

RESTATED BY-LAWS

Lake Tansi Property Owners' Association, Inc.

October 2017

ARTICLE I

OFFICES AND REGISTERED AGENT

§48-55-101

Section 1.01 Registered Office

The principal office and the registered office of this corporation is at Lake Tansi Village Subdivision, located at 5050 Shoshone Loop, in Crossville, Cumberland County, Tennessee 38572.

§48-55-101

Section 1.02 Registered Agent

The corporation has designated, and shall continue to have, a registered agent in the state of Tennessee in conformity to the statutes of Tennessee.

ARTICLE II

MEMBERS

§48-55-201

Section 2.01 Categories of Members

§48-51-201 (21)

Affiliation with this corporation shall consist of four (4) categories, as hereinafter defined: regular members, business members, special members, and associate members. Special members and associate members are not, however, "members" within the meaning of the Tennessee Nonprofit Corporation Act and have only those rights, privileges, and duties with respect to this corporation as provided in these By-Laws.

§48-52-108(b)

§48-55-101(a)

Section 2.02 Regular Memberships

In order to be eligible to become a regular member of the corporation, a person must own one (1) of the following interests in a lot or living unit within Lake Tansi Village Subdivision: (i) a fee in at least one-half (½) of a lot; or (ii) an undivided one-half (½) fee interest in a lot. Multiple bases for membership are covered in Section 11.07 of these By-Laws. If the ownership of a lot or living unit is so divided that no person owns as much as an undivided one-half (½) interest, then a majority of the co-owners shall designate one (1) co-owner to be a member, but may not designate more than two (2) of the co-owners, to be members of the corporation for such lot or living unit.

§48-52-106(b)

§48-55-101(a)

Section 2.03 Business Memberships

Each entity, other than a natural person, which owns the fee simple interest in any lot or living unit, shall be eligible to hold a business membership in the corporation, and, as such, shall be entitled to designate two (2) families to enjoy the privileges of membership in accordance with the rules adopted by the Board of Directors.

§48-52-108(b)

§48-55-101(a)

Section 2.04 Special Memberships

Eligibility for, and the rights and duties of, special memberships is governed by Article VII of these By-Laws.

§48-52-106(b)

§48-55-101(a)

Section 2.05 Associate Memberships

In order to be eligible to be an associate member, one must be a member in good standing in at least one (1) of the following entities: Hiawatha West Timeshare Association; Hiawatha Manor Timeshare Association; or Holiday Out R.V. Park Association. No member of this category shall have the right to vote at any regular or special meeting of the corporation; nor can such a member hold any office or serve on any committee of the corporation except as specified in Article IV, Section 4.1(a).

§48-52-106(b)

§48-55-101(a)

Section 2.06 Privileges of Membership

- (a) **Membership Cards** - Each regular or business member, in good standing as hereinafter provided, shall be issued a membership card evidencing the right of each member and such member's immediate family to use the amenities owned, and operated or otherwise subject to the control of the Lake Tansi Village Property Owners' Association, Inc. The term "family" shall mean the member's Spouse or Designee (as defined below) and children under the age of 22. In the event a spousal relationship is not evidenced by a marriage license or its equivalent under state law, a Member may designate one other person to receive the same privileges as the member so long as the designated person resides in the Member's residence. The Designee must be presented in writing and approved by the Property Owners' Association and may not be changed more than once annually. No annual membership card will be issued to any member who, as of the date of such issuance, is delinquent in payment of any dues or assessments due the Corporation. *Amended 4/23/15*
- (b) **Guest Cards** - Each regular or business member, in good standing, shall be entitled to obtain guest cards as provided for in our Guest Card policy, as adopted from time to time, by the Board of Directors. *Amended 4/23/15*
- (c) **Associate members** will be issued cards entitling them to use the amenities at Lake Tansi Village. The issuance and use of these cards may be regulated by agreement between the corporation, Hiawatha West Timeshare Association, Hiawatha Manor Timeshare Association, or Holiday Out R.V. Park Association, respectively.
- (d) The membership cards issued to regular and business members are issued on the basis of membership and not on the basis of the number of lots owned. Only one set of such cards will be issued to each regular or business member, regardless of the number of lots owned by that member.
- (e) The issuance and use of such cards may be regulated by the Board of Directors pursuant to reciprocal agreements made with other entities.

§48-56-204	Section 2.07 Obligations of Members
§48-52-106(b)	<p>(a) In order to become a member of this corporation, a person must consent (expressly or impliedly) to become liable to the corporation for the dues, assessments or fees applicable to the respective class of membership to which such person seeks to belong, as provided for in, or pursuant to, these By-Laws.</p> <p>(b) In order to become a member of this corporation, a person must agree (expressly or impliedly) to abide by the rules and regulations governing the use of any amenities owned or operated by, or otherwise subject to the control of, the corporation, as contained in these By-Laws or as adopted by the Board of Directors pursuant to these By-Laws.</p>
§48-52-106(b)	Section 2.08 Applications for Membership
§48-56-101(a)	<p>The Board of Directors may from time to time adopt and change forms for application for membership, containing such provisions as the Board may deem appropriate, not inconsistent with law, the Charter and the By-Laws of the corporation. Such application forms shall include an agreement by the applicant to abide by the By-Laws of the corporation, and rules and regulations adopted by the Board of Directors governing the use of any amenities owned, operated, or otherwise subject to the control of the corporation; and to the payment to the corporation for the dues, assessments, fees or other charges applicable to the respective category of membership to which such person seeks to belong, as provided for in, and pursuant to, these By-Laws.</p>
§48-52-106(b)	Section 2.09 Admission of Members
§48-56-101(a)	<p>Admission of all applicants for membership shall be by a majority vote of the Board of Directors or of a Membership Committee designated by the Board of Directors. or the Board of Directors may delegate authority to approve applications to any one or more officers. Any person whose application is denied, other than by the Board of Directors, shall have the right to appeal to the Board, and any person whose application is denied by the Board shall be furnished a statement of the basis of such denial and may appeal such denial to the entire membership of the corporation at the next annual meeting, and the decision of the membership shall be final.</p>
§48-52-106(b)	Section 2.10 Good Standing
	<p>Any member who resigns or declines membership or is suspended or expelled from membership, shall not from the date thereof be considered to be in good standing. Any member not in good standing shall not be entitled to the privileges of membership, including, but not limited to, the use of amenities, issuance of guest cards, or use of amenities as a guest of a member in good standing.</p>
§48-56-105(b)	Section 2.11 Suspension and Expulsion
	<p>(a) Any member who fails to pay applicable dues, assessments, fees, or other charges within fifteen (15) days after the delinquency date thereof (see Section 9.05 (a) of these By-Laws) shall be subject to suspension. The corporation shall give written notice of such failure, in person or by first class or certified mail, to the address of the member as shown on the books of the corporation, which notice shall advise the member that (i) If such delinquent payments are not paid within fifteen (15) days after the date of the notice, the member shall be suspended; (ii) the member may be heard with respect to such suspension, orally or in writing, by making a written request for a hearing at least five (5) days before the effective date of such suspension or expulsion; and (iii) a suspended member may be restored to good standing by paying all delinquent amounts, plus interest and any costs, as provided in section 9.05 of these By-Laws.</p> <p>(b) In addition to suspension on the grounds of failure to pay applicable dues, assessments, fees, or other charges, the Board of Directors may adopt standards and procedures for suspension and expulsion for a continued violation of the rules governing the use of the amenities and for other grounds inimical to the welfare of the corporation. Notice of the adoption of such standards and procedures shall be given to all members before becoming effective. The procedures adopted shall be fair and reasonable and carried out in good faith, and shall provide no less than fifteen (15) days prior written notice of the suspension or expulsion and the reasons therefor and afford the member an opportunity to be heard, orally or in writing, no less than five (5) days before the effective date of such suspension or expulsion. Any written notice shall be given by first class or certified mail sent to the last address of the member shown on the corporation's record.</p> <p>(c) Any proceeding challenging an expulsion or suspension, including a proceeding in which defective notice is alleged, must be commenced within one (1) year after the effective date of the expulsion or suspension.</p> <p>(d) The member who has been suspended will continue to be liable to the corporation for dues, assessments, fees, or other charges, including interest and any costs as provided in Section 9.05 of these By-Laws, accruing until such suspension is terminated. The member who has been expelled will be liable to the corporation for dues, assessments, fees, or other charges, accrued, plus interest and costs as provided in Section 9.05 of these By-Laws, unpaid as of the effective date of such expulsion.</p>
§48-52-106(b)	Section 2.12 Resignations
§48-56-301	<p>The transfer of the ownership interest which provides the basis for membership shall be deemed to operate as an automatic resignation from the membership of the corporation. In addition, any member may resign at any time by filing a written resignation with the secretary of the corporation. Any resignation shall not, however, relieve the member so resigning of the obligation to pay any dues, assessments, fees, or other charges theretofore accrued and unpaid. Any person who resigns shall continue to be bound by and shall have the rights, privileges and duties accruing from any contract relating to that person's owning property in Lake Tansi Village Subdivision, including but not limited to the contract arising from the acceptance of an application.</p>
§48-52-106(b)	Section 2.13 Restoration of Membership
	<p>(a) Any member suspended for delinquencies in the payment of dues, assessments, fees, or other charges shall be restored to good standing on payment of all delinquent amounts then due, plus interest and any costs as provided by Section 9.05 of these By-Laws. Any member suspended for any other reason shall be restored to good standing on curing the grounds for suspension, as determined by the Board of Directors.</p> <p>(b) Any person expelled for any reason must apply for membership as any new member, and, in addition, must pay all dues, assessments, fees, or other charges, plus interest and any costs provided in Section 9.05 of these By-Laws, which would have been due had not such expulsion occurred.</p>
§48-56-202	Section 2.14 Regular and Business Memberships Not Transferable - Transferees Must Apply
	<p>No regular or business membership, or regular or business membership card, may be sold, assigned or transferred voluntarily, or by will, or by operation of law. Any person acquiring an interest qualifying that person for membership must apply and be admitted before becoming a member.</p>

