

**BY-LAWS  
OF THE  
SUGARTREE HOMEOWNERS ASSOCIATION**

**ARTICLE I  
NAME**

The name of this body shall be the Sugartree Homeowners Association, hereinafter in these By-Laws referred to as the "Association," a Tennessee not-for-profit corporation.

**ARTICLE II  
OFFICE**

The principal office of the Association shall be 4031 Woodmont Boulevard, Nashville, Tennessee 37205. The Association may establish other offices at such other places in Davidson County, Tennessee, as the Board of Directors may determine from time to time.

**ARTICLE III  
DEFINITIONS**

A. Descriptive terms used in these By-Laws shall have the meaning or meanings set forth in that certain Declaration of Covenants, Conditions and Restrictions for Sugartree, hereinafter referred to as the "Declaration," as it is amended or will be amended from time to time, but originally dated September 18, 1974 and recorded in Book 4857, page 157, Register's Office for Davidson County, Tennessee, which Declaration, as amended, is incorporated in and made a part of these By-Laws. All of the terms and conditions of said Declaration shall be deemed incorporated herein for any and all purposes.

B. As used in these By-Laws, the use of the singular shall include the plural, and vice versa; and the use of any gender shall include any other gender.

**ARTICLE IV  
MEMBERSHIP**

A. Every person or entity who is a record owner of a fee or undivided fee interest of any Site which is subject by the Declaration to assessment by the Association, including contract sellers, shall be a

Member of the Association; provided, however, that any such person or entity who holds such interest merely as security for the performance of an obligation, or who holds a lessee's interest under a lease, shall not be a Member. Membership shall be appurtenant to, and cannot be separated from, ownership of any Site which is subject to assessment by the Association. Membership shall be transferable with conveyance of the Site. Ownership of a condominium under any unit arrangement or agreement shall be deemed ownership of a Site. Ownership of a Site shall be the sole qualification for membership.

B. The Association shall have one (1) class of voting membership. The owner(s) of each Site shall be entitled to one (1) vote. When two or more persons hold an interest (other than a leasehold or security interest) in any Site, all such persons shall be Members. The vote for such Site shall be exercised by one of such persons as proxy and nominee for all persons holding an interest in a Site. In no event shall more than one (1) vote be cast with respect to any Site.

C. The rights and privileges of Members of the Association shall be at all times subject to the following:

1. During any period in which a Member shall be in default in the payment of any annual, special, periodic or other charge or assessment levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide shall be suspended until such assessment is paid.

2. In the event of violation of any provision of the Declaration, these By-laws, or any rule or regulation established by the Board of Directors, such Member's voting and use rights shall be suspended by the Board, and/or fines or other sanctions may be levied or imposed, after a hearing in which the basic requirements of due process shall be observed. Notwithstanding the aforesaid basic requirements of due process, it is specified that legal formalities, such as the rules of civil procedure, rules of evidence, the opportunity to take discovery, and other procedures inherent in a legal proceeding filed and adjudicated in a

court of law or equity, shall not be required. Such hearing shall only be held by the Board after giving the Member ten (10) days' prior written notice specifying such alleged violation and setting the time, place and date of the hearing. Suspension of voting and/or use rights, or imposition of fines and /or other sanctions, shall be made by a majority vote of the Board, at a meeting at which there is a quorum.

**ARTICLE V**  
**MEETINGS OF MEMBERS**

A. The regular annual meeting of the Association shall be held on the first business day of November, or on such other date as may be set by the Board of Directors.

B. Special meetings of the Association may be called by the President or the Board of Directors. Upon the written request of Members holding sufficient votes to constitute a quorum at a meeting of the Members of the Association, the Board of Directors shall call a special meeting of the Association.

C. Notice of meetings of the Association shall be mailed to each Member at least ten (10) days, and not more than thirty (30) days, before the date such meeting is to be held. Such notice shall be signed by the Secretary and shall state the place, date, hour, and, in the case of a special meeting, the purposes of the meeting.

