108 Nantucket Blvd., Norman, OK 73071, 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 CHARDONNAY ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CHARDONNAY AT THE VINEYARD PHASE I as was filed in the public records of the Cleveland County Clerk, at Book 4099, Page 430, on 11-23-2005, (the "Covenants"), and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Declarant" shall mean and refer to BMI SYSTEMS CORPORATION, an Oklahoma corporation, as successor in interest to the Declarant as named in the Covenants, and all respective successors and assigns.

Section 5. "Declaration" shall mean and refer to the CHARDONNAY AT THE VINEYARD ADDITION, A RESIDENTIAL ADDITION TO THE CITY OF NORMAN,, OKLAHOMA, according to the recorded plat thereof, recorded in the Office of the County Clerk of Cleveland County, Oklahoma.

Section 6. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

**ARTICLE III  
MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, or at such time as the Declarant decides to turn the Properties over to the governance of the lot Owners/Members, whichever comes later, and each subsequent regular meeting of the members shall be held on a date that is determined by the Board of Directors, when they shall elect a Board of Directors and transact such other business as may properly be brought before the meeting. If the day for the

annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Prior to the time at which the Declarant turns over control of the Association to the Lot Owners, the Declarant may, but is not obligated to, establish a liaison or advisory committee that is comprised of Lot Owners and Members within the Properties. The Declarant may convene meetings of such committee and solicit input from such committee as the Declarant chooses, in Declarant's sole discretion.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fourteen (14) 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 notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast or of proxies entitled to cast at least one-fourth of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members present, though less than a quorum, may give notice to all members as required herein for the transaction to be considered, at an adjourned meeting, and at the adjourned meeting one-half (1/2) of the required quorum at the preceding meeting shall constitute quorum. No such subsequent meeting shall be held more than (60) days following the preceding meeting.

Section 5. Proxies. At all meetings of member, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his building site.

#### **ARTICLE IV BOARD OF DIRECTORS-SELECTION; TERM OF OFFICE**

Section 1. Number. The property and affairs of this Association shall be managed by a Board of not less than three (3) nor more than five (5) directors, and those directors elected subsequent to the organizational Board must be members of the Association. Such election shall occur by vote of the members, with each member voting per their allotted number of votes based on class of membership. Pursuant to Section 2.5 of the Covenants, the Board shall be of majority control of the Declarant unless and until the Declarant has turned over the control of the Association to the Lot Owners.

Section 2. Term of Office. At the first meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years; and at each annual meeting thereafter, the members shall elect directors for a term of three years. If there are only three (3) directors, then in that event the term of the second and third director shall be for two and three years respectively.

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 (meaning a majority of those members present at a special or regular meeting of the Association at which there is a quorum present, and with each member voting per their allotted number of votes based on class of membership.) In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, by resolution of the Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board, provided that nothing herein shall preclude any director from serving in any other capacity and receiving compensation therefore.

Section 5. Action Take without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **ARTICLE V**

### **NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, the Declarant, and one or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual 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 not less than the number of vacancies that are to be filled. Such nominations may be made among members.

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 under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected, with each member voting per their allotted number of votes based on class of membership.. Cumulative voting is not permitted.

## **ARTICLE VI**

### **MEETING OF DIRECTORS**

Section 1. Regular Meetings. The regular meeting of the Board of Directors shall be held quarterly, without notice, and immediately following the annual meeting of the members without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meeting of the Board of Directors shall be held when called by the president of the Association, or by the written request of a majority of the current directors, after not less than three (3) day's notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have the power to:

- a) Adopt and publish rules and regulations governing the maintenance and security of the properties, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- b) Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of the By-Laws, the Articles of Incorporation or the Declaration;
- d) Establish assessments from time to time for the purpose of paying the common expenses, and establish the due dates for such assessments;
- e) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Board of Directors; and
- f) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties, establish their compensation and remove them at any time with or without cause.