ARTICLE III MEETINGS OF MEMBERS

- §48-57-101 Section 3.01 Place
 §48-57-102 All meetings of the members shall be held at Lake Tansi Village or at such other place within Cumberland County, Tennessee, as may be set by resolution of the Board of Directors.
- §48-57-101 Section 3.02 Annual Meetings
 An annual meeting of the members of the corporation shall be held each year at a place and time as determined by the Board of Directors in accordance with Section 3.04. At the annual meeting the president and chief financial officer shall report on the financial condition of the corporation; directors and advisory committee members shall be elected; and the members shall consider and act upon such other matters as may be raised consistent with the notice requirements of §48-57-105 T.C.A. and these By-Laws. *Amended 4/15/04*
- §48-57-102 Section 3.03 Special Meetings
 (a) A Special meeting of members shall be held:
 (a) on call of the Board of Directors, or the Chairperson of the Board, or the president, or
 (b) if the holders of at least ten percent (10%) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting, sign, date and deliver to the corporation's secretary, one or more written demands for the meeting describing the purpose or purposes for which it is to be held.
 (b) If not otherwise fixed pursuant to §48-57-103 or §48-57-107 T.C.A., the record date for determining the members entitled to demand a special meeting is the date the first member signs the demand.
 (c) If a notice for a special meeting demanded by the holders of at least 10 percent (10%) of all the votes entitled to be cast is not given pursuant to §48-57-105 T.C.A. within one (1) month after the effective date of the written demand or demands under §48-57-102 T.C.A., regardless of the requirements of §48-57-102(d), any person or persons signing the demand or demands may set the time and place of the meeting and give notice thereof.
 (d) Only business within the purpose or purposes described in the meeting notice may be conducted at a special meeting of members.
- §48-51-202 Section 3.04 Notice of Meeting - Waiver
 §48-57-105 (a) Written notice of all meetings of members shall be given, stating the place, date and time of the meeting, no fewer than ten (10) days nor more than sixty (60) days before the date of the meeting.
 §48-57-106(b) (b) Notice shall be deemed to have been given when deposited in the United States mail, first class, postage prepaid, addressed to the member at his address as it appears on the records of the corporation. Such notice may be included as part of a newsletter or other publication regularly sent to members, and in the case of members who are residents of the same household and who have the same address, if addressed or delivered to one of such members at the address appearing on the current list of members.
 (c) Notice of an annual meeting shall include a description of any matter or matters which must be approved by members under §48-58-302 (director and officer conflict of interest), §48-58-507 (indemnification of officers, employees, and agents), §48-60-103 and §48-60-202 (amendments to Charter or By-laws), §48-61-103 (action on mergers), §48-62-102 (sale of assets other than in regular course of activities), or §48-64-102 (voluntary dissolution), and may include such other matters as may be deemed appropriate by the Board of Directors to inform the members of the matters which are expected to be raised at the meeting.
 (d) Notice of a special meeting shall include a description of the matter or matters for which the meeting is called.
 (e) If an annual meeting or special meeting of members is adjourned to a different date, time or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed under §48-57-107 T.C.A., however, notice of the adjourned meeting must be given to the members of record of the new record date.
 (f) Notices of meetings shall include notice of a matter a member intends to raise at the meeting, if: (i) request in writing to do so is made by a person or persons entitled to call a special meeting; and (ii) the request is received by the secretary or president of the corporation at least ten (10) days before notice of the meeting is given.
 (g) A notice need not refer to the approval of minutes or to other routine matters customarily incident to the conduct of meetings of the members.
 (h) A certificate of the secretary or other person giving the notice that the notice required by this section has been given shall in the absence of fraud, be prima facie evidence of the facts stated therein.
 (i) A member's attendance at a meeting; (i) waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting (or promptly upon his/her arrival) objects to holding the meeting or transacting business at the meeting and (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.
- §48-57-107 Section 3.05 Record Date - Determining Members Entitled to Notice and Vote
 (a) The members shown on the records of the corporation as being in good standing at the close of business on the fifth business day preceding the day on which notice is to be given shall be entitled to notice of a meeting.
 (b) The members shown on the records of the corporation as being in good standing at the close of business on the day preceding the day of the meeting shall be entitled to vote at the meeting.