D. The business transacted at a special meeting of the Association shall be confined to the business stated in the notice given to the Members of such special meeting.

E. At all meetings of the Members of the Association, the presence, in person or by proxy, of twenty percent (20%) of the Members entitled to vote shall constitute a quorum of the Members.

F. The order of business at all meetings of the Association shall, unless altered or suspended by the person presiding at such meeting, be as follows:

1. Quorum call
2. Proof of notice of such meeting or waiver of such notice

3. Reading of the minutes of the prior meeting
4. Receiving communications/Committee reports
5. Report of officers
6. Report of the Board of Directors
7. Elections
8. Old business
9. New business

G. Meetings of the Association may be held within Davidson County, Tennessee, at such place or places as the Board of Directors shall determine.

H. Any notice required to be sent to any Member under the provisions of the Declaration, Charter or these By-Laws, shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as a Member on the records of the Association and at the time of such mailing.

I. For the purpose of determining the Members entitled to notice of or entitled to vote at any meeting of the Association, or any adjournment thereof, or in order to make a determination of Members for any other purpose, the Board of Directors may fix in advance a date as a record date for any such determination of Members. Such record date shall be not less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken.

J. At all meetings of the Association, whether regular or special, every Member having the right to vote shall be entitled to vote in person or by proxy. A proxy shall be appointed by an instrument in writing, subscribed by such Member, and bearing a date not more than eleven (11) months prior to said meeting.

K. Parliamentary procedure at meetings of the Association shall be in accordance with the latest

revision of Robert's Rules of Order.

**ARTICLE VI**  
**DIRECTORS**

A. The business and affairs of the Association shall be managed by a Board of Directors. The Board of Directors may implement and exercise all powers of the Association and do all such lawful acts and things as are not prohibited by statute, the Declaration, the Charter, or these By-Laws, or are not reserved to the Members.

B. The Board of Directors shall consist of nine (9) Directors, who shall be elected by the Members of the Association, voting in accordance with the provisions of these By-Laws. Membership on the Board of Directors may be increased or decreased by vote of the membership at any duly constituted meeting of the Association, but shall not, in any event, be composed of fewer than nine (9) members. In addition, the immediate past President of the Association shall serve as an ex officio member of the Board of Directors.

C. Nominations for membership on the Board of Directors shall be determined by a Nominating Committee appointed by the President of the Association. The Nominating Committee shall consist of at least five Members in addition to the President. The President shall serve as Chairman of the Nominating Committee. If possible, at least a majority of the Nominating Committee, not including the President, shall consist of past Presidents of the Association who live in Sugartree. Recommendations for nominees may be presented in writing to the President by any Member, for consideration by the Nominating Committee. Any Member wishing to serve on the Board may present his own name, as above, or request another Member to do so. The Nominating Committee shall choose by majority vote three Members to be nominated for election, and three Members as alternate nominees in case any of first three nominees decline the nomination.

D. At each annual meeting of the Association, three Directors shall be elected by the Members to serve a three year term, and until their successors are elected and qualified. A vacancy on the Board shall be filled by the remaining membership of the Board, to serve the balance of the unexpired term of the vacating Director.

E. A vacancy shall occur if a Director dies, resigns, moves from Sugartree, or is removed because he does not perform his duties, whether because of illness, disability or other reason. A vacancy shall automatically occur if a Director is absent from three (3) consecutive Board of Directors meetings, unless his absence is determined to have been for good cause by two-thirds of the other members of the Board of Directors present at a meeting thereof at which there is a quorum. A vacancy shall automatically occur if a member of the Board of Directors is absent from more than half of the Board meetings in any calendar year.

F. A Director may serve consecutively for a maximum of two (2) consecutive three (3) year terms, plus any unexpired term of less than three (3) years. A Director may be reelected for subsequent terms after a one (1) year absence from the Board. A Director must be a Member or the spouse of a Member of the Association, in good standing, with no assessment delinquencies.

