

**APPROVED FOR USE and Notarized
April 19, 2016.
This restored version supersedes the original
version of the By-Laws that was prepared
circa 1998.**

***BY-LAWS OF THE
ORCHID GROVE HOMEOWNERS ASSOCIATION, INC.***

**ARTICLE I
GENERAL**

- Section 1. The name:** The name of the Association shall be **Orchid Grove Homeowners Association, Inc.**
- Section 2. The Principle Office:** The principle office address of the corporation shall be 7208 Dogwood Drive, Knoxville, Tennessee, 37919, or at such other place as may be subsequently designated by the Board of Directors

**ARTICLE II
MEMBERSHIP**

- Section 1. Definition:** Membership in the Association shall be limited to the owners of lots in the Orchid Grove Subdivision.
- Section 2. Transfer of Membership and Ownership:** Membership in the Association may be transferred only by and incident to transfer or conveyance of the transferor's lot in Orchid Grove.

**ARTICLE III
MEETINGS OF MEMBERS**

- Section 1. Place:** All meetings of the Association membership shall be held at the offices of the Association or such other place as may be stated in the notice of meeting.
- Section 2. Annual Meetings:**
- A) The first annual meeting of the members shall be held within one year from the date of the adoption of these By-Laws, and each subsequent

regular annual meeting of the members shall be held at a location on the hour, day, and month of the year to be established by the Board of Directors. An annual meeting shall be required to be held on or before June 30 of each year following the calendar year the Association is first incorporated.

- B) At the annual meeting, the members shall elect the new members of the Board of Directors and transact such business as may properly come before the meeting.
- C) Written notice of the annual meeting shall be served upon or mailed to each member entitled to vote at such address as appears on the books of the Association, at least fourteen (14) days but not more than forty-five (45) days prior to the meeting. Each member shall notify the Secretary of any address change, and the giving of said notice shall be in all respects sufficient if sent to the address of the member which is then on file with the Secretary.

Section 3. Membership List: At least fourteen (14) but not more than forty-five (45) days before every election of Board of Directors, a complete list of members entitled to vote in said election, arranged numerically by lots, with the residence of each, shall be prepared by the Secretary. Such list shall be produced and kept for fourteen (14) days prior to and throughout the election at the office of the Association, and shall be open to examination by any member through such time.

Section 4. Special Meetings:

- A) Special meeting of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, or by the vote of Board of Directors, or at the request of not less than 25% of the members entitled to vote at the meeting. Such request shall state the purpose or purposes of the proposed meeting.
- B) Written notice of a special meeting of members stating the time, place, and purpose thereof, and the person or persons calling the meeting shall be served upon or mailed to each member entitled to vote at such address as appears on the books of the Association, said notice to be given at least fourteen (14) days but not more than forty-five (45) days before such meeting.
- C) Business transacted at all special meetings shall be confined to the subjects stated in the notice thereof.

Section 5. Quorum: One fifth (1/5) of the total number of members of the Association present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or these By-Laws. If however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote there at, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without written notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called. If adjournment extends past 30 days, notice of the date on which the adjourned meeting is to reconvene shall be given as herein provided for regular meetings.

Section 6. Vote Required To Transact Business: When a quorum is present at any meeting, a majority of the votes cast in person or represented by written proxy filed with the Secretary in advance of the meeting, shall decide any questions brought before the meeting, unless the question is one upon which, by express provision of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. Right to Vote: Each owner shall be entitled to a vote as set forth in the Articles of Incorporation of the Homeowners Association. At any meeting of the members, each member having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. All proxies shall be in writing and filed with the Secretary.

Section 8. Waiver and Consent: Whenever the vote of members at a meeting is required or permitted by a provision of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if all members who would have been entitled to vote upon the action of such meeting if such meeting were held shall consent in writing to such action being taken.

Section 9. Order of Business: The order of business at the annual member's meeting will be:

- a) Roll call and certifying of proxies, establishment of quorum
- b) Proof of notice of meeting or waiver of notice
- c) Reading of minutes of prior meeting
- d) Officer's reports
- e) Committee reports

- f) Appointment by Chairman of Inspector of Election
- g) Elections of Directors and Officers
- h) Unfinished business
- i) New business
- j) Adjournment

All meetings shall be conducted in accordance with established rules (Ex. "Roberts Rules of Order.")

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number and Term: The number of Board Members which shall constitute the Board of Directors (The "Board") shall be four (4), unless changed in accordance with the By-Laws of the Association. The Board Members shall initially be elected to serve staggered terms, two (2) for one (1) year and two (2) for two (2) years, and they shall serve until their successors shall be elected and shall qualify. At each annual meeting thereafter the members shall elect two (2) directors for a term of two (2) years.

