

BY-LAWS

OF

WINDSOR POINTE ON NORRIS LAKE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

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

- (a) “Association” means the Windsor Pointe on Norris Lake Property Owners Association, Inc., a Tennessee non-profit mutual benefit corporation.
- (b) “Board” means the Board of Directors of the Windsor Pointe on Norris Lake Property Owners Association, Inc.
- (c) “By-Laws” means the By-Laws of the Windsor Pointe on Norris Lake 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 Misc. Book.46, Page 131, as amended in Misc. Book 47, Page 305, and Misc. Book 47, Page 307, in the Register’s Office for Campbell County, Tennessee.
- (f) “Developer” means Southern Lifestyles III Limited Partnership, and its successors.
- (g) “Development” means Windsor Pointe on Norris Lake, 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, a selected 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.

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 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 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. **Association 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 Area 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 Areas 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 in such form as the Board shall from time to time designate, 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 fact that the Association is an unincorporated 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 Associate 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 will be called each year by the Board. The first annual meeting was held on July 30, 2005.

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 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 maybe 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 a simple majority of the members entitled to vote at such meeting in person or by proxy: The vote of 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.

ARTICLE V

The Board of Directors

Section 1. 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 wherefrom 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 reasonable necessary, assign, pledge, mortgage or encumber any Association 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 Association 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 Association property. The Board shall also employ a sufficient number of persons to adequately maintain Association 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 operation 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 the adoption and approval of the budget, the Board shall be bound by the same and shall not vary there from 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 a reasonable 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 2. Number of Directors: The number of Directors shall be five (5). Directors are required to be members, and may be officers. Officers must be property owners.

Section 3. Term: The Board Members shall serve a term of two (2) years. Board vacancies will alternate annually to provide continuity of board function, i.e. two open positions one year and three open positions the next. No board member shall serve more than 2 consecutive terms.

Section 4. Election of Board Members

- a. Election of Board members shall be by written ballot as is hereinafter provided. In all elections of Board members, each member entitled to vote shall be entitled to as many votes as shall equal the number of votes which he is entitled to cast on any matter other than the election of Board members multiplied by the number of Board members to be elected, and he may cast all of such votes for a single Board member or may distribute them among the number to be voted for, or for any two or more of them, as he may see fit. The persons receiving the largest number of votes for a vacancy shall be elected. Appointment of vacant officer positions will be made by the elected board members.
- b. Between the first and fifteenth day of February of each year, commencing with the year 2000, any member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Board member of the Association for the term beginning immediately following the first annual meeting of the Association held after the filing of such statement, together with endorsements of his or her candidacy signed by two (2) members in good standing. The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such annual meeting.
- c. All elections to the Board of Directors shall be made on written ballot which shall:
 - (1) Describe the vacancy to be filled; and,

- (2) Set forth the names of those persons who have become candidates for the office of Board member in the order in which they filed their statements and endorsements of candidacy with the Secretary of the Association. .

Such ballots 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.

- d. Each member entitled to vote shall receive one (1) ballot for each Lot for which he is the voting member.
- e. The ballots shall be returned to the Secretary of the Association at such address as the Board may from time to time determine, no later than ten (10) days prior to the annual meeting.
- f. Upon receipt of each return, 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 of the Board Secretary, the then existing Board, and a representative of each candidate for the office of Director. The Election Committee shall then determine that the signature of the member on the outside envelope is genuine.

Section 5. Meetings of the Board of Directors: 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 Directors 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 6. 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 a 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 7. Quorum: A majority of the Board of directors shall constitute a quorum to transact business of the Board, 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 8. Vacancies: If any vacancy occurs on the Board during an elected term, such vacancy shall be filled by an alternate Board candidate until the current elected term expires. Alternate Board candidates will be sourced from those nominees not elected during the most recent Board election in order of votes received. Based on votes received, there will be 1st and 2nd alternate candidates for any vacancies that occur. The nominee(s) receiving the most votes but not sufficient to be elected, will be the alternate(s).

Section 9. Specific-Duties: The Board shall have the following specific duties:

- a. Maintain the common area;
- b. Collect the yearly, quarterly, or monthly assessment fee;
- c. Responsibility for payment of Liability Insurance for the Common Area;
- d. Enforcement of the restrictive covenants.

ARTICLE VI

The Officers

Section 1. Officers: The officers of the Association shall be the President, one or more Vice Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. Officers shall be members of the Association.

Section 2. 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. He or she need not be a Director.

Section 3. Vice President: In the absence of the President, or in 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. In the event that there is more than one Vice President, the Board shall establish the order in which they serve.

Section 4. 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 or she shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the 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.

Section 5. 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.

Section 6. 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

The Architectural Control Committee shall consist of three (3) persons, and these members, once elected at an annual meeting of the Association, shall serve until they choose to resign or until they are no longer a property owner in Windsor Pointe. If a vacancy on the Committee occurs, a new member will be elected at the next annual meeting of the Association. The Association reserves the right to review the Architectural Control Committee annually and to hold an election for new committee members at the annual meeting if this action is required. The chief purpose of the Architectural Control Committee shall be to review building plans for compliance within the guideline of the Declaration of Covenants, Conditions, and Restrictions. The Architectural Control Committee will provide a non-voting Board Member to attend meetings and provide status to the Board.

ARTICLE VIII

The Dock Owners Committee

The Dock Owners Committee shall consist of three (3) persons, who are dock lot owners. These members once elected at the annual meeting, shall serve until they choose to resign or until they are no longer property owners in Windsor Pointe. Only the 20 dock lot owners, who are in good standing, are eligible to vote for the dock owners committee members. If a vacancy on the committee occurs, a new member will be elected at the next annual meeting. The Dock Owners reserve the right to review the Dock Owner's Committee annually and to hold an election for new committee members at the annual meeting if this action is required. The chief purpose of the Dock Owners Committee shall be to govern and regulate the use of twenty (20) water access lots, D-1 through and including D-20, as outlined in the Second Amendment to Protective Covenants for Windsor Pointe subdivision. The Dock Owners Committee will provide a non-voting Board Member to attend meetings and provide status to the Board.

ARTICLE IX

Duties of Members

Section 1. **Payment of Assessments:** The charges or assessments levied by the Association as provided in Article V, section 1(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 dated 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 calendar year assessments shall not exceed \$100.00 per lot.

ARTICLE X

Amendments

These By-Laws may be amended by a simple majority vote of the Members.

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 of Directors, 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 Windsor Pointe on Norris Lake Property Owners Association, Inc.

This ___ day of _____, 2006,

for and effective _____

President

Secretary