G. A regular, organizational meeting of the Board of Directors shall be held immediately following the annual meeting of the Association in November, and at least quarterly during the year.

H. Special meetings of the Board of Directors shall be called by the Secretary upon the request of the President or any three (3) Directors.

I. Meetings of the Board of Directors, whether regular or special, shall be held at such time or times and in such place or places within Davidson County, Tennessee, as the Board of Directors may determine from time to time. The attendance of a Director at any meeting of the Board of Directors, whether regular or special, shall constitute a waiver of notice of such meeting; provided, however, that the

attendance of a Director for the express purpose of objecting to the transaction of any business at such meeting because of its not having been lawfully called or convened, shall not constitute a waiver of notice.

J. The Secretary shall serve upon or mail to each Director then in office notice of all meetings of the Board of Directors, whether regular or special, no less than five (5) days nor more than thirty (30) days prior to the date of such meeting. Such notice shall state the time, date, and place of such meeting of the Board of Directors, and, in the case of a special meeting, the purpose or purposes of the meeting. Directors may waive notice before, during or after any meeting of the Board.

K. At all meetings of the Board of Directors, the presence of a majority of the Directors then in office shall constitute a quorum.

L. Whenever the Board of Directors is required or permitted to take any action by vote, such action may be taken upon the written consent signed by all of the Directors entitled to vote thereon without a meeting.

M. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument or instruments, in the name of, and on behalf of, the Association, and such authority may be general or confined to specific instances. When so authorized by the Board of Directors, any officer or agent of the Association may do everything necessary and proper in connection therewith and in furtherance thereof.

N. The Board of Directors shall have the books and records of the Association, including the books of membership of the Association, kept at the principal office of the Association, or at a place in Davidson County, Tennessee which is reasonably accessible to the Members.

O. The Board of Directors shall have the power and authority to recommend the adoption, amendment or repeal of any By-Laws of the Association. Such proposed changes in the By-Laws shall be referred to the membership for action at any regular or special meeting of the Association. This provision is

subject always to the provisions of the Declaration.

P. The Board of Directors shall have full power and authority to fix the monthly and/or annual assessments necessary to meet the maintenance and operating expenses of the Association, including reasonable reserves for depreciation and replacement, and to enforce the collection thereof. Special assessments shall be made only as provided in the Declaration.

Q. The Board of Directors shall fix the date of commencement and the amount of assessment against each Site for each assessment period at least thirty (30) days in advance of such date or period and at that time prepare, or cause to be prepared, a roster of properties and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Member.

R. The Board of Directors shall send, or cause to be sent, written notice of such assessment to every Member subject thereto. The Board of Directors shall furnish, or cause to be furnished, to any Member liable for such assessment, at any time, a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. Such certificates also shall be furnished to holders of recorded liens against individual Sites upon request by such lienholders.

**ARTICLE VII**  
**COMMITTEES**

- A. The Board of Directors may designate and appoint such Committees as it may, from time to time, deem advisable to carry out the purposes and business of the Association.
- B. The restrictions in the Declaration regarding architecture, maintenance and use shall be enforced by the Board of Directors or by Committees appointed for such purpose(s).
- C. All Committees appointed by the Board of Directors shall have and exercise their powers and authorities as the Board of Directors may have delegated to such Committee or Committees by resolution.
- D. All Committees appointed by the Board of Directors shall keep regular minutes of their meetings and proceedings, and shall report the same to the Board of Directors upon request.

**ARTICLE VIII**  
**OFFICERS**

- A. The Board of Directors shall elect the officers of the Association. There shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also elect one or more additional Vice Presidents, and one or more Assistant Secretaries or Assistant Treasurers. The officers shall be members of the Board, except that the Treasurer and any Assistant Treasurers, need not be members of the Board. Two or more offices may be held by the same person; provided, however, that the offices of President and Secretary shall not be held by the same person. The Board shall determine the order of seniority for all Vice Presidents, Assistant Secretaries, and/or Assistant Treasurers.
- B. Members of the Board of Directors and all officers shall serve without salary.
- C. Officers of the Association shall hold office at the pleasure of the Board of Directors. Any officer elected or appointed by the Board of Directors may, in the discretion of the Board of Directors, be removed from office at any time by the affirmative vote of a majority of the Directors in office. In case of a

vacancy of any office for any reason, the vacancy shall be filled by the Board of Directors.