§48-57-108	<p>Section 3.06 Action by Written Ballot</p> <p>(a) Except as provided in Subsection (e) of this section, any action which may be taken at any annual or special meeting of the members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter.</p> <p>(b) A written ballot shall (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.</p> <p>(c) Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.</p> <p>(d) All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of Directors; and (iii) specify the time by which a ballot must be received by the corporation in order to be counted.</p> <p>(e) A written ballot, once received by the corporation, may not be revoked.</p>
§48-57-2-1	<p>Section 3.07 Members List for Meeting</p> <p>(a) After fixing a record date for notice of a meeting, the corporation shall prepare an alphabetical list of the names of all members who are entitled to notice of the meeting. The list must show the address and number of votes each member is entitled to vote at the meeting. The corporation shall prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting, but who are not entitled to notice of the meeting. The latter list shall be prepared on the same basis and be part of the list of members.</p> <p>(b) The list of members must be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a reasonable place identified in the meeting notice in Cumberland County, Tennessee. A member, a member's agent, or attorney is entitled on written demand to inspect and, subject to the limitations of §48-56-102(c) and §48-56-105 T.C.A., to copy the list at a reasonable time and at the member's expense, during the period it is available for inspection.</p> <p>(c) The corporation shall make the list of members available at the meeting, and any member, a member's agent, or attorney is entitled to inspect the list at any time during the meeting or any adjournment.</p>
§48-57-202	<p>Section 3.08 Right to Vote</p> <p>Each regular member and each business member of the corporation shall be entitled at each membership meeting, and upon each proposal presented at such meeting, to one (1) vote for each such membership. <i>Amended 2/18/02</i></p>
§48-57-203	<p>Section 3.09 Quorum</p> <p>(a) Unless the statutes of Tennessee or the Charter of this corporation provide for a higher or lower quorum, ten percent (10%) of the votes entitled to be cast on a matter must be represented at a meeting of members to constitute a quorum on the matter.</p> <p>(b) An amendment to the Charter that adds, changes, or deletes a greater quorum or voting requirement shall meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirements then in effect or proposed to be adopted, whichever is greater.</p> <p>(c) When a quorum is once present to organize a meeting, a meeting may be adjourned despite the absence of a quorum caused by the subsequent withdrawal of any of those present.</p>
§48-57-204 §48-57-205	<p>Section 3.10 Voting Requirements</p> <p>(a) If a quorum exists, action on a matter by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Charter or the statutes of Tennessee require a greater number of affirmative votes.</p> <p>(b) Directors shall be elected by a plurality of the votes cast by the members entitled to vote for directors in the election at a meeting at which a quorum is present.</p>
§48-57-205	<p>Section 3.11 No Proxies</p> <p>Proxy voting is prohibited, and proxies shall not be used for voting on any matters. <i>Amended 12/20/05</i></p>
§48-57-206	<p>Section 3.12 Corporation's Acceptance of Votes</p> <p>(a) If the name signed on a vote corresponds to the name of a member, the corporation if acting in good faith is entitled to accept the vote and give it effect as the act of the member. <i>Amended 12/20/05</i></p> <p>(b) If the name signed on a vote does not correspond to the record name of a member, the corporation if acting in good faith is nevertheless entitled to accept the vote and give it effect as the act of the member if: (i) the member is an entity and the name signed purports to be that of an officer or agent of the entity; or (ii) two (2) or more persons hold the membership as co-owners and the name signed purports to be the name of at least one (1) of the co-owners and the person signing appears to be acting on behalf of all co-owners. <i>Amended 12/20/05</i></p> <p>(c) The corporation is entitled to reject a vote if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has a reasonable basis for doubt about the validity of the signature or about the signatory's authority to sign for the member. <i>Amended 12/20/05</i></p> <p>(d) The corporation and its officer or agent who accepts or rejects a vote in good faith and in accordance with the standards of this section are not liable in damages to the member for the consequences of the acceptance or rejection. <i>Amended 12/20/05</i></p> <p>(e) Corporate action based on the acceptance or rejection of a vote under this section is valid unless a court of competent jurisdiction determines otherwise. <i>Amended 12/20/05</i></p> <p>(f) The grounds for acceptance of votes set out in Subsection (b) of this section do not constitute the exclusive basis on which a corporation may accept votes. <i>Amended 12/20/05</i></p>

ARTICLE IV BOARD OF DIRECTORS

§48-58-102
§48-58-103
§48-58-104

Section 4.01 Number, Qualifications and Designation

- (a) The number of directors of the corporation shall be nine (9), one of whom shall be designated by the Holiday Out R.V. Park Association, and one (1) of whom shall be designated by the Hiawatha Manor West and the Hiawatha Timeshare Associations to represent both those associations.
- (b) The designation of directors shall be done in accordance with the rules, procedures, and by-laws of each association on an annual basis.
- (c) The number of directors may be increased or decreased from time to time by amendment of these By-Laws, but no decrease shall have the effect of shortening the term of any incumbent director.
- (d) No person shall be eligible for election as director at an election at which he/she is completing two (2) consecutive terms as director, but such a person shall be eligible at an election to be held one (1) or more years after the completion of the second consecutive term.
- (e) In the event of an appointment or election to fill a vacancy on the board of an elected member, such action will not affect the eligibility of such a person to serve two (2) full consecutive terms. *(e) & (b) Amended 2/18/02*

§48-58-104
§48-58-105

Section 4.02 Existing Directors

The adoption of these By-Laws shall not affect the term of directors then in office, but such directors shall serve under these By-Laws for the remainder of their terms and are, thus, designated as directors.

§48-58-104
§48-58-105
§48-58-106

Section 4.03 Nominations, Elections and Terms

- (a) Any regular member in good standing may submit his/her names as a candidate for the Board of Directors by submitting a petition signed by at least twenty-five (25) voting members of the corporation to the Secretary of the corporation. *Amended 6/23/16*
- (a1) Any member of the Board of Directors wanting to run for re-election need only to submit his/her name to the Board of Directors for the approval to be placed on the ballot. This must be done by April 1st of that year. *Amended 6/23/16*
- (b) Directors shall be elected by a plurality of votes.
- (c) The seven (7) elected directors shall be elected for a term of three (3) years, on a staggered basis with no more than three (3) directors being elected each year unless required to fill a vacancy. Elected directors' terms begin on January 1 of the year following their election. The two (2) designated directors, including all directors in office as of the date of the adoption of these By-Laws, shall hold office for the duration of the term for which they are, or have been designated or elected, and thereafter until their successors have been elected or designated. *Amended 2/18/02, 2/19/04*

§48-58-107

Section 4.04 Resignation of Directors

- (a) A director may resign at any time by delivering written notice to the Board of Directors, the president or secretary, or to the corporation.
- (b) A resignation is effective when the notice is effective unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

§48-58-108
§48-58-109

Section 4.05 Removal of Directors

- (a) The members may remove any director elected by them with or without cause, if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors.
- (b) A director elected by the members may be removed by the members only at a meeting called for the purpose of removing the director and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director.
- (c) The Board of Directors may remove a director without cause where that director has been elected by the Board. Any such removal requires the vote of two-thirds (2/3) of the directors then in office.
- (d) A designated director may be removed only by the entity or entities designating that director.

§48-58-111

Section 4.06 Vacancy on Board

- (a) Except as provided in this section, if a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors or a vacancy resulting from a removal with or without cause: (i) in the case of a vacancy in a seat elected by the members where more than one (1) year remains to be served the members shall fill the vacancy; (ii) in the case of a vacancy in a seat elected by the members where the remaining term is less than one (1) year the Board of Directors may fill the vacancy; or (iii) in the case of a vacancy in an appointed or designated seat the vacancy shall be filled by the appointing or designating authority as the case may be.
- (b) If the directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy or vacancies by the affirmative vote of a majority of all the directors remaining in office.
- (c) Any director elected or designated to fill a vacancy shall take office immediately upon election or designation and shall hold office for the unexpired term of his/her predecessor, or, if there is no predecessor, until the next annual meeting of the members.
- (d) If a vacant office was held by a designated director, the vacancy shall be filled by the designating entity or entities.

