

This instrument was prepared by:
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217 E. Broadway Av.
Maryville, TN 37804

**AMENDED AND RESTATED BYLAWS
OF
ROYAL OAKS LEGACY VILLAS HOMEOWNERS' ASSOCIATION, INC.**

These Amended and Restated Bylaws of the Royal Oaks Legacy Villas Homeowners' Association, Inc. were adopted by the Association members at a duly noticed meeting on May 9, 2018, with quorum present, by a vote of 27 in favor and 0 opposed.

WITNESSETH:

Whereas, Royal Oaks Legacy Villas Homeowners' Association ("Association") is the Owners' Association of record for Royal Oaks Legacy Villas pursuant to a Declaration of Covenants Conditions and Restrictions for Phase One Royal Oaks Legacy Villas Subdivision, a Planned Unit Development, of record in the Register of Deeds office for Blount County, Tennessee in Record Book 2067, Page 294, as amended ("Declaration"); and

Whereas, bylaws for the Association were previously recorded in the Register of Deeds Office for Blount County, Tennessee in Record Book 2067 Page 303, and amended in Record Book 2252 Page 2635 and Record Book 2319 Page 1956;

Wherefore, the Association hereby amends and restates its bylaws as stated herein with all prior versions of the bylaws repealed and replaced:

ARTICLE I

DEFINITIONS

Section 1. "Act" shall mean the Tennessee Nonprofit Corporation Act, codified at Tennessee Code annotated 48-51-101 et. seq., as amended from time to time, and any corresponding provisions in any successor legislation.

Section 2. "Association" shall mean and refer to **ROYAL OAKS LEGACY VILLAS HOMEOWNERS' ASSOCIATION, INC.**, a mutual benefit, not-for-profit corporation, organized and existing under the laws of the State of Tennessee, with its principal office being located in Blount County, Tennessee, its successors and/or assigns.

Section 3. "Declaration" shall mean and refer to the Declaration of Covenants Conditions and Restrictions as defined above as amended.

Section 4. "Lot Owner(s) or Owner(s)" shall mean and refer to the record Owner(s), whether one or more person or entity, of a fee simple title to any lot which is a part of the Property, including contract seller(s), but excluding those having such interest merely as security for the performance of an obligation.

Section 5. "Member" shall mean and refer to those person(s) entitled to membership as provided in the Declaration.

Section 6. "Property" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 7. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map of the Property.

Section 8. "Subdivision Plat" shall mean the final plat of Phase 1, Royal Oaks Legacy Villas Subdivision, Planned Unit Development recorded in the Register's Office for Blount County, Tennessee, and any other plats added to the Properties.

Section 9. "Board" or "Board of Directors" as used herein shall mean the Board of Directors of the Association.

ARTICLE II

OFFICES; PURPOSE

Section 1. Principal Office. The principal office of the corporation shall be located at P.O. Box 4596, Maryville, Tennessee 37802, but meetings of the members and Directors may be held at such places within the State of Tennessee, as may be designated by the Board of Directors.

Section 2. Purpose. The purpose of the Association shall be to enforce the Declaration and otherwise act in the best interest of the Owners. These purposes may be carried out through any and all lawful activities.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meeting. The annual meetings of the Members shall be held in mid-January each year, at a date and time established by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote ten percent (10%) of all the votes of the membership of the Association, describing purpose or purposes for which the meeting is to be held.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid or by email at least ten (10) days and no more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's mail address or email address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. The approval of these Bylaws and the act of becoming a Member of the Association constitutes written consent by each of the Members and Directors to send and receive notices via electronic transmission.

Section 4. Quorum. One half (1/2) of the votes of the membership, including proxies, shall constitute a quorum for meetings, unless otherwise provided in the Charter of the Association, the Declaration, or these By-Laws. If there is no quorum, the Members present may adjourn the meeting by simply announcing they are doing so, until a quorum is present.

Section 5. Proxies. Members may vote in person or by proxy. Proxies must be in writing and be filed with the Secretary prior to the meeting being called to order. Every proxy shall be revocable and shall be canceled upon the conveyance of the lot to another party.

Section 6. Voting. There shall be one vote per Lot. When more than one person holds an interest in a lot, all persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot. Members must be in good standing with the Association, with all assessments paid, in order to vote.

ARTICLE IV

DIRECTORS

Section 1. General. A Board of Directors, whose members must reside in Legacy Villas, shall manage the affairs of the Association. Each Director shall have one (1) vote in the election of officers and in the conduct of all the business of the Association. A majority of Directors shall constitute a quorum for the purpose of conducting Association business.

