

BY-LAWS

OF

EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.

Name and location: The name of the corporation is EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC., its' successors and assigns.

DEFINITIONS

Section 1. "Association" shall mean and refer to EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS' ASSOCIATION, INC., a mutual benefit, not for profit corporation, organized and existing under the laws of the State of Tennessee, with its' principal office being located in Loudon County, Tennessee, its' successors and/or assigns, the Charter of which is attached hereto EXHIBITS "A"

Section 2. "Owner(s)" shall mean and refer to the record owner whether one or more persons or entity, of a fee simple title to any lot which is a part of the "Property", including contract seller(s), but not including those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plat of land shown of any recorded subdivision map of the "Property", exclusive of any designated common areas as shown on the recorded plat, and as hereinabove brought within the jurisdiction of the Planned Unit Development by the recordation of additional plats by the Declarant, its' successors and assigns.

Section 5. "Declarant" shall mean and refer to Executive Meadows, L.L.C., its' successors and assigns.

Section 6. "Member" shall mean and refer to those person(s) entitled to membership as provided in this Declaration.

Section 7. "Lender" as used herein shall mean and be defined as any lender, whether institutional investor, bank, savings and loan association, or loan broker, whose loan is secured by a Lot in the Development as shown on the recorded plat; and shall include without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, Federal Housing Administration (FHA) and the Veterans Administration (VA), their respective successors or assigns, as their respective interests may appear.

Section 8. "Common Areas" as used herein shall mean all real property, including the improvements thereon, owned by the Association for the common use and enjoyment of the "Owner(s)", which are as designated on the recorded plat, if any, and being more particularly described as follows:

Townhouse Area

Beginning at a bronze TVA marker at the edge of Old Highway 95 and a corner with

Loposser, thence with Old highway 95 the following four (4) calls: (1) South 04 deg. 38 min. 39 sec. East a distance of 243.23 feet to an iron pin, (2) South 03 deg. 37 min. 15 sec. East a distance of 205.57 feet to an iron pin, (3) South 03 deg. 28 min. 42 sec. East a distance of 142.76 feet to an iron pin and (4) South 03 deg. 28 min. 42 sec. East a distance of 198.36 feet to an iron pin corner with Ross; thence with Ross and Lot 5 of Little Mountain Estates Subdivision south 88 deg. 36 min. 24 sec. West a distance of 220.15 feet to a corner with the Executive Meadows Golf Course; thence with the golf course the following fifteen (15) calls: (1) North 03 deg. 28 min. 42 sec. West a distance of 504.11 feet to a point, (2) South 79 deg. 42 min. 01 sec. West a distance of 89.65 feet to a point, (3) south 68 deg. 15 min. 32 sec. East a distance of 70.27 feet to a point, (4) South 21 deg. 44 min. 28 sec. West a distance of 166.07 feet to a point, (5) South 03 deg. 28 min. 42 sec. East a distance of 172.36 feet to a point, (6) South 84 deg. 15 min. 55 sec. West a distance of 198.15 feet to a point, (7) North 03 min. 28 min. 42 sec. West a distance of 133.70 feet to a point, (8) North 49 deg. 36 min. 23 sec. West a distance of 43.25 feet to a point, (9) South 84 deg. 15 min. 55 sec. West a distance of 391.60 feet to a point, (10) North 70 deg. 18 min. 29 sec. West 260.05 feet to a point, (11) North 05 deg. 44 min. 05 sec. West a distance 194.13 feet to a point, (12) North 62 deg. 28 min. 10 sec. East a distance of 229.49 feet to a point, (13) North 84 deg. 15 min. 55 sec. East a distance of 523.70 feet to a point, (14) a curve to the left whose radius is 25 feet and whose chord is North 39 deg. 15 min. 55 sec. East a distance of 42.43 feet to a point and (15) North 05 deg. 44 min. 05 sec. West a distance of 204.62 feet to a point in the line of Robinette; thence with Robinette the following two (2) calls: (1) North 80 deg. 44 min. 45 sec. East a distance of 14.75 feet to an iron pin and (2) North 80 deg. 33 min. 01 sec. East a distance of 259.37 feet to an iron pin corner with Loposser; thence with Loposser the following two (2) calls: (1) South 05 deg. 42 min. 45 sec. East a distance of 172.00 feet to an iron pin and (2) North 87 deg. 23 min. 15 sec. East a distance of 145.00 feet to the point of beginning and containing 13.95 feet, all according to the survey of Dennis N. Gore, Registered Engineer No. 18012, dated July 27, 1996.

The above described boundary may vary slightly to allow for required changes to the as-built townhouse locations.