§48-58-201

Section 4.07 Meetings of Board

- (a) The Board of Directors shall meet after the annual meeting of members, and at the same place as such annual meeting of members, provided a quorum be present, and no notice of such meeting shall be necessary.
- (b) Other regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors shall -- determine.
- (c) Special meetings of the Board of Directors may be called by the Chairperson of the Board or, in the absence or disability of the Chairperson by the president, or any three (3) directors.
- (d) The Board may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

§48-58-202	<p>Section 4.08 Action Without Meeting</p> <p>(a) Action required or permitted to be taken by the Board may be taken without a meeting. If all directors consent to taking such action without a meeting, the affirmative vote of the number of directors that would be necessary to authorize or take such action at a meeting is the act of the Board. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each director, and included in the minutes filed with the corporation records reflecting the action taken.</p> <p>(b) Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date.</p> <p>(c) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.</p>
§48-58-203 §48-51-202	<p>Section 4.09 Notice of Meetings</p> <p>(a) Except as otherwise provided in these By-Laws, notice of each regular or special meeting of the Board of Directors shall be given by the secretary or an assistant secretary, or in the absence or disability of the secretary or the assistant secretary, by the person or persons calling the meeting. Such notice shall be given to each member of the Board, not less than five (5) days before the meeting either by depositing the same in the United States mail, with first-class postage thereon prepaid, or by facsimile transmission, or by electronic mail to the address designated by him/her for such purpose (or, if none is designated, to his/her last known address), or not less than one (1) day before the meeting by other delivering the same to each member of the Board of Directors personally, or sending the same by telegraph or delivering it to the address designated by the Director for that purpose (or, if none is designated, to his/her last known address). <i>Amended 6/23/16</i></p> <p>(b) Notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed thirty (30) days in any one adjournment.</p>
§48-58-204	<p>Section 4.10 Waiver of Notice</p> <p>(a) A director may waive any notice required by statute, the Charter or By-Laws before or after the date and time stated in the notice. Except as provided in Subsection (b), the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or the corporate records.</p> <p>(b) A director's attendance at or participation in a meeting waives any required notice of the meeting unless the director at the beginning of the meeting (or promptly upon his/her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.</p>
§48-58-205	<p>Section 4.11 Quorum</p> <p>Except as may otherwise be provided by law, the Charter or By-Laws, a quorum of the Board of Directors consists of a majority of the directors in office immediately before a meeting begins, provided that a quorum of fewer than the greater of one-third (1/3) of the number of directors in office or two (2) directors is not authorized. When a quorum is once present to organize a meeting, a meeting may be later adjourned despite the absence of a quorum caused by the subsequent withdrawal of any of those present.</p>
§48-58-205(b)	<p>Section 4.12 Voting</p> <p>If a quorum is present when a vote is taken, the affirmative vote of the majority of directors present is the act of the Board, unless the statutes, the Charter or By-Laws require the vote of a greater number of directors.</p>
§48-58-205(c)	<p>Section 4.13 Dissents</p> <p>A director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (i) he/she objects at the beginning of the meeting (or promptly upon his/her arrival) to holding it or transacting business at the meeting; (ii) his/her dissent or abstention from the action taken is entered in the minutes of the meeting, or (iii) he/she delivers written notice of his/her dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.</p>
§48-58-206	<p>Section 4.14 Committees</p> <p>(a) The Board of Directors may create one (1) or more committees of the Board. A committee may consist of two (2) or more natural persons. Except as provided in §48-58-302 T.C.A., members of committees of the Board of Directors may be members of the Board of Directors or other natural persons, and they shall serve at the pleasure of the Board of Directors.</p> <p>(b) The creation of a committee and the appointment of members to it must be approved by the greater of: (i) a majority of all the directors in office when the action is taken, or (ii) the number of directors required by the Charter or these By-Laws to take action.</p> <p>(c) The provisions of these By-Laws and of the applicable statutes which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board apply to committees of the Board and their members as well.</p> <p>(d) To the extent specified by the Board of Directors, each committee of the Board may exercise the Board's authority. A committee may not, however, (i) authorize distributions; (ii) approve or recommend to members dissolution, merger or the sale, pledge or transfer of all or substantially all of the corporation's assets; (iii) elect, appoint or remove directors or fill vacancies on the Board or on any of its committees; or (iv) adopt, amend, or repeal the Charter or the By-Laws.</p> <p>(e) The creation of, delegation of authority to, or action taken by a committee does not alone constitute compliance by a director with the standards of conduct described in §48-58-301 T.C.A.</p> <p>(f) In addition to committees of the Board, the Board of Directors may create committees of the corporation to advise the Board in specific areas, or to carry out the policies of the Board in specific areas, or both.</p>
§48-58-301 §48-58-302 §48-58-303 §48-58-304	<p>Section 4.16 Standards of Conduct</p> <p>The general standards of conduct for directors shall be as specified in §48-58-301 T.C.A. The standards pertaining to director conflict of interest shall be as specified in §48-58-302 T.C.A. The standards pertaining to loans to or guarantees for directors and officers shall be as specified in §48-58-303 T.C.A. The standards applicable to liability for unlawful distributions shall be as specified in §48-58-304 T.C.A.</p>

ARTICLE V OFFICERS

- §48-58-401 **Section 5.01 Election**
The Board of Directors shall annually elect a chairperson of the board, a president, one or more vice presidents, a secretary and a treasurer. The Board of Directors may, from time to time, elect such additional officers as it may determine, including, without limitation, assistant secretaries and assistant treasurers. Such additional officers shall have such authority and perform such duties as the Board of Directors may, from time to time, prescribe. Any two (2) of the aforementioned offices, except those of president and secretary, may be filled by the same person, but no person shall purport to execute or attest to any document or any instrument on behalf of the corporation in more than one capacity. Officers may be, but need not be, directors, except the Chairman of the Board shall be a director.
- §48-52-106(b) **Section 5.02 Term of Office**
The officers of the corporation shall hold office for one (1) year, or until their successors are chosen and qualify in their stead, subject, however, to the removal of any officer pursuant to these By-Laws.
- §48-58-404 **Section 5.03 Resignation and Removal**
(a) An officer may resign at any time by delivering notice of resignation to the corporation. A resignation is effective when the notice is effective unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Board of Directors accepts the later effective date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.
(b) The Board may remove any officer at any time with or without cause.
- §48-52-106(b) **Section 5.04 Compensation**
The Board of Directors shall fix the compensation of the officers of the corporation. The compensation of other agents and employees of the corporation may be fixed by the Board of Directors or by an officer or officers to whom that function has been delegated by resolution of the Board.
- §48-58-402 **Section 5.05 Powers and Duties of Officers**
(a) All officers and agents of the corporation, as between themselves and the corporation, shall have such authority and perform such duties in the management of the corporation as may be provided in these By-Laws, or as may be determined by resolution of the Board of Directors not inconsistent with these By-Laws.
(b) The specific powers and duties of the officers of the corporation shall be as follows:
(1) **Chairperson of the Board.** The chairperson of the board shall, when present, preside at all meetings of the membership and of the Board of Directors.
(2) **President.** The president shall be the principal executive officer of the corporation, and subject to the control of the Board of Directors, shall, in general, supervise and control all the business and affairs of the corporation. He/She may sign, with the secretary or any other proper officer of the corporation authorized by the Board of Directors, applications for membership in the corporation, any deeds, mortgages, bonds, contracts or other instruments or documents which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed, and in general, shall perform all duties as may be prescribed by the Board of Directors from time to time.
(3) **Vice-Presidents.** The vice-presidents shall act in the order of their seniority, unless otherwise determined by the Board of Directors, and in the absence or disability of the president, shall perform the duties and exercise the powers of the president. They shall perform such other duties and may have such other powers and titles as the president or Board of Directors may from time to time prescribe.
(4) **Secretary.** The secretary shall: (i) keep the minutes of members' meetings and the Board of Directors' meetings; (ii) see that all notices are duly given in accordance with the provisions of these By-Laws and as may be required by law; (iii) be custodian of the corporate records; (iv) keep a register of the mailing address of each member which shall be furnished to the secretary by such member; (v) sign with the president or vice-president applications for membership in the corporation; (vi) authenticate the records of the corporation; and (vii) in general, perform all duties incident to the office of the secretary and such other duties as may, from time to time, be assigned to him/her by the president or the Board of Directors.
(5) **Treasurer.** The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate account of the receipts and disbursements in the books and records belonging to the corporation and shall deposit all monies and other valuable effects in the name of and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He/She shall disburse the funds of the corporation as may be ordered by the Board of Directors and shall render to the president and to the Board of Directors from time to time as they may require, an account of all of his transactions as treasurer and of the financial condition of the corporation.
(6) **Other officers.** The Board of Directors may appoint such other officers and agents as it may deem necessary or advisable, who shall exercise such powers and perform such duties as may be determined by the Board of Directors from time to time.
- §48-52-106(b) **Section 5.06 Vacancies**
Any vacancies occurring in the office of the president, treasurer or secretary shall be filled by the Board of Directors as soon as practicable. Vacancies in other offices may be filled at the discretion of the Board.
- §48-52-106(b) **Section 5.07 Delegation of Duties and Powers**
In the case of the absence or disability of any officers of the corporation, or in the case of a vacancy in any office, or for any reason that the Board of Directors may deem sufficient, the Board of Directors, except as otherwise provided by law, by Charter, or by these By-Laws, may temporarily delegate the powers or duties of any officer to any other officer or to any Director.
- §48-52-106(b) **Section 5.08 Security**
The Board of Directors may require any officer, agent or employee of the corporation to give security for the faithful performance of his/her duties, in such amount and in such form as may be satisfactory to the Board.