Section 2. Number and Term of Office. Board of Directors shall consist of a minimum of three and a maximum of seven directors who shall be elected by a majority vote of the quorum of Members present at the meeting entitled to vote, including proxies, and in accordance with Section 7 of this Article. The membership shall make any change to the number of Directors by resolution. At the time of the passage of these Amended and Restated Bylaws, the number of Directors is set at five (5).

Section 3. Removal of Directors.

(a) The Members may remove a Director elected by the Members, with or without cause, at a meeting called for the purpose of removing the Director (and the meeting notice must state that the purpose, or one (1) of the purposes, of the meeting is removal of the Director) by a vote of a majority of the Members.

(b) The Board of Directors may remove a Director elected by the Board of Directors, with or without cause, at any meeting of the Board of Directors by a vote of two-thirds (2/3) of the Directors present and voting.

(c) In the event of death, resignation, or removal of a Director, his/her successor shall be selected by the remaining members of the Board of Directors even to the extent that there exists less than a quorum of the Board of Directors, and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. Directors shall not receive compensation for any service they may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

Section 5. Action Taken without a Meeting. The 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 or approval via e-mail of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 6. Nomination. Nomination for election to the Board of Directors may be made from the floor at the annual meeting of the members, where applicable.

Section 7. Election. Election to the Board of Directors shall be by written ballot. 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 Declaration. Only those members who registered as candidates by filling out a Board Candidate Application, or who accept a 'floor nomination', may be elected. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 8. Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be agreed to by resolution of the Board. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is

present shall be regarded as the act of the Board.

Section 9. Powers. The Board of Directors shall have the power to:

- (a) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Amended and Restated By-laws, the Charter of the Association, or the Amended and Restated Covenants.
- (b) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- (c) employ a manager, an independent contractor, or such other employees as they deem necessary and prescribe their duties.
- (d) to enforce the Declaration Declaration of Covenants Conditions and Restrictions and these Bylaws.

Section 10. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of the Association and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) establish the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to all Owner(s) subject thereto at least thirty (30) days in advance of each annual assessment period;
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or bring an action at law against the Owner(s) personally obligated to pay the same;
- (d) issue, upon demand by any person a certificate setting forth whether or not any assessment has been paid (a reasonable charge may be made for the issuance of these certificates) and if a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) take any other action necessary under and/or consistent with the Declaration and/or Tennessee Nonprofit Corporation Act.

ARTICLE V

OFFICERS

Section 1. Enumeration of Offices. The officers of the Association shall be a President and a Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7. Multiple Officers. The offices of Vice-President and Secretary may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Officers' Duties.

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall approve all leases,

mortgages, deeds and other written instruments and shall have the authority to sign all checks and promissory notes. The President (or designee) and the Treasurer must approve all checks over \$500, or if electronic banking is used, co-approval will be documented and maintained for three years.

(b) The Vice-President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act as required of him/her by the Board.

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual review of the Association's books to be made by two disinterested people (not Board members) at the completion of each fiscal year, the goal being to verify the statements, accounts, and transactions reported by the Treasurer; and shall prepare an annual budget, file the Annual Report with the State of Tennessee, and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. The Board may elect to have a professional audit if and when it deems it necessary.

Section 9. Compensation. No Officer shall receive compensation for any service he or she may render to the Association. However, any Officer may be reimbursed actual expenses incurred in the performance of duties provided he or she produces sufficient receipts to justify the request.

ARTICLE VI

COMMITTEES

The Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts. Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such

manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instrument shall be signed by the President and either the Secretary/Treasurer of the Association.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE VIII

BOOKS AND RECORDS

Section 1. Books and Records. The Association shall keep as permanent records minutes of all meetings of its Members and Board of Directors, a record of all actions taken by the Members or Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Association. The Association shall maintain appropriate accounting records and a record of its Members, in a form that permits preparation of a list of the names and addresses of all Members (including electronic mail addresses, if available), in alphabetical order by class showing the number of votes each Member is entitled to vote. The Association shall maintain its records in written form or in other form capable of conversion into written form within a reasonable time. The Association shall keep at its principal office a copy of its Charter or Restated Charter and all amendments thereto currently in effect; its Bylaws or Restated Bylaws and all amendments to them currently in effect; resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of Members or any class or category of Members; the minutes of all Members' meetings and records of all action taken by the Members without a meeting, for the past three (3) years; all written communications to Members generally within the past three (3) years, including any financial statements prepared for the last three (3) years; a list of the names and business or home addresses of its current Directors and Officers; and its most recent annual report delivered to the Secretary of State. A Member of the Association is entitled to inspect and copy, during regular business hours at the Association's principal office, any of the above referenced records of the Association if he/she gives the Association written notice of his/her demand at least five (5) business days before the date on which he/she wishes to inspect and copy. A Member of the Association is also entitled to inspect and copy, during regular business hours at a reasonable location specified by the Association, other records of the Association in accordance with and as provided for in Tenn. Code Ann. § 48-66-102, as now in effect or hereafter amended. A Director of the Association is also entitled to inspect and copy, during regular business hours at a reasonable location specified by the Association, other records of the Association in accordance with and as provided for in Tenn. Code Ann. § 48-66-108, as now in effect or hereafter amended.