Section 2. Vacancy and Replacement: Any Board Member may be removed from the Board, with or without cause, by a majority vote of the members of the Association. If the office of any Board Member becomes vacant by reason of transfer of ownership, death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Board members, at a special meeting of the Board of Directors duly called for this purpose, shall choose a successor who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 3. Powers: The property and business of the Association shall be managed by the Board, which may exercise all powers not specifically prohibited by statute. The powers of the Board shall specifically include, but not be limited to, the following:

- A) To make and collect regular and special assessments and to establish the time within which payment of the same are due.
- B) To use and expend the assessments collected to maintain, care for and preserve the common properties defined in the declaration of covenants and restrictions for Orchid Grove subdivision, ("Declarations").
- C) To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above.

- D) To ensure and keep insured the common properties against loss or other casualty, and to purchase such other insurance as the Board may deem advisable, including insurance against Board members' liability.
- E) To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from owners for violation of these By-Laws or the Declarations.
- F) To employ and compensate such personal as may be required to carry out the obligations of the Association and to protect the interest of the Association.
- G) To carry out the obligations of the Association under the Declarations.
- H) To adopt rules and regulations pursuant to Article X of the By-Laws.
- I) To impose a special assessment against the owner of the lot to recover costs incurred as a result of the violation of any rule or regulation adopted by the Board or the breach of the By-Laws or the Declarations.
- J) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- K) To propose and adopt an annual budget.

Section 4. Liability: Members of the Board of Directors shall not be personally liable to the Association or its members for monetary damages for breach of fiduciary duty as a director, except for acts covered by Tenn. Code Ann. Sections 48-52-102 (b) (3) (A), (B) or (C).

Section 5. Compensation: Neither Board members nor officers shall receive compensation for their services as such unless otherwise directed by the Board. However, any Board member may be reimbursed for actual expenses incurred in the performance of his duties.

Section 6. Meetings:

- A) The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting in which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board shall be held at the same place as the general members' meeting, and immediately before or after final adjournment of the same.

- B) The Board shall meet quarterly after the annual meeting, at a location, date and time specified by the President unless the Board unanimously decides not to hold such quarterly meeting. Notice of each meeting after the annual meeting shall be given by the Secretary as specified in subparagraph (C) below.
- C) Special meetings of the Board shall be held whenever called by the direction of the President, or by two (2) members of the Board, or by written request signed by twenty-five percent (25%) of the members. The Secretary shall give notice of each special meeting either personally, or by mail at least three (3) days before the date of such meeting, but the Board members may, in writing, waive notice of calling of the meeting before or after such meeting.
- D) A majority of the Board shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business, and the act of a majority present any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Board members then present, may adjourn the meeting without notice other than announcement at the meeting until a quorum shall be present.
- E) The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 7. Order of Business:

- a) Role call and establishment of quorum
- b) Proof of Notice of meeting or waiver of notice
- c) Reading of minutes of last meeting
- d) Consideration of communications
- e) Elections of necessary Board members and officers
- f) Reports of officers
- g) Unfinished business
- h) Original resolutions and new business
- i) Adoption of budget (when appropriate)
- j) Adjournment

All meetings shall be conducted in accordance with established rules (Ex. "Roberts Rules of Order.")

Section 8. Annual Statement: The Board shall present no less often than at the annual meeting, a full and clear statement and accounting of the business and

condition of the Association, including a report of the operating expenses of the Association and the assessments paid by each member.

ARTICLE V NOMINATION AND ELECTION OF OFFICERS

Section 1. Nomination: Nominations for the Board of Directors shall be made from the floor at the annual meeting. Nomination for election to the Board of Directors shall be made from members of the Association only.

Section 2. Election: Election to the Board of Directors shall be by written ballot, unless directors are re-elected by acclamation. At such election, the members or their proxies, may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declarations. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI OFFICERS

Section 1. Executive Officers: The executive officers of the Association shall be a President, Vice-President, Secretary, and Treasurer, all of whom shall be elected annually by and from the Board. No two offices may be united in one person. However, the offices of Secretary and Treasurer may be held by the same person.

Section 2. Subordinate Officers: The Board may appoint such other officers and agents from the membership as they may deem necessary, who shall have such authority and perform such duties as from time to time may be prescribed by said Board. Upon appointment from the membership, subordinate officers do not become voting members of the Board.

Section 3. Tenure of Officers: Removal: All officers shall be subject to removal, with or without cause, at anytime by action of the Board. The Board may delegate powers of removal of subordinate officers and agents to any officer.

Section 4. The President: The President shall:

- A) Preside at all meetings of the members and Board members; have general and active management of the business of the Association; see that all orders and resolutions of the Board are carried into effect; and execute bonds, mortgages, leases and other contracts on behalf of the Association.
- B) Have general supervision and direction of all the other officers of the Association, and shall see that their duties are performed properly.