§48-58-403
§48-58-302

Section 5.09 Standards of Conduct

The standards of conduct for officers of the corporation shall be as specified in §48-58-403 T.C.A. and the rules pertaining to officer conflict of interest shall be as specified in §48-58-302 T.C.A.

ARTICLE VI STANDING ADVISORY COMMITTEES

Amended 8/17/04

§48-52-106(b)

Section 6.01 General Powers

The chairperson of each of the Standing Advisory Committees, under the direction and by the authority of the Board of Directors, shall have the power to advise the Board of Directors within the purview of his/her committee with reference to any matter of interest to the members of the corporation. The Chairperson of each Standing Advisory Committee is responsible for identifying the number of persons to serve on their respective committee and the selection of individuals. Persons selected to serve as members of a Standing Advisory Committee must be members in good standing based upon their ownership of a lot or living unit.

§48-52-106(b)

Section 6.02 Number, Tenure, and Qualifications

The number of Standing Advisory Committees designated under this article shall be 5 (five): Food and Beverage Committee, Golf Committee, Lakes Committee, Recreation Committee, and Security Committee, all chairpersons and members of whom shall be owners and members in good standing based upon their ownership of a lot or living unit and shall be elected for a term of one (1) year. The number of Standing Advisory Committees may be increased or decreased, from time to time, by amendment to these By-laws, but no decrease shall have the effect of shortening the term of any incumbent Standing Advisory Committee chairperson.

Amended 6/23/16

§48-52-106(b)

Section 6.03 Regular Meetings; Notification

Regular meetings of any Standing Advisory Committee may be held at a frequency, place, and time designated by the chairperson of that committee. Chairpersons for each of the Standing Advisory Committees shall provide written notification of the place and time of each regular meeting to the Board of Directors at least five (5) days prior to any called meeting.

§48-52-106(b)

Section 6.04 Petitions, Elections, and Vacancies

- (a) Any member in good standing may include his/her name as a candidate for chairperson of any of the Standing Advisory committees by submitting a petition signed by at least twenty-five (25) voting members of the corporation no later than 90 days prior to the established date of the annual meeting to the secretary of the corporation.
- (b) Standing Advisory Committee chairpersons shall be elected by a plurality of votes cast in the election at the annual meeting of members with the following exceptions:
 - (1) In the event that only one (1) qualified individual submits a petition for chairperson of any of the Standing Advisory Committees, that person shall be appointed chairperson to that committee for two (2) years without an election, pending Board of Director approval.
 - (2) In the event that no qualified individual submits a petition as a candidate for a chairperson of any standing advisory committee, the Board of Directors will, by a majority vote, appoint an individual to serve as chairperson for that committee until the next annual meeting. A member of the Board of Directors may be so appointed however will have no voting rights within the committee unless necessary to break a tie.
 - (3) Any Standing Advisory Committee chairperson vacancy may be filled by the affirmative vote of a majority of the entire Board of Directors. A member elected to fill a vacancy shall be elected to serve until the next annual membership meeting.

§48-52-106(b)

Section 6.05 Resignation, Removal of Standing Advisory Committee Chairpersons

- (a) A chairperson of any Standing Advisory Committee may resign at any time by delivering written notification to the Board of Directors.
- (b) The Board of Directors may remove an elected chairperson of a Standing Advisory Committee, with or without cause, by a 2/3 majority vote of the entire Board of Directors. Appointed chairpersons may be removed by a majority vote of the entire Board of Directors.

§48-52-106(b)

Section 6.06 Ex Officio Member

The President of the corporation or an officer or any employee of the corporation designated by him/her shall be an ex-officio member of any Standing Advisory Committee and as such shall have the right to attend and give advice to the committee, but not to vote at all meetings thereof. *Amended 6/23/16*

ARTICLE VII PRIOR CONTRACTUAL CLAIMS - SPECIAL MEMBERS - ELECTIONS

§48-52-105(b)

Section 7.01 Recognition of Prior Contractual Claims

This corporation and these By Laws are based on the premise that all persons enjoying the amenities at Lake Tansi Village Subdivision should share fairly and equitably in the costs of those amenities and in the privileges and responsibilities of living in the community centered around them. Many persons, however, have over the years prior to the organization of this corporation acquired property otherwise making them eligible for membership in this corporation under several different forms of contracts which may give rise to claims on their part to rights to use the amenities in existence on the date of such contracts on the payment of maintenance fees or other charges therein provided. This corporation has succeeded to the rights of its predecessors in interest under such contracts and recognizes that as such successor in interest, it may be bound by the terms and provisions thereof. Accordingly, this Article VII of these By-Laws is adopted in an effort to deal fairly with such persons and the community as a whole.

§48-52-105(b)

Section 7.02 Election of Status by Persons Having Prior Contractual Claims: Failure to Elect

In previous by-laws adopted by the corporation, the rights were specified for persons owning a lot in Lake Tansi Village Subdivision who acquired the same prior to September 3, 1977, and such rights as therein specified, are hereby confirmed.

§48-52-105(b)

Section 7.03 Non-Transferability of Special Memberships

Special memberships are not transferable in any way whatsoever.

Any special member or any non-participating person otherwise eligible for membership in this corporation may become a regular or business member, as the case might be, by filing an application therefor.

ARTICLE VIII

RIGHT TO USE AMENITIES AND REGULATION THEREOF

Section 8.01 Right to Use Amenities

Only those persons holding a currently valid membership, guest, or other card issued by this corporation shall be entitled to use the amenities at Lake Tansi Village Subdivision, and the right to such use will be limited to the rights accorded to persons in the particular category identified by particular types of cards. The Board of Directors may, however, on behalf of the corporation, allow through specially developed programs for specific amenities, through sponsorship of or allowing special events, make available POA amenities to persons not holding memberships in the POA. Amenities available may be limited by the Board of Directors. Amended 8/11/01

Section 8.02 Denial of Use

Any person may be required by any officer or employee of, or other person designated by, this corporation to produce a card evidencing that person's right to use such amenities; and on the failure to produce such a card on request, any person may be barred from such use. Appropriate steps will be taken to assure compliance with such rules and regulations.

Section 8.03 Regulations

The Board of Directors shall adopt rules and regulations governing the use of the amenities owned or controlled by this corporation. At its discretion, the Board of Directors may call upon committees to assist in the preparation of such rules and regulations. The committees may, however, at any time, suggest such rules and regulations to the Board. The Board of Directors may alter or revise such rules and regulations at its discretion. Appropriate steps will be taken to assure compliance with such rules and regulations.