D. All employees of the Association, other than the officers, shall also serve at the pleasure of the Board of Directors. Any such employee of the Association may be removed from employment at any time by the Board of Directors. Any employee of the Association who, for any reason, is objectionable to the President, may be removed from employment by written notice from the President.

E. Any contract, conveyance, or other instrument to be executed by the Association shall be executed by the President and the Secretary or Treasurer, unless specific authority to the contrary shall have been expressly granted by the Board of Directors.

F. The President shall be the chief executive of the Association. He shall preside at all meetings of the Association and the Board of Directors, and shall have general and active management of the business of the Association. The President shall see that all orders and resolutions of the Board of Directors are carried into effect. The President, with the Secretary or Treasurer, shall execute the contracts, conveyances, and other instruments requiring execution by the Association, except where different signing and execution has been expressly provided for by the Board of Directors.

G. The Vice Presidents, in the order of their seniority, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and perform such other duties as the Board of Directors shall prescribe.

H. The Secretary shall attend all meetings of the Association and of the Board of Directors, record all votes and the proceedings thereof, maintain such minutes in a book kept for that purpose, and perform similar duties for the Committees appointed by the Board of Directors when required. The Secretary shall give, or cause to be given, notice of all meetings of the Association and the Board of Directors as may be prescribed by the President. The Secretary, by his signature, shall attest the execution of any document or instrument requiring such attestation. Assistant Secretaries, in order of their seniority,

shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Board of Directors shall prescribe.

I. The Treasurer shall be responsible for the funds and securities of the Association, shall be responsible for keeping full and accurate accounts and receipts and disbursements in books belonging to the Association, and shall be responsible for depositing all monies and other valuable effects in the name and to the credit of the Association in such depositories as are designated by the Board of Directors. He shall be responsible for disbursing the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and to the Board of Directors, whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association. If required by the Board of Directors, he shall give the Association a bond, with such surety or sureties as shall be satisfactory to the Board of Directors, for the faithful performance of the duties of his office and for the restoration to the Association, in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind, in his possession or under his control, belonging to the Association. Assistant Treasurers, in order of their seniority, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and perform such other duties as the Board of Directors shall prescribe.

**ARTICLE IX**  
**RULES AND REGULATIONS**

A. The Board of Directors shall have full power and authority to make and amend reasonable rules and regulations governing the Members and all of the property subject to the Declaration. The Board of Directors may delegate this authority to Committees under Article VII.

B. All rules and regulations adopted shall become effective with respect to each and every Member of the Association, and their families, lessees, and all persons who enter Sugartree, five (5) days after such rules and/or regulations have been published.

C. All rules and regulations adopted by the Board of Directors shall be considered and deemed to have been published when a copy of the same shall have been mailed or delivered to the last known addresses of all persons who appear as Members or Owners on the books and records of the Association at the time of such mailing.

D. In addition to other permissible sanctions, the Board of Directors shall have the right to levy a fine not to exceed One Hundred (\$100.00) Dollars for the first violation of any provision of the Declaration, these By-Laws, or any properly adopted rule or regulation of the Association. Fines for repeat violations may be imposed in increasing amounts, up to Five Hundred (\$500.00) Dollars. If the fine is not paid within thirty (30) days of assessment, interest at one and one-half percent (1-1/2%) per month, plus all costs and expenses of collection, including a reasonable attorney fee, shall be charged. Each fine, together with interest and costs of collection, including a reasonable attorney's fee, shall become a lien upon the property of the party responsible for payment. Each Member shall be liable for payment of all fines, interest, and costs associated with a violation by a member of such Member's family, guests or visitors.