- C) Submit a report of the operations of the Association for the fiscal year to the Board members whenever called for by them and to the members at the annual meeting, and from time to time report to the Board all matters within his or her knowledge which the interest of the Association may require to be brought to their attention.
- D) Be an ex-officio member of all committees, and have general powers and duties of supervision and management, usually vested in the office of the President of the Association.

Section 5. The Vice-President: The Vice-President shall be vested with all powers and shall be required to perform all the duties of the President in his or her absence, along with other duties as may be prescribed by the board.

Section 6. The Secretary: The Secretary shall:

- A) Keep the minutes of the meetings of the Board and general membership in one or more books provided for that purpose.
- B) See that all notices are fully given in accordance with the provisions of these By-laws or as required by law.
- C) Be custodian of the records.
- D) Keep a register of the post office address of each member, which address shall be furnished to the Secretary by such member.
- E) Perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board members.

Section 7. The Treasurer: The Treasurer shall:

- A) Keep full and accurate account of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association, in such depositories as may be designated by the Board.
- B) Disburse the funds of the association as ordered by the board, taking proper vouchers for such disbursements and render to the President and the Board members at the regular meetings of the Board, or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Association. Such records shall be open to inspection by members at reasonable times.

- C) Prepare an annual budget and a statement of income and expenditures to be presented to the membership its regular annual meeting and a copy of same shall be delivered to each of the members.
- D) Maintain a register for the names of any mortgage holders or lien holders on units who have requested in writing that they be registered and to whom the association will give notice of default in case of nonpayment of assessments. No responsibility by the Association is assumed with respect to said register except that it will give notice of default to any registered mortgagee or lienor therein, if so requested by said mortgagee or lienor.
- E) Be authorized with board approval to delegate all or part of his or her responsibilities to competent accounting, collection or management personnel, pursuant to written definition of the responsibilities delegated, but in such event, the Treasurer shall retain supervisory responsibilities.

Section 8. Vacancies: If any office becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Board members, by a majority vote of the remaining Board members provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term, subject to the requirements of Article IV, Section 2.

Section 9. Resignations: Any Board officer may resign at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Board members, unless some time be fixed in the resignation and then from that date. The acceptance of a resignation by the Board shall not be required to make it effective.

ARTICLE VII NOTICES

Section 1. Definition: Whenever under the provisions of Tennessee law or these By-Laws, notice is required to be given to any Board member, or member, it shall not be construed to mean personal notice; but such notice may be given in writing by mail, by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed to the member or Board member at the address as it appears on the books of the Association.

Section 2. Service of Notice – Waiver: Whenever any notice is required to be given under the provisions of Tennessee law or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether

before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Address: The address for notice to the Association shall be that of the Registered Agent for Service of Process of the Association.

ARTICLE VIII FINANCES

Section 1. Fiscal Year: The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of each year, except that the first fiscal year shall begin on the date of the incorporation.

Section 2. Checks: All checks or demands for money and notes of the Association in amounts less than \$100.00 shall be signed only by the President or the Treasurer.

All checks written on behalf of the Association for amounts over \$100 shall require two (2) signatures. All sitting Board members and the Treasurer are authorized to sign checks when a second signature is needed and/or when the Treasurer is unavailable to sign checks.

Section 3. Determination of Assessments:

- A) The Board shall determine from time to time the sum or sums necessary and adequate for the common expenses of the common areas. As approved by the Board, the budget shall constitute the basis for all Regular Assessments for common expenses against lots, which assessments shall be due and payable periodically as determined by the Board. Common expenses shall include expenses for operation, maintenance, repair or replacement of the common areas and facilities, cost of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, taxes on the common areas and any other expenses designated as common expenses from time to time by the Board of Directors of the Association.
- B) The Board is specifically empowered on behalf of the Association to make and collect assessments and to maintain, repair and replace the common areas and improvements thereon. Funds for the payment of common expenses shall be assessed against the lots in the proportions or percentages of sharing common expenses provided in the Declaration. Assessments shall be payable periodically as determined by the Board.
- C) Special assessments for budgeted items not adequately funded through the Regular Assessments may be required by the Board and shall be

levied and paid in the same manner as hereinbefore provided for Regular Assessments. No other special assessment shall be made by the Board without the approval of a majority vote of the membership.

- D) When the Board has determined the amount of any assessment, the Treasurer of the Association shall mail or present all statements of the assessment to each of the assessed owners. All assessments shall be payable to the Association and upon request, the Treasurer or his or her designated agent shall give a receipt for each payment made. Written notice of each assessment shall be mailed or presented to every Owner at least thirty (30) days and not more than sixty (60) days in advance of each assessment period.
- E) All assessments not paid when do shall bear interest at the rate of twelve percent (12%) per annum or the highest legal rate of interest allowable under applicable Tennessee and federal law.

