

Instrument Prepared by:
Name: James Keyes
Address: P.O. Box 541
Monroe, TN 37885



BY-LAWS OF
HARBOUR PLACE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I
Definitions

The following terms used in these By-laws are defined as follows:

- a. "Association" means the Harbour Place Property Owners Association, Inc., a Tennessee non-profit mutual benefit corporation.
- b. "Board" means the Directors and Officers of the Harbour Place Property Owners Association, Inc.
- c. "By-laws" means the By-laws of the Harbour Place Property Owners Association, Inc.
- d. "Common Property" means any real property from time to time owned or controlled by the Association.
- e. "Declaration" means the Declaration of Covenants, Conditions and Restrictions of the Developer recorded in Miscellaneous Book 105, Page 200, in the Registrar's Office for Monroe County, Tennessee, on August 27, 1997, and as the same were supplemented or amended thereafter.
- f. "Developer" means Lakeside Properties, Inc. and its successors.
- g. "Development" means Harbour Place on Lake Tellico, a residential and recreational area, as the same may be shown on maps thereof recorded from time to time.
- h. "A.C.C." means the Architectural Control Committee, an elected group of owners designated to review building plans for compliance within the Declaration of Covenants, Conditions and Restrictions.
- i. "Lot" means the numbered Lots as shown on the recorded subdivision plat of the Property.
- j. "Owner" means:
 - (1) Any person, including Developer, who holds fee title to a Lot or an undivided interest in fee title to a Lot; or,
 - (2) Any person who has contracted to purchase fee title to a Lot or an undivided interest in fee title to a Lot under a written agreement, in which case the seller under said agreement shall cease to be the "Owner" while said agreement is in effect; or,
 - (3) Any lessee of a Lot under a recorded lease from the owner of fee title to said Lot for a term of not less than fifty (50) years, in which case the lessor under said lease shall cease to be the "Owner" while said lease is in effect.
- k. "He/his/him" also means she/hers/her.

ARTICLE II
Association Membership

Section 1. **Classes of Membership.** There shall be members and associate members.

Section 2. **Members.** Each Owner shall, by reason of ownership, become a member of the Association.

There shall be one (1) voting member for each Lot regardless of the number of persons who may have any ownership interest in such Lot, or the manner in which title is held by them and regardless of the number of Lots in which any person may have an ownership interest. If more than one (1) person shall have an ownership interest in any Lot, the voting member shall be designated in writing at the request of the Association.

Section 3. **Associate Members.** If not otherwise a member, each of the following shall be entitled to associate membership in the Association:

- a. The spouse and children of a member who have the same principal residence as the member.
- b. Persons who may be tenants or regular occupants of residences situated in the Development.

Associate members shall have no vote or right to notice of any regular or special meeting of members. The privileges and duties of associate members shall be established from time to time by the Board by resolution. The privileges and duties of associate members need not be the same as those of members.

Section 4. **Privileges of Membership.** Members and associate members shall have a license to use the Common Property subject to the provisions of the Declaration and subject to such other rules and regulations as may be established by the Board.

Section 5. **Suspension of Privileges of Membership.** The Board may suspend the voting privileges of any member and license of any member or associate member to use the Common Property for:

- a. Any period during which any Association charge on such member's Lot remains unpaid; and/or
- b. The period of any continuing violation by such member or associate member of the provisions of the Declaration after the existence thereof shall have been declared by the Board; and/or
- c. A period to be determined by the Board, not to exceed three (3) months, for repeated violations of the By-laws or the rules and regulations of the Association.

ARTICLE III
Evidence of Membership and Transfer

Section 1. **Membership Certificates.** Certificates of membership in the Association may be issued to members and associate members. Such certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the President or other Officer of the Association. Such certificate shall indicate whether or not the holder is a member or an associate member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its face that the Association is an incorporated Association. Adequate records shall be maintained by the Association showing the names of the members and associate members of the Association, the type of membership and the date of membership.

