

BYLAWS
OF
HOLLY TREE FARMS HOMEOWNERS' ASSOCIATION, INC.

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TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1.	1
1.1. Name and Location.	1
ARTICLE 2. DEFINITIONS	1
ARTICLE 3. MEETING OF ASSOCIATION	1
3.1. Annual Meeting.	1
3.2. Special Meetings.	1
3.3. Notice of Meeting; Waiver.	1
3.4. Quorum.	1
3.5. Proxies.	1
3.6. Voting.	2
3.7. Action by Association Without Meeting.	2
3.8. Suspension of Voting Privileges.	2
ARTICLE 4. BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE ...	2
4.1. Number.	2
4.2. Term of Office.	2
4.3. Removal.	2
4.4. Compensation.	2
4.5. Action Taken Without a Meeting.	2
ARTICLE 5. NOMINATION AND ELECTION OF DIRECTORS	2
5.1. Nomination.	2
5.2. Election.	3
ARTICLE 6. MEETINGS OF DIRECTORS	3
6.1. Regular Meetings.	3
6.2. Special Meetings.	3
6.3. Quorum.	3
ARTICLE 7. GENERAL POWERS AND DUTIES OF THE BOARD OF DIRECTORS	
7.1. General Powers and Duties.	3
ARTICLE 8. OFFICERS	4
8.1. Number and Office.	4
8.2. Powers and Duties.	4
8.3. Officers.	4
8.4. Term.	4
8.5. Special Appointments.	4
8.6. Resignation and Removal.	4
8.7. Vacancies.	4
8.8. Multiple Offices.	4
ARTICLE 9. COMMITTEES	5

ARTICLE 10.	PROTECTION FROM LIABILITY	5
ARTICLE 11.	MISCELLANEOUS	5
11.1.	Books and Records.	5
11.2.	Fiscal Year.	5
11.3.	Execution of Association Documents.	5
11.4.	Conflict.	5
11.5.	Amendments.	5

BYLAWS OF
HOLLY TREE FARMS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE 1.

1.1. Name and Location. The name of the corporation is Holly Tree Farms Homeowners' Association, Inc., hereinafter referred to as "Association". The principal office of the corporation shall be located at Two Brentwood Commons, Suite 258, 750 Old Hickory Boulevard, Brentwood, Tennessee 37024. Meetings of the Association and Board may be held at such places within Williamson County, State of Tennessee, as designated by the Board.

ARTICLE 2.
DEFINITIONS

2.1. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions, Liens and Reservation of Easements applicable to the Property recorded in the Register's Office for Williamson County, as the same may be amended, from time to time. The terms, provisions, conditions and restrictions of the Declaration, as related to the Association and its members, the Board, officers and committees, are incorporated by reference with the same force and effect as if fully set out in these Bylaws.

2.2. As used in these Bylaws, the terms "Association", "Owner", "Property", "Lot", "Common Property", "Dwelling Unit", "Member" and "Developer", shall have the same meaning as defined in the Declaration.

ARTICLE 3.
MEETING OF ASSOCIATION

3.1. Annual Meeting. The annual meeting of the Association members for the purpose of electing Directors and for the transaction of such other business as may properly come before the Association shall be held annually at such time and place as determined by the Board.

3.2. Special Meetings. Special meetings of the Association shall be called at any time by the President of the Association or by the Board, or upon written request of the members who are entitled to vote one-third (1/3) of all the votes of membership.

3.3. Notice of Meeting; Waiver. Reasonable written notice of each meeting of the Association shall be given to each member. Each notice shall specify the date, time and location of the meeting, and, in the case of a special meeting, shall specify the purpose of the meeting. The notice shall be delivered personally or mailed postage prepaid to all members. Failure by a member to receive a properly mailed notice shall not affect the validity of action taken by the board at any meeting for when the notice was issued.