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 statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is required in writing by one-fourth (1/4) of the members who are entitled to vote;
- b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- c) As more fully provided in the Declaration, to:
  - (i) Fix the due dates for assessments and fix the amount of the annual assessment against each building site at least thirty (30) days in advance of each annual assessment period;
  - (ii) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  - (iii) Foreclose the lien against any property for which assessments are not paid within nine (90) days after due date, or to bring an action at law against the owner personally obligated to pay the same.

- d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payments;
- e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- f) Procure and maintain adequate officers and directors liability insurance;
- g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- h) Cause the performance of the maintenance and security function set forth in the Declaration.

## **ARTICLE VIII**

### **OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Offices. The officers of this Association shall be a President who shall be at all times a member of the Board, and as many Vice Presidents as the directors shall from time to time deem advisable, a Secretary and a Treasurer ("Regular Officers"), who must all be members of the Board, and such other officers ("Additional Officers") as the Board may from time to time by resolution create (collectively, Regular Officers and Additional Officers are referred to as "officers").

Section 2. Election of Officers. The election of Regular Officers shall take place initially at the organizational meeting of the incorporators and directors, and thereafter, shall take place at the meeting of the Board of Directors following each annual meeting of the members, with each member voting per their allotted number of votes based on class of membership.

Section 3. Term. The Regular Officers of the Association shall be elected annually by the Board and each shall hold offices for a term of one (1) year, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. All Regular Officers must be members, except that persons affiliated with the Declarant entity may serve as officers whether members or not.

Section 4. Special Appointments. The Board may elect such Additional Officers as the affairs of 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. All Additional Officers must be members, except that persons affiliated with the Declarant entity may serve as officers whether members or not.

Section 5. Resignation and Removal. At any time any officer may be removed from office with or without cause by the board. 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 by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of the secretary and treasurer may be held by the same person and any of the vice presidents may hold at the same time the office of secretary

or treasurer. 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 the Article.

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

a) President. The president shall be the chief executive officer of the Association and shall preside at all meeting of the members and Board of Directors; shall see that orders and resolutions of the Board are carried out; he shall have general and active management of the business of the Association; and he shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation. Until such time as the Declarant has turned over the control of the Association to the Lot Owners, a representative of Declarant shall serve as the president and chief executive officer of the Association.

b) Vice President. The vice president shall act in the place and stead 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 on all papers requiring said seal (however, the use of such seal is not required for any purpose); serve notice of meetings of the Board and of members; keep-appropriate current records showing the members of the Association, together with their addresses; and shall perform such other duties as required by the Board, all subject to the supervision of the president.

d) Treasurer. The treasurer 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 of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

## **ARTICLE IX** **COMMITTEES**

The Declarant shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## **ARTICLE X** **BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## **ARTICLE XI** **ASSESSMENTS**

As more fully provided in the Declaration, or Covenants, each member is obligated to pay to the Association annual and special assessments which are secured by continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after due date, the assessment shall bear interest from the date of delinquency at a rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, or both, and interest, costs and reasonable attorney's fees of any such action, shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse or abandonment of his lot, or the Common Areas.

## **ARTICLE XII CORPORATE SEAL**

The Association may have a seal having within it the words: **THE CHARDONNAY ASSOCIATION, INC.** However, the use of such seal is not required by these By-Laws for any purpose.

## **ARTICLE XIII AMENDMENTS**

Section 1. These By-Laws may be amended, at a regular or special meeting of the Board, by a vote of a majority of Board members present.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control' and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

## **ARTICLE XIV MISCELLANEOUS**

The fiscal year of the Association shall begin on the 1<sup>st</sup> day of January and end of the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

To the extent there are any conflicts between the Bylaws as set forth herein and the Covenants, the Covenants shall control.





**CERTIFICATION**

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of CHARDONNAY ASSOCIATION, INC., an Oklahoma nonprofit corporation; and

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directions thereof, held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
SECRETARY