Section 2. **Transfer.** When a member ceases to be an Owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease; but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

ARTICLE IV
Meetings of Members

Section 1. Place of Meetings. Any meeting of the members of the Association shall be held in the State of Tennessee at such place therein as may be stated in the notice of such meeting.

Section 2. Annual Meeting. The Annual Meeting of the Association shall be held during the month of April each year.

Section 3. Special Meetings of the Association. Special meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of twenty percent (20%) of the members of the Association who have the right to vote at such meeting. Such petition shall set forth the purpose of the special meeting.

Section 4. Notice of Meetings of the Association. Written notice of the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than thirty (30) days nor more than forty (40) days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. Quorum. A quorum at either a special meeting or the Annual Meeting shall be thirty three percent (33%) of the votes entitled to be cast in person or by proxy. This number is required in order to convene the meeting and conduct business of the association. A majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law or elsewhere in this document.

ARTICLE V
Elections

Section 1. Election of Directors, Officers, and Other Elected Positions. All elected positions shall be by one written ballot as is hereinafter provided. Sixty (60) days before the Annual Meeting, any member in good standing may file with the Secretary of the Association a statement of his candidacy for election as a Director, Officer and all other elected positions of the Association for the term beginning immediately following the Annual Meeting of the Association held after the filing of such statement. Candidacy forms will contain a cutoff date for return to the Secretary in order to be included on the printed ballot. Joint owners may not serve simultaneously as a Director or Officer. Additionally, joint owners may not serve simultaneously on the A.C.C., nor may joint owners serve simultaneously on the Nominating Committee. When multiple candidates are running for the same position or running for multiple positions in committees, those candidates receiving the largest number of votes will be elected.

Section 2. Election Materials. The election materials to be mailed shall:

- a. Describe on the ballot the vacancy to be filled.
- b. Set forth the names of those persons on the ballot who have become candidates for the office of Director, Officers, and all other elected positions, in the order in which they filed their statements of candidacy with the Secretary of the Association. The ballot will contain a write-in candidacy area.
- c. Include a brief biographical statement and each candidate's reasons for wanting to serve.
- d. Include the ballot, an inner "Ballot" envelope in which the completed ballot will be sealed for return, an external envelope for return, and a place on the external envelope for the required signature of the voting member. The materials shall be prepared and mailed by the Secretary to each member entitled to vote, simultaneously with the mailing of the notice of the Annual Meeting of the Association, the meeting agenda, a proxy form, and a copy of the proposed budget for the next year.

Section 3. Election of Directors. Directors shall be elected by members entitled to vote. Each voting member may cast one vote per Lot, multiplied by up to five (5) - the number of Directors to be elected. He may cast all such votes for a single Director or may distribute them among the candidates. The candidates receiving the largest number of votes shall be the elected Directors and shall serve for a term of one (1) year.

Section 4. Election of Officers. Officers shall be elected by members entitled to vote and shall serve for a term of one (1) year. The same person may hold any two (2) or more offices, except the offices of President and Secretary. Officers must be members of the Association, except the Treasurer, who may be a member, but is not required to be a member.

Section 5. Election of Architectural Control Committee (A.C.C.). Members of the A.C.C. shall be elected by members entitled to vote. To provide continuity the following schedule is established: A.C.C. members shall be elected for a two (2) year term. On even numbered years, one (1) A.C.C. member shall be elected, and on odd numbered years, two (2) A.C.C. members shall be elected. Each year an alternate A.C.C. member shall be elected for a one (1) year term.

Section 6. Election of Nominating Committee. The Nominating Committee shall be elected by members entitled to vote and shall serve for a term of one (1) year.

Section 7. Mailing of Ballots. Each member entitled to vote shall receive one (1) ballot by mail for each Lot for which he is the voting member. The ballots shall be returned to the Secretary of the Association by mail at such address and date as the Board may from time to time determine. All ballots received prior to the day fixed by the Board for the counting of such ballots will be counted.