ARTICLE IX

DUES AND ASSESSMENTS; BUDGETS

Section 9.01 Financing of Corporation

- (a) The corporation has three (3) basic sources of revenue: (i) receipts from charges made for the use of amenities, herein sometimes called user-charges; (ii) dues paid by members, as provided in these By-Laws, which dues are in lieu of maintenance fees or membership fees heretofore due under contract with the developer; and (iii) special assessments, as provided by these By-Laws.
- (b) The basic control over the expenses of the corporation is through the requirement of published budgets and annual statements and the power to ratify or reject the funding of such budgets is by vote of the membership, as herein provided.
- (c) To the extent consistent with promoting reasonable use of such amenities, the Board shall establish user-charges for use of such amenities as are susceptible to the imposition of such charges, to the end that such amenities shall be as nearly self-sustaining as may be prudent.
- (d) Membership dues are for the purpose of funding the on-going, ordinary activities, operations and facilities of the corporation as reflected in the annual budgets to be adopted as herein provided.
- (e) Special assessments are for the purpose of funding projects which cannot feasibly be funded from other sources, as further specified in Section 9.04.
- (f) In planning for funding of the corporation's activities, operations and facilities, the Board of Directors shall consider the maintenance of existing amenities and common facilities in good condition as the principal factor. The Board shall, however, also consider: (i) the policy against incurring any deficits; (ii) the establishing of adequate reserves; (iii) the maintenance of a good credit rating; and (iv) any other factors which a reasonably prudent person would consider under similar circumstances. The dues of members based on associate interests shall be fixed at a rate consistent with the incidents of such ownership, but below those of regular members.

Section 9.02 Members' Obligation to Pay Dues

- (a) Regular and Business Members. Each regular and each business member of the corporation shall pay annual membership dues, in lieu of any maintenance fees or other similar payments provided in contracts with the developer. The annual dues shall be set by the Board of Directors each year and may be adjusted from the prior year to reflect any percentage of increase in the average Consumer Price Index (all items - city average) as published by the United States Department of Labor, Bureau of Labor Statistics, between the two (2) years preceding July 1 of the year in which the adjustment is made or 5%, whichever is less. In the event such Consumer Price Index is for any reason not available, such adjustment shall be based on some other measure of economic change published by the United States Government which, in the judgment of the Board of Directors, is comparable to the Consumer Price Index. Increases to annual dues in any amount above those determined by the aforementioned increase in the Consumer Price Index must be ratified by vote of the regular and business members as provided in the By-laws.
- (b) Special Members. The annual membership dues of special members shall be the same as those for any other regular or business member.
- (c) Dues of associate members will be governed by agreements with the respective associations on which such membership is based at rates consistent with the incidents of such memberships.

- §48-52-106(b) Section 9.03 Annual Budget:
- Each year, the Board of Directors shall, prior to the annual meeting of the members, adopt a budget for the following calendar year, which budget shall be based upon the anticipated revenues, including proposed membership dues, and estimated expenses for the year.
 - Copies of the budget will be made available at the office of the corporation prior to the annual meeting for inspection by the members of the corporation; and will be made available at the annual meeting of members.
 - In the event the members, for any reason, refuse to ratify an increase in dues at the annual meeting, including any adjournment thereof, the Board of Directors shall revise the budget so as to reflect the change in anticipated income.
 - The estimated expenses shall not exceed the anticipated revenues in the annual budget. If, during the course of the year, the revenues received are less than the revenues budgeted, the Board of Directors shall reduce the expenditures accordingly, so that every effort will be made to avoid deficits. In making such reductions, the Board of Directors may revise particular budget allocations at their discretion.
- §48-52-106(b) Section 9.04 Special Assessments
- In addition to the annual membership dues, the corporation may make special assessments of two (2) kinds: (i) emergency assessments, for the purpose of reconstructing or making emergency repairs or replacements of any common properties owned by the corporation; and (ii) capital assessments for the making of substantial capital improvements in the nature of new or additional amenities of common properties, provided, however, that no such special assessments shall exceed twice the amount of the respective annual dues during any year.
 - All special assessments will be levied by equal amounts on all regular and business members, and on all special members consenting thereto as provided by these By-Laws.
 - Before any special assessment shall be levied, the Board of Directors shall: (i) make a public announcement of the project to be funded by the special assessment; (ii) propose a budget for the proposed project, showing the estimated total cost thereof and the sources of the funds required to finance the same; (iii) make that budget available for inspection by any member of the corporation at the offices of the corporation; (iv) adopt a resolution to go forward with the project, including the proposed budget and the special assessment; (v) submit the special assessment to a meeting of the members for their ratification; and (vi) have the special assessment ratified, by the vote of a majority of the regular and business members, present and voting in person or by proxy.
 - In the event the members fail or refuse to ratify any special assessment, the same shall not be levied, but the Board of Directors may, by following the same procedure, submit a revised proposal to the membership.
- §48-52-106(b) Section 9.05 Payment Subject to Interest; Enforcement, Liens
- By becoming a member of this corporation, regular, business, or special, any person agrees:
- To pay annual membership dues or assessments or both, when due, in accordance with the provisions of these By-Laws, and to pay fees and other charges as they may become due.
 - On the failure to pay any such dues, assessments, fees, or other charges when due, to pay interest thereon at the rate of ten percent (10%) per annum from the date of delinquency.
 - In the event collection of the same is referred to any attorney or other agency for the corporation, to pay reasonable attorney's fees and other costs of collection.
 - By accepting membership in the corporation, each such member agrees that the corporation will retain any right to a lien to secure the payment of any dues or assessments hereunder, which such member has contracted for with respect to membership or maintenance fees. The officers of the corporation shall further include in all forms for application for future regular or business membership herein a provision giving this corporation a continuing lien on any lot or living unit owned by such applicant, for the purpose of securing the payment of dues, assessments, fees, or other charges hereunder.
 - Annual membership dues are due and payable for a particular calendar year on or before January 1 of that year and if not paid by the 10th day of February of that year, shall then be considered delinquent. Any rights available to the association for the collection of delinquent dues, and assessments, fees or other charges, and the enforcement of liens to collect the same, may be commenced on or after February 10 if the dues, assessments, fees, or other charges for that calendar year have not been paid by that time.

ARTICLE X

SPECIAL CORPORATE ACTS AND PROHIBITIONS

- §48-52-106(b) Section 10.01 Negotiable Instruments
- All checks, drafts, notes, bills of exchange, and orders for the payment of money shall, unless otherwise specifically directed by the Board of Directors or unless otherwise required by law, be signed by such officer or officers, agent or agents, of the corporation in such manner as shall, from time to time, be determined by resolution of the Board of Directors.
- §48-52-106(b) Section 10.02 Execution of Deeds, Contracts, Etc.
- Subject always to the specific directions of the Board of Directors, all deeds, deeds of trust, mortgages, security agreements and financing statements, made by the corporation, and all of the written contracts and agreements to which the corporation shall be a party shall be executed in its name by such officer or officers, agent or agents, of the corporation as may be determined from time to time by resolution of the Board of Directors and such authority may be general or confined to specific instances.
- §48-52-102(b) Section 10.03 Prohibition Against issuance of Stock
- The corporation shall not have or issue shares of stock.
- §48-53-101
§48-54-201(11) Section 10.04 No Distributions
- The corporation shall make no distributions, as that term is defined in §48-54-201(11) F.C.A.

ARTICLE XI

MISCELLANEOUS PROVISIONS

§48-53-102(2)

Section 11.01 Seal

The corporation may by resolution of the Board of Directors, adopt a corporate seal which shall have inscribed thereon the name of the corporation, the year of incorporation, and the word "Tennessee" and "seal", and shall be circular in form. The presence or absence of such seal on any instrument, or its addition, thereto, shall not affect the character, the validity or legal effect thereof in any respect. The affixing of the seal shall not be necessary for the execution of any instrument or document by the corporation, and such seal shall be used only where deemed expedient in the judgment of the officer executing documents or instruments on behalf of the corporation.