3.4. Quorum. The presence at the meeting of members entitled to vote, or of proxies entitled to vote, fifty percent (50%) of the votes of the membership (including Developer, which shall have the power to exercise 75% of the voting power of the Association, pursuant to Article 2, of the Declaration) shall constitute a quorum for any action except as otherwise provided in the Charter, the Declaration or these Bylaws. Whether or not a quorum is present, the majority of the members present at a meeting may by vote adjourn that meeting.

3.5. Proxies. At all meetings of the Association, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association prior to commencement of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his/her Lot.

3.6. Voting. ~~The vote of the majority of those present, either in person or by proxy, shall decide any issues brought before the Association, unless the issue is one upon which a quorum or a different vote is required by provision of the laws of Tennessee, the Declaration, the Charter or these Bylaws.~~

3.7. Action by Association Without Meeting. Any action that may be taken at a meeting of the Association may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by members having a majority of the total votes of the Association. This written consent shall be filed with and entered upon the records of the Association.

~~3.8. Suspension of Voting Privileges. No member shall be eligible to vote or to be elected to the Board who is shown on the records of the Association to be more than thirty (30) days delinquent in the payment of any assessment due the Association.~~

ARTICLE 4. BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

4.1. Number. Until altered by a vote of the Association there shall be five (5) Directors of the Association. It is not necessary that the Directors be members of the Association.

4.2. Term of Office. At the first annual meeting the Developer shall elect three (3) Directors for a term of one year, and the Members other than the Developer shall elect two (2) Directors for a term of one year, and at each annual meeting thereafter the Class A Members shall elect two (2) Directors and Class B Members shall elect three (3) Directors, for a term of one year, or until their successors are elected and qualified. At such time as Class B memberships terminate, as provided in the Declaration and the Charter, all Directors shall be elected by the Association for a term of one year, or until their successors are elected and qualified.

4.3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Association. In the event of death, resignation or removal of a Director, ~~the successor shall be selected by the remaining Directors on the Board and shall serve for the unexpired term of the Director's predecessor.~~ However, any Director elected or appointed by the Developer may only be removed by the Developer, and the successor may only be appointed by Developer, to serve for the unexpired term.

4.4. Compensation. Directors shall serve without compensation, except, Directors may be reimbursed for the actual expenses incurred in the performance of their duties.

4.5. Action Taken Without a Meeting. The Directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE 5. NOMINATION AND ELECTION OF DIRECTORS

5.1. Nomination. Nomination for election to the Board shall be made from the floor at the Association's annual meeting. Nominations may be made from among members or non-members. The Board of Directors shall take as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

5.2. ~~Election. Election to the Board shall be by secret written ballot.~~ At such election the Members, in person or by proxy may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and Article 3.6 of these Bylaws. The individuals receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 6. MEETINGS OF DIRECTORS

6.1. Regular Meetings. ~~The Board shall meet annually after the annual meeting of the Association.~~ In addition to its annual meeting, the Board shall have regular meetings established as to time and location by resolution of the Board. In the event any regular meeting falls upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

6.2. Special Meetings. Special meetings of the Board shall be called by the President of the Association, or by any three (3) Directors, after not less than three (3) days notice to each Director unless such notice period is waived.

6.3. Quorum. A majority of Directors shall constitute a quorum for the transaction of business. Every business decision made by a majority of the Directors present at a meeting at which a quorum is present shall be regarded as an act of the Board.

