

These revised By-Laws prepared by Board of Directors of Rock Island Shores Property Owners' Association and adopted by a majority of property owners.

BY-LAWS  
OF  
ROCK ISLAND SHORES PROPERTY OWNERS' ASSOCIATION, INC.  
Revision 01: February 10, 2010

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ARTICLE I

DEFINITIONS

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

- a. "Association" means the Rock Island Shores Property Owners' Association Inc., a Tennessee non-profit mutual benefit corporation.
- b. "Board" means the Board of Directors of the Rock Island Shores Property Owners' Association, Inc.
- c. "By-Laws" means the By-Laws of the Rock Island Shores 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 Reservations and Restrictive Covenants of the Developer recorded on 6/28/99 in Miscellaneous Book 23, Page 154, in the Register's Office for Van Buren County, Tennessee.
- f. "Developer" means Tennessee Timberline Corporation, and its successors.
- g. "Development" means Rock Island Shores, a residential and recreational area, as the same may be shown on maps thereof recorded from time to time.
- h. "ACC" means the Architectural Control Committee, a selected group of owners designed to review building plans for compliance within the Declaration of Reservations and Restrictive Covenants.
- 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 that fifty (50) years, in which case the lessor under said lease shall cease to be the "Owner" while said lease is in effect.



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LINDA BATCH 9755	02/11/2010 - 08:30 AM
VALUE	0.00

MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	40.00
ARCHIVE FEE	0.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	42.00

STATE OF TENNESSEE, VAN BUREN COUNTY  
LINDA L. SIMMONS  
REGISTER OF DEEDS

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

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

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

Section 4: Privileges of Membership: Members and associate members shall have a license to use the Common 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 be in such form as the Board shall from time to time designate and shall be issued over the signature of the President or other officer of the Association. Such certificate shall indicate whether or not the holder is a member or an associate member and shall also indicate the lot the ownership of which gives rise to membership. Such certificate shall also clearly state on it the fact that the Association is an incorporated Association. Adequate records shall be maintained by the Association showing the names of the members and associate members of the Association, the type of membership and the date of membership.

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

ARTICLE IV

Meetings of Members

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

Section 2: Annual Meeting: The annual meeting of the Association shall be held on the fourth Saturday or Sunday of March of each year.

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

Section 4: Notice of Meetings of the Association: Written notice of the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than thirty (30) days nor more than forty (40) days before the date of the meeting, either personally or by mail, to each member entitled to vote as 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 may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5: Quorum: A quorum at either a special meeting or the annual

meeting shall be a simple majority of the members entitled to vote at such meeting in person or by proxy. The vote of the 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 therefrom and to execute obligations on behalf of the Association.
- c. Perform other acts the authority for which has been granted herein or by law, including the borrowing of money for Association purpose. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any 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 interests 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 may 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 operating budget to be presented for approval by the members at such annual meeting, upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and 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 Association members. Association officers shall be selected by the Board from its membership.

Section 3: Term: Board members shall serve for a term of three (3) years.

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 five (5) persons receiving the largest number of votes shall be elected.

b. Between the first and fifteenth day of February of an election year, 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 consisting of the 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: Meeting 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 exists on the Board, such vacancy shall be filled by the remaining Board members even though those remaining Board members might be less than a quorum. Any person so elected shall be a Director until his or her successor is elected either at the next annual meeting of the Association, or at a special meeting called for that purpose.

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. Acquire and pay for 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, the Vice President, the Secretary, and the Treasurer; and, will be selected by the newly elected Board of Directors from within its own membership. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

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. After completing the final year as a member of the Board of Directors, the outgoing President shall serve one additional year as a non-voting advisor to the newly elected Board.

Section 3: Vice President: In the absence of the President, or in the event of his ability or refusal to act, the Vice President is empowered to act and shall thereupon be vested with the powers and duties of the President.

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. The Board must require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

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. The Director not serving as an officer shall serve as the chairman of the Committee and will select two other property owners to serve as Committee members for a three (3) year term. The chief purpose of the Architectural Control Committee shall be to review building plans for compliance within the guideline of the Declaration of Reservations and Restrictive Covenants.

## ARTICLE VIII

### 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 date and shall remain a lien until paid in full. The Board may bring such actions as it shall determine appropriate at law or in equity, by way of foreclosure of such lien or otherwise, to collect 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 specific Lot have been paid or that certain charges remain unpaid as the case may be.

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

## ARTICLE IX

### Amendments

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

ARTICLE X

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 proceedings, 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 to 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 Directors certify that the foregoing Revised By-Laws were adopted by the members of the Rock Island Property Homeowners Association, Inc. on January 31, 2010.

Joseph T. Scardina 2/07/10  
Joseph Scardina, President

James Savage 2-8-10  
James Savage, Vice President

Eva Woodring 2/07/10  
Eva Woodring, Treasurer

Joan Turner 2.7.10  
Joan Turner, Secretary

Dick Soehner 2/7/10  
Dick Soehner, Chair, A.C.C.

THESE BY-LAWS HAVE BEEN ADOPTED BY A MAJORITY OF PROPERTY OWNERS, APPROVED BY THE CURRENT BOARD OF DIRECTORS LISTED ABOVE, AND EXECUTED BY THE UNDERSIGNED ON FEBRUARY 10, 2010.

Joseph T. Scardina  
JOSEPH T. SCARDINA, PRESIDENT, RISEP

Personally appeared before me, Joseph T. Scardina, and signed above document, on this the 10<sup>th</sup> day of February, 2010.

Linda Pettit  
Notary, State of Tennessee

My commission expires: 12/26/2011

