

BY-LAWS OF SHANGRI-LA VISTA TOWERS

ARTICLE I
Plan of Ownership

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Section One: Ownership. Shangri-La Vista Towers located in Delaware County, State of Oklahoma, is submitted to the provisions of the "Unit Ownership Act," State of Oklahoma.

Section Two: By-Laws Applicability. The provisions of these by-laws are applicable to all individual units, the real property and common elements.

Section Three: Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulation set forth in these by-laws.

The mere acquisition or rental of any of the family units, herein referred to as units, of the Shangri-La Vista Towers or the mere act of occupancy of any of the units will signify that these by-laws are accepted, ratified, and will be complied with.

ARTICLE II
Voting Majority or Owners, Quorum, Proxies

Section One: Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the family unit or units in the Declaration.

Section Two: Majority of Owners. As used in these by-laws the term "Majority of Owners" shall mean those owners holding 51 percent (51%) of the votes in accordance with the percentages assigned in the Declaration.

Section Three: Quorum. Except as otherwise provided in these by-laws, the presence in person or by proxy of a "majority of owners" as defined in the preceding paragraph of this article shall constitute a quorum.

Section Four: Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the secretary before the appointed time of each meeting.

ARTICLE III
Administration

Section One: Association Responsibilities. The owners of the units will constitute the Association of Unit Owners, hereinafter referred to as association, who will have the responsibility of administering Shangri-La Vista Towers approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of Shangri-La Vista Towers. Except as otherwise provided, decisions and resolutions of association shall require approval by a majority of owners.

Section Two: Place of Meetings. Meetings of association shall be held at Shangri-La Lodge, Rt. #3, Afton, Oklahoma, or such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section Three: Annual Meetings. The first annual meeting of association shall be held on the third Saturday of June, 1982. Thereafter, annual meetings shall be held on the third Saturday of June of each succeeding year. At such meetings there shall be elected by ballot a Board of Directors in accordance with the requirements of Section Five of Article V of these by-laws. The owners may also transact such other business of association as may properly come before them.

Section Four: Special Meetings. It shall be the duty of the president to call a special meeting of the owners as directed by resolution of the Board of Directors or on a petition signed by a majority of the owners and having been presented to the secretary. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

Section Five: Notice of Meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place of the meeting, to each owner of record, at least five but not more than 10 days prior to such meeting. The mailing of notice in the manner provided in this section shall be considered notice served.

ARTICLE IV Board of Directors

Section One: Number and Qualification. Association's affairs shall be governed by a Board of Directors composed of five persons, all of whom must be owners of units in Shangri-La Vista Towers.

Section Two: Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of association's affairs and may do all such acts and things as are not by law or by these by-laws directed to be exercised and done by the owners.

Section Three: Other duties. In addition to duties imposed by these by-laws or by resolutions of association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep, and surveillance of the development and the general and limited common elements and services.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the development, the general common areas and facilities, and the limited common areas and facilities.

Section Four: Management Agent or Independent Contractor. The Board of Directors may employ for association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section Three of this Article. The duties and services listed above may also be provided by an Independent Contractor under separate contracts with the owners or contract with the Board of Directors.

Section Five: Election and Term of Office. At the first annual meeting of association the term of office of two directors shall be fixed for three years. The term of office of two directors shall be fixed for two years, and the term of office of one director shall be fixed at one year. At the expiration of the initial term of each respective director, his successor shall be elected to serve a term of three years. The directors shall hold office until their

successors have been elected and hold their first meeting.

Section Six: Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at association's next annual meeting.

Section Seven: Removal of Directors. At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section Eight: Organization Meeting. The first meeting of the newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

Section Nine: Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone, or telegraph, at least three days prior to the day named for such meeting.

Section Ten: Special Meetings. Special meetings of the Board of Directors may be called by the president on three days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of at least three directors.

Section Eleven: Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section Twelve: Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the quorum shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the members present may adjourn the meeting from time to time. At any such meetings, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section Thirteen: The Board of Directors by majority vote authorize and thereby commence legal action against any unit owner for default in payment of assessments provided for herein. Default shall herein be defined as a lapse of thirty (30) days after the mailing of the monthly statement.

ARTICLE V
Officers

Section One: Designation. The principal officers of association shall be a president, a vice-president, a secretary, and a treasurer, all of whom shall be elected by and from the Board of Directors. The directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

Section Two: Election of Officers. The officers of association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section Three: Removal of Officers. On an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section Four: President. The president shall be the chief executive officer of the association. He shall preside at all meetings of the association and of the Board of Directors. He shall have all of the general powers and duties that are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of association's affairs.

Section Five: Vice-President. The vice-president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed on him by the Board of Directors.

Section Six: Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of secretary. A permanent minute book with recorded resolutions therein shall be maintained by the secretary and stored in offices of the maker or their successors or such other place as the Board of Directors may designate.