E. At the time plans and specifications are submitted to the Architectural Committee for construction of any improvement on any Site, including exterior modifications to an existing improvement, the contractor must furnish the Association a performance bond, or its equivalent, in the amount of One

Thousand (\$1,000.00) Dollars, and evidence of adequate liability insurance. The Association shall retain the bond until improvements are completed and all trash and debris are removed, and the premises are clean and orderly. If, in the sole judgment of the Board of Directors, the premises are not properly cleaned within ten (10) days after notice to the contractor, the Board of Directors may have the premises cleaned and apply the proceeds of the bond to the cost of cleaning, and refund any remaining balance to the contractor. If any person shall commence construction prior to the posting of the bond, the Board of Directors may seek an injunction against further construction. By violation of this By-Law, the person constructing such improvements or modifications shall be liable to the Association for court costs and attorney's fees.

**ARTICLE X**  
**INDEMNITY**

A. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities (including attorney's fees reasonably incurred by him, or imposed on him, in connection with any action or proceeding), whether civil or criminal, to which such Director or officer may be made a party or which may be incurred, by reason of being or having been a Director or officer of the Association, or any settlement thereof, whether or not such person is a Director or officer at the time such expenses are incurred, if such Director or officer acted in good faith, and/or for a purpose that he reasonably believed to be in the best interest of the Association; and, in criminal actions or proceedings, in addition, if there was no reasonable cause to believe that such conduct was unlawful; provided, however, that with respect to any settlement of any such suit, action, proceeding or claim, the indemnification herein provided shall include reimbursement of any amounts paid and expenses reasonably incurred in settling any such suit, action, proceeding or claim, when, in the judgment of the Board of Directors, such settlement and reimbursement are deemed to be in the best interest of the Association. The foregoing right of indemnification shall be in addition to and inclusive of any other rights to which a Director or officer may be

entitled.

B. If any Member, or member of said Member's family, brings suit against the Association, the Board or any member(s) of the Board, or any officer(s) of the Association, or if the Association brings suit against such Member, or member of said Member's family, and said Member, or member of said Member's family, does not substantially prevail in said litigation, then the Association, Board, Board member(s), and/or officer(s) of the Association shall be entitled to recover its, his or their costs and expenses of litigation from said Member, or member of said Member's family, including attorney fees incurred in the prosecution or defense of said litigation. Such attorney fees and other costs and expenses of litigation shall constitute a continuing lien and charge against the Member's Site and the Improvements thereon, the amount of which shall bear interest at the maximum rate then permitted by law, until paid in full. Notwithstanding the foregoing provisions of this Paragraph B, the Board shall have the right to waive or excuse any or all of such attorney fees, costs or other expenses, in the exercise of its absolute and unlimited discretion, upon a vote of 2/3 of the Members of the Board present at a meeting at which there is a quorum; but such waiver or excuse shall not operate to relieve, waive or otherwise alter the indemnification obligations set forth in Paragraph A of this Article X, above.

## **ARTICLE XI** **DISSOLUTION**

A. Any action to dissolve the Association must receive approval by affirmative vote of at least two-thirds (2/3) of the votes that Members present, in person or by proxy, at a meeting called for such purpose, are entitled to cast.

B. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be transferred or conveyed pursuant to a plan duly adopted by a two-thirds (2/3) majority or pursuant to the then applicable law.

C. In the event of a merger or consolidation of the Association, the surviving or consolidated Association may administer the covenants and restrictions established by the Declaration upon the existing property, together with the covenants and restrictions established upon any other properties as one scheme.

D. No such merger or consolidation shall affect any revocation, change, or addition to the covenants established by the Declaration with the existing property, except as provided in the Declaration.

These By-Laws adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1996.

\_\_\_\_\_  
Secretary of the Meeting

APPROVED:

\_\_\_\_\_  
Chairman of the Meeting