

**BYLAWS**  
**OF**  
**THE POINT AT GRAINGER'S LANDING VILLA OWNERS' ASSOCIATION**

I. GENERAL PURPOSE

The Point at Grainger's Landing Villa Owners' Association (hereinafter the "Association") has been organized for the purpose of administering the operation and management of condominium facilities for the use and benefit of the unit owners of The Point at Grainger's Landing Villas, a residential condominium complex located or to be located in Grainger County, Tennessee (hereinafter referred to as "Condominium"), as more particularly described in a Master Deed creating such Condominium recorded or to be recorded in the Register's Office for Grainger County, Tennessee (the "Master Deed"). The terms and provisions of these Bylaws are expressly subject to the effect of the terms, provisions, conditions and authorizations contained in the Master Deed and in the Charter of The Point at Grainger's Landing Villa Owners' Association (the "Charter"). The terms and provisions of the Charter and the Master Deed are incorporated herein by reference and shall be controlling wherever the same may be in conflict herewith. Any inconsistency or conflict between the Master Deed and the provisions hereof, as controlled by the Charter, shall be resolved in favor of the provisions of the Master Deed. For purposes of these Bylaws, capitalized terms shall have the meaning set forth in the Master Deed unless otherwise stated or the context so requires. The Association shall perform the care and upkeep of the Property, other than the Units, in the manner set out in the Master Deed.

II. MEMBERSHIP AND VOTING RIGHTS

A. Membership. Each person or entity who is a record owner of a fee interest in a Unit or Units of the Condominium shall automatically be a member of the Association (hereinafter referred to as "Member").

B. Change of Membership. Change of membership shall be accomplished by recording in the Grainger County Register's Office a deed or other instrument establishing record title to a Unit, and delivery to the Secretary of the Association of a copy of such recorded instrument. The membership of the prior Unit Owner in the Association shall be thereby terminated.

C. Voting. Voting by the Members in the affairs of the Condominium and the Association shall be on the basis of one vote per Unit. In the event that more than one Member owns a Unit, such Unit Owners may file with the Secretary of the Association a certificate signed by all of the Owners of the Unit and designating the Member who shall be authorized to cast the vote of that Unit; and in the event of a dispute as to how the vote of the Unit should be cast, the vote of the Member named in the certificate shall be the vote of the Unit. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file and conflicting votes are cast by Owners of the same Unit, the vote of such Unit shall not be considered in determining the matter at issue. In no event will more than one vote per Unit be considered upon an issue.

D. Suspension of Rights. Any person's rights and privileges in the Condominium and Property may be suspended at the discretion of the Board of Directors for any period during which such person shall continue to be in violation of the provisions of these Bylaws, the Charter or the Master Deed. Specifically, and without limitation, the membership and voting rights of any Member may be suspended by the Board of Directors for any period during which any Assessments against the Unit to which its membership is appurtenant remains unpaid; but upon payment of such Assessments, and any interest accrued thereon, the Member's rights and privileges shall be restored as of the date of payment. Further, if Rules and Regulations governing the use of the Property and the conduct of persons thereon have been adopted and published, as authorized in these Bylaws, the rights and privileges of any person in violation thereof may be suspended at the discretion of the Board of Directors.

D. Proxies. Proxies and proxy ballots shall be permitted with respect to all elections of Directors and all amendments to the Charter, the Master Deed or these Bylaws, and all other matters that may come before a meeting of the membership of the Association. All proxies and proxy ballots shall be in writing, signed by Member entitled to vote, or by the Member's duly authorized representative, and delivered to the Secretary of the Association, or such other person as the President may designate, prior to the commencement of the meeting. In the case of a proxy ballot, the instrument shall specify the vote to be cast on behalf of the Unit by the secretary of the meeting or other designated proxy.

### III. MEETINGS OF MEMBERS

A. Place of Meetings. All meetings of the Members of the Association shall be held at the Property or at such other place convenient to the Members as may be designated by the Board of Directors or the President.

B. Annual Meetings. All annual Members' meetings shall be held on the day and month of the year to be established by the Board of Directors. At such meeting the election of Directors shall take place, and the Members may transact such other business as may properly come before them.

C. Special Meetings. Special meetings of Members may be called by the President whenever he or she deems such a meeting advisable or shall be called by the Secretary when ordered by a majority of the Board of Directors, or upon the written request of Members of the Association representing at least twenty-five percent of all votes entitled to be cast at such meeting. Such request shall state the purpose of such meeting and the matters proposed to be acted upon. Unless Members representing at least fifty percent of all votes entitled to be cast request such a meeting, no special meeting may be called to consider any matter which is substantially the same as a matter voted upon at any meeting of the Association held during the preceding twelve months, which determination shall be made in the sole and absolute discretion of the Board of Directors.