Section Seven: Treasurer. The treasurer shall have responsibility for association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit of, association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI
Obligations of the Owners

Section One: Assessments. All owners are obligated to pay monthly assessments imposed by association to meet all Shangri-La Vista Towers communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the ration or percentage as stipulated in the Declaration of Record. Such assessments shall include monthly payments to a general operating reserve and a reserve fund for replacements.

Section Two: Maintenance and Repair.

- (a) Every owner must perform promptly all maintenance and repair work within his own unit which, if omitted, would affect the development in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.
- (b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belonging to the unit area shall be at the owner's expense.
- (c) An owner shall reimburse association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.
- (d) All charges incurred by the Board of Directors for repairs and maintenance to the interior of a unit shall be borne by the unit owner.
- (e) Each unit owner shall by writing file with the Board of Directors the current address of said unit owner for purposes of mailing of statements and other notices as are herein or by the Declaration required. A list of said addresses shall be maintained by the Secretary of the Board of Directors.

Section Three: Use of Family Units-Internal Changes.

- (a) All units shall be utilized for residential purposes only.
- (b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying association in writing, through the president of the Board of Directors. The association shall have the obligation to answer within thirty (30) days, and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section Four: Right of Entry.

- (a) An owner shall grant the right of entry to the management agent or to any person authorized by the Board of Directors or association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.
- (b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of installing, altering or repairing the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of emergency, such right of entry shall be immediate.

Section Five: Rules of Conduct and Use Restrictions.

- (a) No unit owner shall post any advertisements or posters of any kind in or on the premises except as authorized by association.
- (b) Unit owners shall exercise extreme care in making noises or using musical instruments, radios, television, and amplifiers that may disturb other residents.
- (c) Throwing of garbage or trash outside the disposal installations provided for such purposes on the premises is prohibited.
- (d) No owner, resident, or lessee shall install wiring for electrical or telephone installation, television or radio antennae, machines, air conditioning units, or the like, on the exterior of a building or that protrude through the walls or the roof of the unit except as authorized by association.
- (e) No unit shall be used for any purpose other than residential. Provided, however, rental or lease by owner or third party under contract with owner is authorized.
- (f) No fuel tank of any sort shall be placed anywhere on said premises.
- (g) Family pets limited to cats, dogs or birds shall be permitted on said premises, but shall at all times be confined to the owners own unit or kept on a leash or otherwise be within immediate control of the unit owner when away from such unit. Any such which by reasons of excessive number or individual behavior are deemed to constitute a nuisance or an unreasonable annoyance to other unit owners by the Board of Directors shall upon written notice of said Board be removed from said premises.
- (h) No change in the landscape or alteration or painting to the exterior of any unit and no improvement or alteration or placing of personal property of any nature on any common element shall be permitted without prior written approval of the Board of Directors.
- (i) No structure, trailer, tent or other outbuilding or temporary residence may be placed anywhere on the premises without prior written approval of the Board of Directors.
- (j) No portion of the premises shall be used for any unlawful purpose.
- (k) Any unit owner desiring to sell his unit shall first offer it for sale to the Board of Directors. The Board of Directors shall have 90 days thereafter in which to accept or reject said offer or in which to make a counter-offer. Thereafter, at any time within 30 days, said Board of Directors shall have the right, acting for the council of unit owners to purchase said unit at a price equal to the highest bona fide offer then available to said unit owner.
- (l) Any unit may be rented or sub-let by any unit owner to any third person or legal entity.

- (m) The golf cart storage area shall be utilized only by permanent residents of the Unit Ownership Estate. Those residents storing a golf cart in this area shall pay the association \$15.00 per month or such other sum as the Board of Directors may require by a majority vote.

ARTICLE VII
Amendments to Plan of Ownership

Section One: By-Laws. These by-laws may be amended by association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least seventy-five (75%) percent of the said unit owners.

ARTICLE VIII
Mortgagees

Section One: Notice to Association. An owner who mortgages his unit shall notify association through the management agent, if any, or the president of the Board of Directors in the event there is no management agent, the name and address of his mortgagee; and the association shall maintain such information in a book entitled "Mortgagees of Unit."

ARTICLE IX
Compliance

These by-laws are set forth to comply with the requirements of the Oklahoma "Unit Ownership Act." In case any of these by-laws conflict with the provisions of that statute, it is hereby agreed and accepted that the provisions of the statute will apply.

IN WITNESS WHEREOF, said maker has hereunto set hand and seal this 24th day of September, 1980.

MAKER

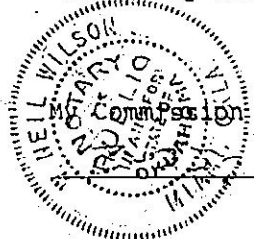
Charles J. Davis
Charles J. Davis

Isla B. Davis
Isla B. Davis

STATE OF OKLAHOMA)
COUNTY OF OTTAWA) SS.

Before me, the undersigned, a Notary Public, within and for said County and State, on this 24th day of September, 1980, personally appeared Charles J. Davis and Isla B. Davis to me known to be the identical persons who executed the within and foregoing instrument, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



[Signature]
Notary Public