Section 8. Election Committee. Upon receipt of each returned ballot, the Secretary shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such ballots. On that day, the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election committee consisting of the Secretary, the then existing Board, the then existing Nominating Committee, and a representative of each candidate for all elected positions. The Election Committee shall then determine that the signature of the member on the outside envelope corresponds to the name of a member.

ARTICLE VI The Board

Section 1. The Board. The Board shall consist of all Directors and Officers of the Harbour Place Property Owners Association, Inc.

Section 2. Number of Directors. The maximum number of Directors shall be five (5). Directors are required to be property owners, and may be Officers.

Section 3. Officers. The Officers of the Association shall be the President, one (1) Vice President, the Secretary, and the Treasurer. The Officers shall have equal voting privileges with Directors. Officers may be Directors, and must be property owners, except the office of the Treasurer.

a. President. The President shall be the general managerial Officer of the Association, except as otherwise determined by the Board; and, he shall be vested with the powers and duties generally incident to the office of President, except as otherwise determined by the Board, or as may be otherwise set forth in these By-laws.

b. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President is empowered to act and shall thereupon be vested with the powers and duties of the President.

c. Secretary. The Secretary of the Association shall keep the minutes of all meetings of business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the By-laws. He shall have custody of the minutes of meetings, records and maintain a list of the members and their addresses and perform all other duties incident to the office of the Secretary.

d. Treasurer. The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. If the Treasurer is not a member, he shall not be a Director and he will not have Board voting privileges. The Board must require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 4. Powers. The Board shall:

- a. Manage and control the affairs of the Association.
- b. Designate a banking institution or institutions as depository for the Association's funds; and the Officer or Officers authorized to make withdrawals there from and to execute obligations on behalf of the Association.
- c. Perform other acts the authority for which has been granted herein or by law, including the borrowing of money for Association purpose. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Common Property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.
- d. The Board shall adopt such rules and regulations relating to the use of Common Property, and sanctions for noncompliance therewith, as it may deem reasonably necessary for the best interest of the Association and its members. The Board may also establish and levy reasonable fees for the issuance of building permits or the use of Common Property. The Board shall also employ a sufficient number of persons to adequately maintain Common Property. Further, the Board may adopt reasonable rules of order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.
- e. The Board shall, prior to the Annual Meeting of the Association in each year, adopt an operating budget to be presented for approval by the members at such Annual Meeting. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment for each Lot for the following year. Upon adoption and approval of the budget, the Board shall be bound by the same and shall not vary therefrom by more than fifteen percent (15 %) of the total amount thereof without having called a special meeting of the Association to approve variations. The budget shall be adopted only after the members of the Association have had the opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct.

Section 5. Specific Duties. The Board shall have the following specific duties:

- a. Maintain the Common Property;
- b. Collect the yearly, quarterly, or monthly assessment fee;
- c. Maintain awareness of Association financial liabilities and ensure payment when due;
- d. Enforce the Restrictive Covenants;
- e. Conduct annual elections in accordance with Article 5 of this document.

Section 6. Meetings of the Board. The Board shall meet at least annually. Special meetings of the Board may be called by the President or a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate. Notice of a special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of said special meeting, or notice thereof may be waived by the Board in writing. After adoption of a resolution setting forth the times of regular meetings, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

Section 7. Action without Meetings. Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in writing, signed by all of the Board Members who would be

entitled to vote upon said action at a meeting, and filed with the Secretary of the Association.

Section 8. Quorum. A majority of the Board Members shall constitute a quorum to transact Board business, and the act of the majority of the Board Members present at any meeting shall be deemed to be the act of the Board.

Section 9. Vacancies. If any vacancy exists on the Board, such vacancy may be filled from the remaining Board Members even though those remaining Board Members might be less than a quorum. The vacancy may also be filled by a Board appointment of any member in good standing. Any person so appointed shall be a Director or Officer until his successor is elected either by the next Association Election, or at a special meeting called for that purpose.