D. Notice. Notice of all Members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association (or other officer of the Association in absence of said officers) to each Member, unless waived by the Member in writing. Such notice shall be written or printed and shall state the time, place and purposes for which the meeting is called. Such notice shall be given to each Member not less than ten days nor more than two months prior to the date set for such meeting, which notice shall be mailed or hand delivered within said time to each Member's address as shown in the Association's records.

E. Quorum and Adjourned Meetings. A quorum at a Members' meeting shall consist of persons entitled to cast a majority of the votes of the entire membership, present either in person or by proxy. In the absence of a quorum, the Members who are present may adjourn the meeting from time to time, until a quorum shall be present or represented.

F. Action by Written Consent. Whenever Members of the Association are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all Members entitled to vote thereon. If all the Members entitled to vote on the action consent to the taking of the action without a meeting, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Members. The action shall be evidenced by one or more written consents describing the action so taken, signed by each Member entitled to vote thereon in one or more counterparts, indicating each signing Member's vote or abstention on the action and delivered to the Association for inclusion in the corporate records.

G. Organization. At each meeting of the Association, the President, or, in his or her absence, the Vice President (or in the absence of both the President and the Vice President, a Member present in person or represented by proxy and entitled to vote thereat), shall act as a chairperson, and the Secretary, or in his or her absence, a person whom the chairperson shall appoint, shall record the minutes of the meeting.

H. Voting. Except as otherwise required by the Charter, the Master Deed or any law, the affirmative vote of a majority of the votes represented at any duly called Members' meeting at which a quorum is present shall be binding upon the Members. Upon request of any Member, the election of directors shall be by a secret ballot.

I. Member in Good Standing. A Member shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting if and only if (i) all Common Expense Assessments appertaining to his or her Unit have been paid, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him or her and to his or her Unit, at least three days prior to the date fixed for such meeting; and (ii) such Member's rights and privileges are not otherwise then suspended by the Board of Directors for an existing violation of these Bylaws, the Charter, the Master Deed or the Rules and Regulations of the Association.

J. Order of Business. The order of business at the annual meeting of the Members or at any special meetings insofar as practicable shall be:

1. Establish presence of a quorum by roll call or other check-in procedure
2. Proof of notice of meeting or waiver of notice
3. Reading of minutes of preceding meeting
4. Report of Board of Directors, including budget and Assessments
5. Reports of committees
6. Election of directors
7. Unfinished business
8. New business
9. Adjournment

#### IV. BOARD OF DIRECTORS

A. Number and Qualification. At the organizational meeting of the Association, the incorporator shall appoint three persons to the initial Board of Directors. Thereafter the number of directors may be fixed from time to time by majority vote of the Board of Directors; but the Board shall never consist of less than three directors. At least a majority of the Board of Directors shall be Members of the Association, or shall be authorized representatives of the Developer; provided, that during the Developer Control Period as provided in the Master Deed, the Developer shall have the right to designate and select the persons who shall serve as members of the Board of Directors. Thereafter, the Board of Directors shall be elected by a majority of the votes cast by Members, in the case of the election of a single director. When there shall be more than one position to be filled on the Board of Directors, directors shall be elected by a plurality of the votes cast by the Members; and cumulative voting shall not be permitted.

B. Term of Office. The initial Board of Directors selected by the incorporator shall serve until they are removed and replaced by the Developer or their successors are duly elected and qualified by the Members of the Association. For the first Board of Directors elected by the Members of the Association, two directors shall be designated to hold office for a term of two years, and one director shall be designated to hold office for a term of one year. Thereafter directors shall be elected to serve terms of two years each, which terms shall expire at the second annual Members' meeting following their election. All directors shall serve until their successors are duly elected and qualified, or until they are removed in the manner elsewhere provided in these Bylaws or as may be provided by law.

C. Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within fifteen days of their election at such time and at such place as shall be fixed by the directors at the Association meeting at which they were elected; and no further notice of the organizational meeting shall be necessary in order to legally constitute such a meeting, providing a quorum of the Board of Directors shall be present.

D. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one such meeting shall be held each fiscal year. Notice of regular meetings shall be given by the Secretary or other designated person to each director, personally or by mail, telephone or telefax, at least three days prior to the day named for such meetings.

E. Special Meetings. Special meetings of the Board of Directors may be called by the President, and must be called by the Secretary at the written request of any two directors. Not less than three days' notice of a special meeting shall be given to each director personally, by mail, telephone or telefax, which notice shall state the time, place and purpose of the meeting.

F. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a director at any meeting of the Board of Directors shall be deemed a waiver of notice by him or her. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting. In the discretion of the Board of Directors, meetings of the Board of Directors or portions thereof may be open to Members of the Association for observation or participation in such manner and to the extent the Board of Directors may deem appropriate.

G. Quorum and Adjourned Meetings. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business; and acts of the majority of directors present at a meeting at which a quorum is present

shall be acts of the Board of Directors, unless otherwise provided in the Charter or the Master Deed or by applicable law. If any directors' meeting cannot be organized because a quorum is not present, the directors who are present may adjourn the meeting from time to time until a quorum is present.

H. Removal of Members of the Board of Directors. At any duly noticed and held regular or special meeting of the Association, any one or more directors may be removed with or without cause by a majority of the votes held by the Members represented, and a successor may immediately be elected to fill the vacancy thus created. Each person so elected shall be a director for the remainder of the term of the director whose term he or she is filling and until his or her successor is duly elected and qualified. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

I. Vacancies. Except for the right reserved to the Developer concerning the initial Board of Directors, vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Members of the Association shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy; provided, however, in the event that the vacancies on the Board of Directors result in only one director remaining on the Board, a special meeting of the Association shall be called by the President in order to fill such vacancies. Each person elected to fill a vacancy in the Board of Directors shall serve as a director for the remainder of the term of the director whose term he or she is filling and until his or her successor is duly elected and qualified.

J. Action by Written Consent. Whenever the Board of Directors is required or permitted to take action by vote, such action may be taken without a meeting upon written consent, setting forth the action so taken, and signed by all of the directors. If all the directors consent to the taking of the 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 shall be the act of the Board of Directors. The action shall be evidenced by one or more written consents describing the action so taken, signed by each director in one or more counterparts, indicating director's vote on the action and delivered to the Association for inclusion in the corporate records.

K. Powers and Duties. The Board of Directors may act in all instances on behalf of the Association, except as provided by the Master Deed, these Bylaws, the Condominium Act or other applicable law. The Board of Directors shall have, subject to the aforementioned limitations, the powers and duties necessary for the administration of the affairs of the Association and of the Condominium, which shall include, but not be limited to, the following:

1. To make, levy and collect Assessments against Members and Members' Units to defray the costs of the operation and maintenance of Common Elements, and to use the proceeds of said Assessments in the exercise of the powers and duties granted unto the Association;
2. To cause the Common Elements to be maintained according to accepted standards established by the Association and as set forth in the Master Deed;
3. To make and amend Rules and Regulations governing the use of the Property for the use and benefit of the Members, so long as such Rules and Regulations and other limitations which may be placed upon the use of the Property do not conflict with the terms of the Charter and the Master Deed;
4. To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, as may be necessary or convenient in the operation and management of the Property, the Condominium or the Common Elements, and in accomplishing the purposes set forth in the Master Deed, Charter or these Bylaws;
5. To contract for the management of the Association, and to delegate to such manager all of the powers and duties of the Association, subject to the limitations of the Master Deed and the Condominium Act, with the cost of employing such manager to be a part of the Common Expenses;
6. To comply with and to enforce by legal means all terms and conditions of the Master Deed, the Charter, these Bylaws and any Rules and Regulations hereafter promulgated governing the Condominium or the use of the Property;
7. To pay all taxes and assessments which are liens against any part of the Property and to assess the same against the Members and their respective Units;

8. To carry insurance for the protection of the Members and the Association as provided in the Master Deed;
9. To employ personnel (including, without limitation, attorneys and accountants) for reasonable compensation to perform the services required for proper administration of the Association, with such costs to be Common Expenses;
10. To borrow money for the maintenance, well-being and any legitimate improvement of the Property, the repayment of which shall be Common Expenses;
11. To cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting;
12. To delegate to Members responsibilities concerning the maintenance, repair, replacement and insurance of portions of the Property; and
13. To exercise any other power necessary and proper for the governance of the Association.

L. Eligibility of Directors. Nothing contained in these Bylaws shall prohibit a director from being an officer, nor preclude the Board of Directors from employing a director as an employee of the Association or contracting with a director for the management of the Condominium, subject, however, to the limitations contained in the Master Deed, the Charter, these Bylaws and the Condominium Act.

#### V. OFFICERS

A. Designation. The executive officers of the Association shall be a President (who shall be a director), a Vice President (who shall be a director), a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors. The Board of Directors may also appoint such other officers as in its judgment may be necessary to manage the affairs of the Association. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary.

B. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the Board of Directors' meeting following each annual meeting of the Members, and such officers shall hold office at the pleasure of the Board of Directors.