ARTICLE IX DEFAULT

Section 1. Enforcement of Lien For Assessments: In the event an owner does not pay any sums, charges or assessments required to be paid to the Association by the due date, the Association acting on behalf or through its Board, may enforce its lien for assessments, or take such other action to recover the sums, charges or assessments to which it is entitled, in accordance with the declaration.

Section 2. Legal Costs: In the event such legal action is brought against an owner and results in a judgment for the Association, the owner shall pay the Association reasonable attorneys fees, costs of collection and court costs.

Section 3. Other Remedies: In the event of violation of the provisions of the Declarations, the Association, on its own behalf or by and through its Board of Directors, may after ten (10) days notice, bring appropriate action to enjoin such violation or may enforce the provisions of said Declaration of Covenants and Restrictions for Orchid Grove Subdivision, or may sue for damages, or take such other courses of action, or other legal remedy as it or they deem appropriate.

ARTICLE X RULES AND REGULATIONS

In addition to the other provisions of these By-Laws, the Articles of Incorporation, the Declarations and any rules and regulations (adopted by the Board) together with any subsequent changes, shall govern the use of Orchid Grove Subdivision and the conduct of all residents and guests.

**ARTICLE XI
BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable hours, be subject to inspection by any member. The Declarations, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any member upon written request to the President of the Association whereupon copies of same may be purchased at a reasonable cost.

**ARTICLE XII
INDEMNIFICATION**

The Association may indemnify any person made a party to an action by or in the right of the Association by reason of his or her being or having been a Board member or officer of the Association, against reasonable expenses, including attorneys fees actually and necessarily incurred in connection with an appeal therein, except in relation to such matters as to which such Board member or officer is judged to have been guilty of gross negligence or willful misconduct in the performance of his or her duty to the association.

**ARTICLE XIII
AMENDMENT**

These By-Laws may only be altered, amended or added to by majority vote, either by person or proxy, at a specially called meeting of the members, provided (i) that the notice of meeting shall contain a full statement of the proposed amendments(s); (ii) that the notice shall contain the time, date and place of the meeting; and (iii) that the quorum requirement for such purposes shall be a majority of all the then outstanding votes. No amendment to these By-Laws shall be passed which would operate to impair or prejudice the right of liability of any mortgagee, nor shall any amendment be passed in violation of any state or federal law.

**ARTICLE XIV
CONSTRUCTION**

Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

Anything to the contrary herein notwithstanding, if any provision of these By-Laws is in conflict with or contradicts the Articles of Incorporation or the Declarations of Covenants

and Restrictions or the requirements of any law or regulation, then the requirement of said Articles, Declarations, law or regulation shall be deemed controlling.

END OF BY-LAWS

PROCLAMATION WITH REGARD TO THE FOREGOING DOCUMENT

First:

As of this date, the only known existing copies of the original **By-Laws of the Orchid Grove Homeowners Association** contain poorly photo copied sections that are, in some cases, nearly unreadable. ^(See note below) This restored **By-Laws of the Orchid Grove Homeowners Association** document was prepared to restore those sections that were poorly photo copied. This document was prepared with due diligence and has been reviewed to assure that it is an accurate replication of the original document. This restored version, and a copy of the original version shall be retained on file as part of the Association's records, to be made available by the Secretary upon request, to any member of the Orchid Grove Homeowners Association.

Note: The original version of the By-Laws is recognizable by the notation at the top of the first page stating it was "...prepared by: James L. Grillot, Attorney...".

Second:

This version of the **By-Laws of the Orchid Grove Homeowners Association** is a "restored" version, a replication of the original, and as such, does not meet the legal definition of "...altered, amended, or added to...". Therefore, the requirements of the By-Laws, Article XIII, Amendment, are not applicable.

UNDER OATH,

I, Jon Greene, Secretary of the Orchid Grove Homeowners Association, do present the foregoing document as an accurate restoration of the **By-Laws of the Orchid Grove Homeowners Association**; and do attest to the **PROCLAMATION** above as truthful and accurate to the best of my ability.

Signed Original on File

Signature _____ Date _____
Jon Greene, Secretary

I, Margie Hagen, President of the Orchid Grove Homeowners Association, do approve this restored version of the **By-Laws of the Orchid Grove Homeowner's Association** for use as the governing By-Laws for the Association, and make known that it supersedes the original version prepared by James L. Grillot, Attorney, circa 1998.

Signed Original on File

Signature _____ Date _____

Margie Hagen, President

Sworn to and subscribed before me in the County of Knox, State of Tennessee, this

_____ day of _____, 2016.

Witness my hand and official seal.

Notarized Original on File

Notary Public

My Commission Expires: _____