Section 10. Removal of Officers. Any Officer may be removed when, in the judgment of the Board, the best interests of the Association will be served by such removal.

ARTICLE VII **The Architectural Control Committee**

Section 1. Architectural Control Committee (A.C.C.). The A.C.C. shall consist of three (3) members, and one (1) alternate.

a. The responsibility of the A.C.C. shall be to review building plans for compliance within the guidelines of the Declaration of Covenants, Conditions, and Restrictions.

b. The A.C.C. shall monitor the building process to ensure continued compliance within the guidelines of the Declaration of Covenants, Conditions, and Restrictions.

Section 2. Alternate. The alternate A.C.C. member shall serve if a regular committee member is not available.

ARTICLE VIII **The Nominating Committee**

Section 1. Nominating Committee. The Nominating Committee shall consist of three (3) members. The primary purpose of the Nominating Committee is to recruit candidates, serve as a part of the Election Committee, and to assist in the election process as guided by the Board.

Section 2. Chairman. The members of the Nominating Committee shall elect one (1) member of their committee to serve as Chairman of the Committee.

Section 3. Candidacy. Nominating Committee members shall not be candidates for any other elected position.

Section 4. Vacancies. In the event a Nominating Committee member is unable to fulfill his duties, the candidate receiving the next highest votes shall be appointed, by the Board, to serve. If no additional candidates are able to serve, a replacement shall be appointed by the Board.

ARTICLE IX **Duties of Members**

Section 1. Payment of Assessments. The charges or assessments levied by the Association as provided in Article VI, Section 4(e), shall be paid to the Association on or before the date fixed by resolution of the Board. Written notice of the charge and the date of payment shall be sent to each Owner at the address last given by such Owner to

the Association. If any charge levied against any Lot shall not be paid when due, it shall become a lien upon said Lot, subject only to matters of record on such due date and shall remain a lien until paid in full. The Board may bring such actions, as it shall determine appropriate at law or in equity, by way of foreclosure of such lien or otherwise, to collect to the amount of said charge, including interest, costs of collection and attorney's fees. The sale or transfer of any Lot shall not affect any lien for charges provided for herein. Upon request the Association shall furnish a statement certifying that the charges against a specified Lot have been paid or that certain charges remain unpaid as the case may be.

Section 2. Commencement of Assessments. The maintenance assessment for the first calendar year assessments are made shall not exceed \$100.00 per Lot.

ARTICLE X
Amendments

These By-laws may be amended by a simple majority of the votes entitled to be cast (sixty five votes). Amendments will become effective after approval.

ARTICLE XI
Indemnity

- a. Any person made a party to any action, suit or proceeding, by reason of the fact that he, his testator or intestate representative is or was a Director, Officer or employee of the Corporation, or of any Corporation in which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceedings, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding, or in connection with any appeal therein that such Officer, Director or employee is liable for negligence or misconduct in the performance of his duties.
- b. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any Officer or Trustee or employee may be entitled apart from the provisions of this section.
- c. The amount of indemnity to which any Officer or Trustee may be entitled shall be fixed by the Board, except that in any case where there is no disinterested majority of the Board available, the amount shall be fixed by arbitration pursuant to the then existing rules of the American Arbitration Association.

The undersigned certify that the foregoing By-laws were adopted by the members of the Harbour Place Property Owners Association, Inc.

This 7th day of March 1999.
Amended this 5th day of March, 2000.
Amended this 26th day of January 2003
Amended this 31st day of January 2005

BK/PG: M203/237-243
09004762



7 PGS : AL - ARTICLES OF BYLAWS	
DEB BATCH: 21030	
06/11/2009 - 01:19:00 PM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	35.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	37.00

STATE OF TENNESSEE, MONROE COUNTY
MILDRED ESTES
REGISTER OF DEEDS

James M. Keyse

President

Patricia R. Hawkin

Secretary

Robert T. ...

Member

01/31/2005
Page 7 of 7