ARTICLE 7. GENERAL POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1. General Powers and Duties. The Board shall have the power to:

- (1) maintain corporate surveillance over all the Association's activities;
- (2) determine the Association's programs and policies, and assure that such policies and programs are designed to serve the philosophies, objectives and purposes of the Association;
- (3) approve organization aspects of the Association and delegation of authority on matters;
- (4) delegate to appropriate persons the authority to conduct the business of the Association and carry out the policies and programs approved by the Board;
- (5) appoint a competent staff and determine its authority and responsibilities;
- (6) make provision for establishment of various auxiliaries to aid in accomplishing the objectives of the Association;
- (7) provide for financial stability;
- (8) analyze and evaluate the total operation, including all activities and services;
- (9) adopt and publish rules and regulations governing the use, maintenance, repair and replacement of all easement areas and Common Property;

(10) suspend the voting rights and the right to use the Common Property and community facilities of a member during any period in which such member shall be in default in the payment of any assessments levied by the Association, such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days per infraction of published rules and regulations;

(11) employ a managing agent, an independent contractor, or such other employees as the Board deems necessary and to prescribe their duties; and

(12) take all such other actions as are permitted by the Declaration or the Charter.

ARTICLE 8. OFFICERS

8.1. Number and Office. The officers of the Association shall consist of a President, Vice-President, Secretary, and Treasurer. The officers shall be elected by a majority vote at the first meeting of the Board following each annual meeting of the Members.

8.2. Powers and Duties. Subject to such limitations as the Board may from time to time prescribe, the officers shall each have powers and perform such duties as generally pertain to their respective offices and such further powers and duties as may be conferred from time to time by the Board.

8.3. Officers.

a. President. The President shall be the principal officer of the Association and shall be a member of the Board.

b. Vice-President. In the absence of the President, the Vice-President shall assume the powers and the duties of the President.

c. Secretary. The Secretary shall be responsible for sending notice of all meetings of the Association and the Board. The Secretary shall keep the minutes of the Association and the Board meeting.

d. Treasurer. The Treasurer shall collect and disburse the funds of the Association and report on the financial condition of the Association.

8.4. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year until a successor is elected, unless an officer shall resign, or removed or otherwise disqualified to serve.

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

8.6. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date the notice is received or at any time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

8.7. Vacancies. A vacancy in an office shall be filled by an appointment by the Board. The officer appointed to a vacancy shall serve the remaining term of the officer replaced.

8.8. Multiple Offices. The office of Secretary and Treasurer may be held by the same individual. No individual shall simultaneously hold more than one of the other offices except in the case of special offices created pursuant to Article 8.5 of this Article.

ARTICLE 9. COMMITTEES

9.1. The Board is hereby authorized to appoint committees as deemed appropriate in carrying out its purposes as provided in the Declaration or Bylaws.

ARTICLE 10. PROTECTION FROM LIABILITY

10.1. No Director of the Corporation shall be personally liable for monetary damages to the Corporation or its members for breach of fiduciary duty as a Director or for liability (i) for any breach of the Director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) Section 48-18-304 of the Tennessee Business Corporation Act, indemnification would be improper. If the Tennessee Code is hereafter amended to further eliminate or limit the personal liability of Directors, the liability of each Director of the Corporation shall be eliminated or limited to the greatest extent permitted by applicable law, as amended. Neither the attempted repeal of this provision, nor the adoption of any provision of the Charter inconsistent with this provision, shall eliminate or reduce the effect of this provision in respect to any such claim of liability wherever it occurs nor as to any act occurring prior to such amendment, repeal, or adoption of an inconsistent provision.

ARTICLE 11. MISCELLANEOUS

11.1. 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, and any holder, insurer or guarantor of a first mortgage on a Lot. The Declaration, Charter, Bylaws and Regulations of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

11.2. Fiscal Year. The fiscal year shall begin on the first day of January every year, except that the first fiscal year of the Association shall begin on the date of incorporation. The commencement date of the fiscal year herein established may be changed by the Board should corporate practice subsequently dictate.

11.3. Execution of Association Documents. All notes, contracts, other documents, checks, and other drafts shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time designated by the Board.

11.4. Conflict. In the case of any conflict between the Charter and these Bylaws, the Charter shall control; and in the case of conflict between the Declaration and these Bylaws, the Declaration shall control.

11.5. Amendments. These Bylaws may be amended at a regular or special meeting of the Association, by affirmative vote of a majority of the total number of votes cast.