C. Removal of Officers. Upon any affirmative vote of a majority of all directors, any officer may be removed, either with or without cause, after opportunity for a hearing, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purposes.

D. Duties and Responsibilities of Officers.

1. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and the Board of Directors. The President shall have all the powers and duties which are usually vested in the office of the president of an association including but not limited to the power to appoint committees from among the Members from time to time, as he or she may in his or her discretion determine appropriate, to assist in the conduct of the affairs of the Association.

2. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other person to do so on an interim basis. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

3. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the Members and shall keep the minute book and record all proceedings therein. The Secretary shall be responsible for serving all meeting notices to the Members and directors, and such other notices as required by law. The Secretary shall keep the books and records of the Association,

except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the directors or President. The Assistant Secretary, if any, shall perform the duties of Secretary when the Secretary is absent.

4. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep the Assessments rolls and accounts of the Members, shall keep the books of the Association in accordance with good accounting practices, and shall perform all other duties incident to the office of Treasurer.

#### VI. COMPENSATION, INDEMNIFICATION AND EXCULPABILITY OF OFFICERS, DIRECTORS AND COMMITTEE MEMBERS

A. Compensation. No compensation shall be paid to the President, the Vice President or any director or committee member for acting as such. The Secretary and Treasurer may be compensated for their services if the Board of Directors determines that such compensation is appropriate. Nothing herein stated shall prevent any officer, director or committee member from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association; provided, however, that any such expenses incurred or services rendered shall have been authorized in advance by the Board of Directors.

B. Indemnification. Each director, officer and committee member of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her, in connection with any proceeding to which he or she may be a party or in any settlement thereof, by reason of his or her being or having been a director, officer, committee member or agent of the Association, whether or not he or she is a director, officer or committee member at the time such expenses are incurred, except in such cases wherein he or she is adjudged guilty of willful misfeasance or gross negligence in the performance of his or her duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer or committee member may be entitled.

C. Exculpability. Unless acting in bad faith, neither the Board of Directors as a body nor any director, officer, committee member or agent of the Association, shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his or her office. Each Member shall be bound by the good faith actions of the Board of Directors, officers, committee members and agents of the Association, in the execution of their respective duties.

#### VII. FISCAL MANAGEMENT

##### A. Annual Assessments.

1. The Board of Directors shall adopt a budget for each fiscal year of the Association and such budget shall contain estimates of the amount of monies deemed necessary for the Common Expenses, the manner of expenditure thereof and the proposed Assessments against each Unit Owner. Each Unit Owner shall be obligated to pay his or her proportionate share of the Common Expenses assessed by the Board of Directors in accordance with the Master Deed, the Charter, these Bylaws and applicable law. The timing and due dates of such payments shall, subject to the terms of the Master Deed, be established by the Board of Directors.

2. The Board of Directors shall give notice to each Unit Owner, in writing, of the amount estimated by the Board of Directors for Common Expenses for the management and operation of the Association for the next ensuing budget period and the proposed annual Assessments, directed to the Unit Owner at its, his or her last known address by ordinary mail or by hand delivery. Said notice shall be conclusively presumed to have been delivered five days after deposit in the United States mail.

3. The omission by the Board of Directors, before the expiration of any year, to fix the Assessments for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of the Master Deed and Bylaws or a release of any Owner from the obligation to pay the Assessments, or any installment thereof for that or any subsequent year, but the Assessment fixed for the preceding year shall continue until a new Assessment is fixed.

B. Special Assessments. In addition to the annual Assessments authorized by Section A of this Article VII, the Board of Directors may levy, in any Assessments year, special Assessments, applicable to that year only, for the purposes of defraying, in whole or

in part, any unexpected expenses or for any other lawful purposes. The allocation, timing and due dates of such payments shall, subject to the terms of the Master Deed, be established by the Board of Directors.

C. Reserves. The Board of Directors shall not be obligated to expend all of the Assessments collected in any accounting period, but must establish and maintain reasonable reserves for the periodic maintenance, repair and replacement of the General Common Elements, which reserves will be established and maintained out of the annual Assessments.

D. Working Capital. In order to insure that the Association will have funds to meet unforeseen expenditures or to purchase equipment and services during the initial start up operations of the Association, each Unit Owner shall pay to the Association, at the time of the closing of any initial purchase of the Unit from the Developer, an amount equal to two months' share of the estimated annual Assessments upon such Unit. Such amounts shall not be considered advance payment of regular annual Assessments which are required to be paid by each Unit Owner under Section A of this Article VII. The Association shall maintain the amounts collected in a working capital fund for the use and benefit of the Association.