Section 2. Financial Statements. The Association shall prepare annual financial statements in accordance with the relevant provisions of the Act.

Section 3. Annual Report. The Association shall file an annual report each year with the Tennessee Secretary of State together with the appropriate filing fee.

ARTICLE IX

FISCAL YEAR

Section 1. Fiscal Year. The fiscal year of the Association shall be a calendar year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

ARTICLE X

BONDING AND INDEMNITY

Section 1. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association having custody or control of corporate funds furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

Section 2. Indemnity. The Association shall hold harmless and indemnify its Officers and Directors, whether or not then in office, and their respective executors, administrators, and heirs from and against any and all claims, demands, expenses (including attorneys' fees), judgments, fines, amounts paid in settlement, and any other costs with respect to any demand, threat, suit, or proceeding, whether civil or criminal, arising with respect to such person's previous, present, or future service as an Officer or Director of the Association to the maximum extent permitted by law, specifically the Act.

Section 3. Liability. No Director of the Association shall be personally liable to the Association or its Members for monetary damages for any action taken, or any failure to take any action, as a Director, except liability for: (i) the amount of a financial benefit received by the Director to which the Director is not entitled; (ii) an intentional infliction of harm; (iii) a violation of Term. Code Ann. § 48-58-302 or any successor statute; or (iv) an intentional violation of criminal law

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, the owner of each lot is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments, which are not

paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency as

provided in the Declaration and the Association may bring an action at law against the Owner(s) personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Said remedies are not exclusive and any one or more may be exercised by the Association upon a delinquency. Owner(s) may not waive or otherwise escape liability for the assessments provided for herein by the abandonment of his/her Lot.

ARTICLE XII

AMENDMENTS TO BYLAWS

Section 1. Amendment by Board of Directors. These Bylaws may be altered, amended, or repealed by a two-thirds (2/3) vote of the Board of Directors unless otherwise provided by the Charter or the Act and unless the Members expressly designate a particular bylaw that the Board of Directors may not amend or repeal.

Section 2. Amendment by Members. These Bylaws may be altered, amended, or repealed by the Members by two thirds (2/3) of the votes cast or a majority of the voting power, whichever is less.

ARTICLE XIII

MISCELLANEOUS

Section 1. Resolution of Conflict. In the event of any conflict between the Charter and these Bylaws, the Charter shall control. In the event of any conflict between the Restrictions and these Bylaws, the Restrictions [i.e. Covenants] shall control.

Section 2. Pronouns. Whenever used in these Bylaws, as necessary to effectuate the purposes herein, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

Section 3. Conflicts of Interest. The Board of Directors shall comply with the Act and any conflict of interest policy that has been or may be adopted by the Board of Directors with regard to Conflict of Interest transactions.

Section 4. No Seal. The Association shall have no corporate seal.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the Secretary of ROYAL OAKS LEGACY VILLAS HOMEOWNERS' ASSOCIATION, INC., a nonprofit corporation, whose principal office is located at P.O. Box 4596, Maryville, Tennessee 37802; and

That the foregoing Amended and Restated By-Laws, as duly adopted at a meeting of the Association members thereof, held on the 9th day of May, 2018, supersedes the original Amended and Restated By-Laws of said corporation.

IN WITNESS WHEREOF, I have hereto subscribed the name of the corporation by signing my name thereto as Secretary this _____ day of _____, 2018.

ROYAL OAKS LEGACY VILLAS
HOMEOWNERS' ASSOCIATION, INC.:

By: _____
Willis O. Benson, Secretary

STATE OF TENNESSEE
COUNTY OF KNOX

Personally appeared before me, the undersigned authority, a Notary Public within and for said State and County aforesaid, Willis O. Benson with whom I am personally acquainted and who upon his oath acknowledged himself to be the Secretary of Royal Oaks Legacy Villas Homeowners' Association, Inc., the within named bargainor, a corporation, and that he as such Secretary being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by the said Willis O. Benson as such Secretary.

Witness my hand and official seal at office the _____ of _____, 2018.

My Commission Expires:

Notary Public