§48-52-105(b)

Section 11.02 Fiscal Year

The fiscal year of the corporation shall be the calendar year, unless otherwise designated by the Board.

§48-66-101

Section 11.03 Corporate Records

- (a) The corporation shall keep as permanent records minutes of all meetings of its members and Board of Directors, a record of all actions taken by the members or directors without a meeting, and a record of all actions taken by committees of the Board of Directors in place of the Board of Directors as authorized by these By-Laws and the statutes of Tennessee.
- (b) The corporation shall maintain appropriate accounting recording as determined by the Board of Directors.
- (c) The corporation or its agent shall maintain a record of its members in a form that permits preparation of a list of the names and addresses of all members, in alphabetical order by class showing the number of votes each member is entitled to vote.
- (d) The corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.
- (e) The corporation shall keep a copy of the following records at its principal office: (i) its Charter or restated Charter and all amendments to them currently in effect; (ii) its By-laws or restated By-laws and all amendments to them currently in effect; (iii) resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of members of any class or category of members; (iv) the minutes of all meetings of members and records of all actions approved by the members for the past three (3) years; (v) all written communications to the members generally within the past three (3) years, including financial statements furnished for the past three (3) years in accordance with these By-Laws and the statutes of Tennessee; (vi) a list of the names and business or home addresses of its current directors and officers; and (vii) its most recent annual report delivered to the Secretary of State under §48-66-203 T.C.A.

§48-66-102

Section 11.04 Inspection by Members

§48-66-103

The rights of members to inspect and copy the records of the corporation are as specified in §48-66-102 through §48-66-105 T.C.A.

§48-66-104

§48-66-105

§48-66-201

Section 11.05 Financial Statements for Members

- (a) The corporation shall prepare annual financial statements that include a balance sheet as of the end of the fiscal year and an income statement for that year. If the financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis. If requested in writing by any member, the corporation shall furnish such statements to the member as set out in Subsection (c) hereof.
- (b) If annual financial statements are reported upon by a public accountant, his/her report must accompany them. If not, the statements must be accompanied by the statement of the president or person responsible for the corporation's financial accounting records: (i) stating the president's or other person's reasonable belief as to whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation; and (ii) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.
- (c) The corporation shall mail the annual financial statement to each requesting member within one (1) month after notice of the request; provided, however, that with respect to the financial statements for the most recently completed fiscal year, the statements shall be mailed to the member within four (4) months after the close of the fiscal year.

§48-52-105(b)

Section 11.06 Member Initiative

By filing a statement of a proposal with the secretary or assistant secretary of the corporation, at least sixty (60) days prior to any annual meeting, signed by at least two percent (2%) of the regular or business members of the corporation, members may initiate prior official consideration of any matter. The Board of Directors shall promptly after the filing of such a statement, take an official position with respect thereto. In any proxy solicitation made by or on behalf of a majority of the Board of Directors, any such proposal shall be stated or described and the recommendation of the Board with respect thereto shall be stated. Such matters shall then come before the membership at the annual meeting in the regular course of considering new business.

§48-52-105(b)

Section 11.07 Multiple Bases for Membership

- (a) Any person who owns two (2) contiguous lots which have been treated as a single unit in the construction of a house, attached or free standing garage, shall be eligible for only one (1) membership. In addition, any lot used for the purpose of septic in conjunction with the construction of a house on a single or contiguous lots shall be eligible for only one (1) membership as a result of such ownership.
- (b) If any person who owns two (2) or more lots or living units which are not within Subsection (a) of this section seeks to become a member, such person must hold a membership for each such lot or living unit; provided, that with respect to such additional memberships, such person shall be required to pay one-half (1/2) of the dues paid on other memberships, subject to Subsection (c) below.
- (c) All lots or living units not within Subsection (a) which are bought, sold or otherwise transferred resulting in any change in ownership after December 31, 2006 shall be subject to the full membership dues regardless of the number of lots or living units already owned by the person acquiring such lots or living units. *Amended by membership 10/18/06*
- (d) Multiple owners will be issued only one (1) set of membership cards.
- (e) Any person holding multiple memberships shall be entitled to all privileges due each such membership.

§48-58-502
§48-58-503
§48-58-504
§48-58-505
§48-58-506
§48-58-507

Section 11.08 Indemnification of Officers or Directors

With respect to claims or liabilities arising out of service as an officer or director of the corporation, the corporation shall indemnify and advance expenses to each present or future director (and his/her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the state of Tennessee, both as now in effect and hereafter adopted or amended.

Section 11.09 Architectural Control Committee

- (a) The Board of Directors is authorized and directed to continue the adoption and modification of policies and procedures controlling the construction of buildings and other structures, the placement of mobile homes and recreational trailers and the use of, and activities on, the land belonging to the members of the corporation within Lake Tansi Village.
- (b) The Board of Directors shall each year appoint an Architectural Control Committee chairperson and he/she shall select his/her committee, to be approved by the Board of Directors, and consisting of such number of persons (at least four (4)), as the Board of Directors may from time to time determine. All members of the Architectural Control Committee shall be members in good standing of the corporation. Vacancies on the Architectural Control Committee shall promptly be filled by the Chairperson of the Architectural Control Committee, and approved by the Board of Directors.
- (c) The Architectural Control Committee shall continually review the policies and procedures adopted by the Board of Directors with respect to the construction of buildings and other structures, the placement of mobile homes and recreational vehicles and the use of, and activities on, the land belonging to the members of the corporation within Lake Tansi Village; and make recommendations to the Board of Directors concerning the modification thereof.
- (d) The Architectural Control Committee shall be responsible for the enforcement of the policies and procedures adopted by the Board of Directors; and shall regularly report to the Board with respect thereto.
- (e) The Architectural Control Committee shall cause to be prepared and distributed, subject to the approval of the Board of Directors, a brochure setting forth the policies and procedures established by the Board of Directors in this regard.

ARTICLE XII AMENDMENTS TO CHARTER AND BY-LAWS

§48-60-102
§48-60-103
§48-60-301

Section 12.01 Amendment of Charter

- (a) Unless Tennessee law, the Charter, By-Laws, the members (acting pursuant to Subsection (b) of this section), or the Board of Directors (acting pursuant to Subsection (c) of this section), require a greater vote or voting by class, an amendment to the corporation's charter to be adopted must be approved: (i) except as provided in §48-60-102 T.C.A. by the members by two-thirds (2/3) of the votes cast or a majority of the voting power, whichever is less; and (ii) in writing by any person or person whose approval is required by a provision of the charter authorized by §48-60-301 T.C.A.
- (b) The members may condition the amendment's adoption on receipt of a higher percentage of affirmative votes or on any other basis.
- (c) If the Board initiates an amendment to the Charter or Board approval is required by the Charter or By-Laws to adopt a Charter amendment, the Board may condition the amendment's adoption on receipt of a higher percentage of affirmative votes or on any other basis.
- (d) If the Board or the members seek to have the amendment approved by the members at a membership meeting, the corporation shall give notice to its members of the proposed membership meeting in writing in accordance with these By-Laws. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment and contain or be accompanied by a copy or summary of the amendment.
- (e) If the Board or the members seek to have the amendment approved by the members by written ballot, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment.

§48-60-202(b)

Section 12.02 Amendment of By-Laws by Board of Directors

The Board of Directors may amend or repeal the By-Laws of the corporation by the affirmative vote of two-thirds (2/3) of the entire Board, unless (i) the Charter or the statutes reserve the power to amend specific provisions exclusively to the members; or (ii) the members provide expressly that the Board may not amend or repeal a particular by-law.