E. Depository. The depository of the Association shall be such banks and federal savings and loan associations as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be by such persons as are authorized by the Board of Directors.

F. Annual Financial Statements. Financial statements of the Association shall be made annually, showing revenue and expenses, assets and liabilities, and cash flow, the cost of which statements shall be deemed a Common Expense, and a copy of the statements shall be furnished to each Member not later than March 1 of the year following the year for which the statements are made. In addition, any holder of a first Mortgage on a Unit shall, upon written request, be entitled to a copy of the statements provided it pays any reasonable expenses of the Association incurred in rendering such copy.

G. Examination of Books and Records. The Association shall keep a detailed account, in chronological order, of the receipts and expenditures affecting the Condominium and its administration and specifying the maintenance and repair expense of the General Common Elements and any other expenses incurred. Such book, the vouchers accrediting the entries made thereon, copies of the Master Deed, these Bylaws, the Rules and Regulations and other books, records and financial statements of the Association shall be maintained at the principal office of the Association and shall be available for inspection by Members or by holders, insurers and guarantors of Mortgages that are secured by Units in the Condominium during normal business hours or under any other reasonable circumstances.

H. Management Contracts. The Association may enter into professional management contracts or other agreements; provided, however, that each such contract or other agreement shall contain a termination clause which authorizes the termination of the agreement, with or without cause, and which may be exercised without penalty, upon not more than ninety days' notice.

I. Fidelity Bonds. The Association shall, subject to the provisions of the Charter and the Master Deed, maintain blanket fidelity bonds for all persons who either handle or are responsible for funds held or administered by the Association, whether or not they receive compensation for such services. Any management agent handling funds for the Association must also be covered by a fidelity bond which may be paid for by the Association.

J. Interest and Attorneys' Fees. The Association, acting through its Board of Directors, shall have the option, in connection with the collection of any charge or Assessment from a Unit Owner, to impose a late fee, or an interest charge at the highest legal rate then chargeable from the date the charge or Assessment was due until paid. In the event attorneys' fees are incurred by the Association in the collection of such charges, the Unit Owner shall be responsible for payment of all such reasonable attorneys' fees, in addition to such costs allowable by law.

K. Developer Proviso. Notwithstanding anything to the contrary contained herein, in recognition of the fact that Developer has expended and will be expending its own funds for the development and construction of the Condominium project, Developer shall not be obligated to pay any portion of annual or special Assessments which may be assessed during the Developer Control Period.

A. By the Board of Directors. The Board of Directors shall be required to obtain and maintain such insurance as is provided for and required in the Master Deed to be carried by the Association.

B. By Unit Owners. Unit Owners should carry insurance for their own benefit insuring their Units and the Limited Common Elements serving their Units, provided, that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

#### IX. ENFORCEMENT

A. Enforcement. The Board of Directors shall have the power, in its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto, by any or all of the following: (i) lawful self-help; (ii) sending notice to the offending party to cause certain things to be done, prevented or undone, restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; (iii) lodging complaint with the duly constituted authorities; or (iv) taking any other action, summary or otherwise, before any court as may be provided by law.

B. Fines. The Board of Directors shall also have the power to levy fines against any Unit Owner for violation of any Rule or Regulation of the Association or any covenants or restrictions contained in the Master Deed or Bylaws in accordance with applicable law. Any such fine shall be considered and shall be an additional Assessment against the applicable Unit Owner and Unit.

C. Waiver. No restriction, condition, obligation or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

#### X. AMENDMENTS

Subject to the provisions contained in the Master Deed and in the Condominium Act, these Bylaws may be altered or repealed, or new Bylaws may be made, at any meeting of the Association duly held for such purpose, previous to which written notice shall have been sent, a quorum being present, by an affirmative vote of not less than sixty-seven percent of the votes of the Association. Any amendment which would require the amendment of the Master Deed or which would necessitate the approval of such amendment to the Master Deed by a Mortgagee pursuant to provisions of the Master Deed must be approved in accordance with the requirements of the Master Deed. An amendment when adopted shall become effective only after being recorded in the Register's Office of Grainger County, Tennessee, as an amendment to the Master Deed. These Bylaws shall be amended, if necessary, so as to make the same consistent with the provisions of the Master Deed.

#### XI. CONFLICT; INVALIDITY

A. Conflict. If any provision of these Bylaws is in conflict with or contradiction of the Master Deed or the Charter, or with the requirements of any law or regulation, then the requirements of said Master Deed, Charter, law or regulation shall be deemed controlling.

B. Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability or affect the remaining provisions of the Bylaws.

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Eddie E. Holbrook, Jr., Incorporator