There is specifically excepted from the above described property the golf clubhouse area and the adjoining parking lot which is shown on the plat of record in the Register's Office for Loudon County, Tennessee in Plat Cabinet _____. Slide _____ and which is described as follows:

Beginning at a point in the Townhouse boundary northwest of Lot No. 41 where the boundary begins the curve to the left (west) toward the Robinette property, thence North 56 deg. 25 min. 38 sec. East a distance of 20.72 feet to a point; thence South 48 deg. 42 min. 16 sec. East a distance of 49.27 feet to a point; thence North 05 deg. 44 min. 05 sec. West a distance of 68.02 feet to a point; thence North 80 deg. 18 min. 59 sec. East a distance of 227.83 feet to a point; thence South 10 deg. 17 min. 59 sec. East a distance of 104.66 feet to a point; thence South 79 deg. 42 min. 01 sec. West a distance of 43.29 feet to a point; thence South 10 deg. 14 min. 27 sec. East a distance of 93.22 feet to a point; thence South 38 deg. 50 min. 25 sec. West a distance of 77.63 feet to a point; thence South 79 deg. 42 min. 01 sec. West a distance of 30.57 feet to a point; thence North 38 deg. 50 min. 25 sec. East a distance of 91.62 feet to a point; thence North 10 deg. 14 min. 27 sec. West a distance of 84.08 feet to a point; thence South 79 deg. 41 min. 36 sec. West a distance of 173.08 feet to a point; thence North 05 deg. 44 min. 05 sec. West a distance of 10.09 feet to a point; thence North 48 deg. 42 min. 16

sec. West a distance of 76.15 feet to the point of beginning.

Being a part of the same property described in the Loudon County Register of Deeds Office in Deed Book 226, pages 27, 29 and 35.

Section 9. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the Office of the Register of Deeds for Loudon County, Tennessee.

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the ASSOCIATION, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day of the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special Meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class "A" membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary of person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting, to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Charter of the Association, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than an announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of five (5) directors, who need not be members of the Association.

Section 2. Term in Office. At the first meeting, the members shall elect two (2) directors

for a term of one (1) year, two (2) directors for a term of two (2) years and one (1) director for a term of three years; and at each annual meeting thereafter the members shall elect two (2) directors for a term of one year, and other directors as required to maintain a Board of Five (5) Directors.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. Directors shall not receive compensation for any service they may render to the Association. However, any director may be reimbursed for their actual expenses incurred in the performance of their respective duties.

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

Section 6. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting.

Section 7. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 8. Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Special meeting of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors after not less than three (3) day written notice to each director. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 9. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the common areas and facilities and the personal conduct of the member and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the common areas recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be

suspended after notice and hearing for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Charter of the Association, or the Declaration of Covenants, Conditions and Restrictions;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary and prescribe their duties.

Section 10. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its' acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4th) of the Class "A" members who are entitled to vote.

(b) supervise all officers, agents and employees of the Association and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) establish the amount of the annual assessment against each Lot at least thirty (30) day in advance of each annual assessment period; and

(2) send written notice of each assessment to all Owner(s) subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or bring an action at law against the Owner(s) personally obligated to pay the same:

(d) issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states and assessment has been paid, such certificate shall be conclusive evidence of such payment.

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the exterior of the residential dwellings to be maintained.

OFFICERS

Section 1. Enumeration of Officers. The officers of the Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following the annual meeting of members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

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

Section 8. Officers' Duties.

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) The vice-president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act as required of him/her by the Board.

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their address, and shall perform such other duties as required by the Board.

(d) The treasurer shall receive and deposit in appropriated bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of accounts; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual

budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

COMMITTEES

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

BOOKS AND RECORDS

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

ASSESSMENTS

As more fully provided in the Declaration, each member is obliged to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which an assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment not paid within thirty (30) days after the due date there shall be require the payment of a penalty of \$20.00 with an additional \$20.00 for each 30 days until paid. The ASSOCIATION may bring an action at law against the Owner(s) personally obligated to pay the same or foreclosure of the lien against the property, and interest, costs, and reasonable attorney fees of any action shall be added to the amount of such assessment. Owner(s) may not waive or otherwise escape liability for the assessments provided for herein by nonuse of any Common Areas or abandonment of his/her Lot.

AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of the members by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Charter of the ASSOCIATION and these By-Laws, the Charter shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

MISCELLANEOUS

Section 1. The fiscal year of the ASSOCIATION shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. The ASSOCIATION shall not have a corporate seal.

IN WITNESS WHEREOF, the undersigned being, the interim directors of EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS ASSOCIATION, INC., have hereunto set their hands this ____ day of October, 1996.

EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS ASSOCIATION, INC.

By: *James E. Simpson*
James E. Simpson, Interim Director

By: *Edward Boling*
Edward Boling, Interim Director

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the acting secretary of EXECUTIVE MEADOWS SUBDIVISION HOMEOWNERS ASSOCIATION, INC. whose principal office is in Loudon County, Tennessee; and

That the foregoing By-Laws constitute the original By-Laws of said corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the ___ day of October, 1996.

IN WITNESS WHEREOF, I have hereto subscribed the name of the corporation by signing my name thereto as secretary this ___ day of October, 1996.

Edward Boling
Secretary

Prepared by:

JAMES H. HARRIS, ATTY
306 WHARF ST.
LOUDON, TN. 37774

STATE OF TENNESSEE, LOUDON COUNTY REGISTER'S OFFICE
THIS INSTRUMENT RECEIVED AT 4:20 O'CLOCK P. M., OF THE 16 DAY OF OCT 19 96
DULY CERTIFIED AND REGISTERED IN SAID OFFICE IN TRUST BOOK NO. 390 PAGE 19
AND NOTED IN BOOK NO. U PAGE 147 STATE TAX PAID \$ ---
FEE # 160.00 *James H. Harris* REGISTER