§48-60-202(b)

Section 12.03 Amendment of By-Laws by Members

The corporation's members may amend or repeal the By-Laws even though the By-Laws may also be amended or repealed by the Board of Directors. An amendment to the By-Laws shall be approved by members by two-thirds (2/3) of the votes cast or the majority of the voting power, whichever is less. Provided, however, an amendment to the By-Laws which relates solely to the dues required for membership and which establishes or changes a specific amount for dues, shall be approved by a majority of the members present and voting, unless the By-Laws or Charter specifies a higher voting percentage.

ARTICLE XIII CONSTRUCTION

§48-52-105(b)

Section 13.01 Definitions of Particular Terms

As used in these By-Laws, unless the context otherwise requires, the following terms shall have the following meanings:

- (1) 'Amenities' - means those facilities owned, operated or controlled for the use and benefit of members of the corporation for recreational, social and related purposes.
- (2) 'Common facilities' - means that land and those improvements owned, operated and controlled for the general use and benefit of Lake Tansi Village Subdivision.
- (3) 'Immediate family' - means spouse and unmarried children under 22 years of age.
- (4) 'Living unit' - means any portion of a building designed and intended for use and occupancy as a residence by a single family.
- (5) 'Lot' - means a single unit of land shown as such on a plat of record in the Register's Office of Cumberland County, Tennessee.
- (6) 'Record owner' - means a person holding title to real property the deed to which is of record in the Register's Office of Cumberland County, Tennessee.
- (7) 'R.V. Park' - means the development for recreational vehicles on Lake Tansi known as Holiday Out in America at Tansi Campsite Subdivision No. 1.

§48-52-105(b)

Section 13.02 Principles of Construction

- (a) These By-Laws are adopted to conform to the laws of Tennessee and shall be construed in accordance therewith. In the event of any doubt or ambiguity, that construction shall be adopted which is consistent with the laws of Tennessee.
- (b) Unless the context clearly indicates the contrary, words in the singular shall include the plural and vice versa; and words in the masculine gender shall include feminine.
- (c) The references in the margin are to Tennessee Code Annotated and are included only for purposes of reference.

State of Tennessee

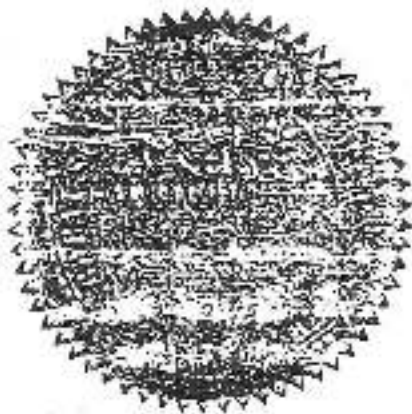


Department of State

CERTIFICATE

The undersigned, as Secretary of State of the State of Tennessee, hereby certifies that the attached document was received for filing on behalf of LAKE TASSI VILLAGE PROPERTY OWNERS ASSOCIATION, INC.,
(Name of Corporation)
was duly executed in accordance with the Tennessee General Corporation Act, was found to conform to law and was filed by the undersigned, as Secretary of State, on the date noted on the document.

THEREFORE, the undersigned, as Secretary of State, and by virtue of the authority vested in him by law, hereby issues this certificate and attaches hereto the document which was duly filed on April Twenty-Eighth, 1977.



Henry Crowell
Secretary of State

CHARTER OF INCORPORATIONFIRST

NAME The name of this corporation is Lake Tansi Village Property Owners Association, Inc.

SECOND

DURATION The period of its duration is perpetual.

THIRD

ADDRESS The address of this corporation is P. O. Drawer 743, Route 12, Dunbar Road, Crossville, Tennessee 38555.

FOURTH

TYPE This corporation is to be not for profit.

FIFTH

PURPOSES The purposes for which this corporation is organized is as follows:

1. To acquire, construct, establish, maintain and operate recreational facilities and utility systems for the use and benefit of the members of the corporation.
2. To administer to all of the affairs of the members of the corporation which may be properly incident to the establishment, promotion and maintenance of civic, social, recreational and cultural purposes within Lake Tansi Village Subdivision.
3. To carry on and engage in any other pursuits, objects, purposes and acts of lawful business in connection with the foregoing purposes, which are not forbidden by the Constitution of the State of Tennessee and the United States,

1977 APR 20 AM 10 18

STATE OF TENNESSEE, COMMERCE COUNTY

The foregoing instrument was certified to me by the clerk

and recorded in Book 167, Page 770. State Tax Paid \$

Witness my hand

Notary Public, 12577

 UP 329 10/10/77 10:00 AM 12/19/77
 Recording Fee 5.00
 State Tax Paid \$
 Notary Public, 12577
 Notary Public, 12577

and to enjoy all of the rights, powers and privileges of every nature pertaining or proper to such pursuits, objects, purposes and acts, or lawful businesses.

SIXTH

MEMBERSHIP - This corporation shall have members, and such membership and voting rights incident thereto shall be subject to the provisions of the By-Laws of this corporation.

SEVENTH

GENERAL POWERS AND LIMITATIONS The general powers of this corporation shall be all of the general powers conferred upon a corporation not for profit by the statutory and common laws of the State of Tennessee, subject only to such limitations in the exercise of such general powers as may be provided in the By-Laws of this corporation.

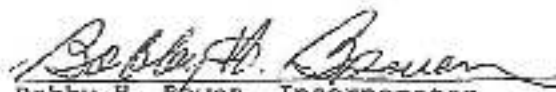
EIGHTH

MANAGEMENT OF CORPORATE AFFAIRS The affairs and business of the corporation shall be managed by a Board of Directors of not less than five members, and such Board shall have full control over the affairs and business transactions of the corporation, and may authorize the exercise of its corporate affairs.

This corporation shall have a President, Vice President, Secretary and a Treasurer, and such other officers, agents or factors as may be deemed necessary.

The undersigned natural person, having capacity to contract, hereby applies to the State of Tennessee for the Charter of Incorporation for the purposes and with the powers and provisions set out in the foregoing instrument.

Witness my signature on this 1st day of April, 1976.


Bobby H. Bowen, Incorporator

FILED
SECRETARY OF STATE
1979 OCT -1 AM 11:30

00102 00782

ARTICLES OF AMENDMENT TO THE CHARTER OF
LAKE TANSI VILLAGE PROPERTY OWNERS' ASSOCIATION, INC.

Pursuant to the provisions of § 48-303, Tenn. Code Ann., the undersigned corporation adopts the following Articles of Amendment to its Charter:

1. The name of the corporation is:

Lake Tansi Village Property Owners' Association, Inc.

2. The amendment adopted is:

The paragraph numbered "sixth" is amended by adding at the end thereof the following:

A quorum for any meeting of members of the corporation shall consist of not less than one-tenth (1/10) of the total membership of the corporation entitled to vote at such meeting, present either in person or by proxy, including each regular and each business membership and the total number of memberships eligible to be voted by the developer, as may be provided in the By-laws of the corporation.

3. The amendment was duly adopted at a meeting of the members on September 1, 1979.

4. The amendment is to be effective when these Articles are filed by the Secretary of State.

Dated September 15, 1979.

LAKE TANSI VILLAGE PROPERTY
OWNERS' ASSOCIATION, INC.

By Michael C. Davis
President

STATE OF TENNESSEE, CUMBERLAND COUNTY

I, Notary Public, do hereby certify that the foregoing instrument and certificate were noted in Notary Book

it recorded in Notary Book 216, Series

Witness my hand

Notary No. 12347

Page 123

State Tax Paid \$

Fee

Notary Fee

Total

\$5.00

Oct. 19, 1979

Rhoda Mae Davis

637 Reg. Margaret McDowell

K.R.