

11This instrument was prepared by:
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**AMENDED BY-LAWS FOR LAUREL VALLEY PROPERTY OWNERS
ASSOCIATION, INC. AS AMENDED December 11, 2019**

Comes now the Laurel Valley Property Association, Inc. ("LVPOA") and records its most recent Amended By-Laws as provided below on this the 11th day of December, 2019.

WITNESSETH:

THAT WHEREAS, prior By-Laws of the Association are of record in Misc. Record Book 85, Page 530 in the Register of Deeds Office for Blount County, Tennessee, as amended the By-Laws of record in Misc. Record Book 136, Page 79, and Misc. Record Book 2484, Page 1625, all in the in the Register of Deeds Office for Blount County, Tennessee and

WHEREAS, the LVPOA Board of Directors on November 6, 2014, acting under the authority of the Tennessee Not-For-Profit Corporation Act and specifically T.C.A. 48-60-202 voted by a vote ___ in favor and ___ opposed to amend the By-Laws as stated below, and

WHEREAS, the Board of Directors acknowledges that Tennessee law supersedes the provisions on its face of the By-Laws of Tennessee not-for-profit corporations, and

WHEREAS, the Board of Directors met on February 5, 2015, and made ___ edits of the By-Laws which edits of the By-Laws were approved by a vote of ___ in favor ___ opposed, and

WHEREAS, the members of the Laurel Valley Property Owners Association, Inc. at a meeting held on July 11, 2015, Pursuant to T.C.A. 48-60-202(b), further passed these attached Amended by-Laws by a vote of ___ in favor and ___ opposed.

WHEREAS, since prior By-Laws have been recorded, the Association seeks to record these Amended By-Laws to update the record.

NOW, THEREFORE, the Association publishes its most recent Amended by-Laws as follows:

Article 1 – Definitions

When capitalized, these words have the following meanings, unless the context requires using its ordinary meaning.

1. **“Assessment”** means the dues paid for membership in the Association under the terms of the Restrictions.
2. **“Association”** means Laurel Valley Property Owners Association, Inc., a Tennessee non-profit corporation, or its successors.
3. **“Board”** means the Association’s Board of Directors.
4. **“Director”** means a member of the Board.
5. **“Laurel Valley”** means the real property located in District 15 of Blount County, Tennessee, and described on Exhibit A, which is attached and made a part of these bylaws.
6. **“Member”** means an Owner whose Tract is subject to the Restrictions. However, the membership rights of an Owner which is not a natural person may be exercised by any Officer, Director, Partner or Trustee of the entity or by an individual designated from time to time by the Owner in a written instrument provided by the Association.
7. **“Notice”** means a written statement given to a party required to receive information under these bylaws. A Notice may be sent by postage-prepaid first-class mail (with or without a return receipt requested) or by express courier service or by hand delivery. Notice shall be considered given on the date it is sent.
8. **“Owner”** means any individual or business that owns fee simple title to a Tract. “Owner” does not include parties (such as tenants or lenders) who claim an interest in a Tract arising out of holding title under a lease, purchase contract, deed of trust or similar instrument.
9. **“Restrictions”** mean the restrictive covenants governing any portion of Laurel Valley.
10. **“Subdivision”** means any portion of Laurel Valley that has been divided into two or more parcels shown on a plat that has been recorded in the Office of the Register of Deeds for Blount County, Tennessee. Any portion of Laurel Valley that is subdivided by recorded plat after the adoption of these bylaws shall be considered a Subdivision under these bylaws if an adoption of the Restrictions is signed by the Association and by the Owner of the new Subdivision property and is recorded in the Office of the Register of Deed for Blount County, Tennessee.
11. **“Tract”** means any Subdivision lot or other parcel of land within Laurel Valley.

Article II-Voting by Members, Section1. Voting Rights

1. **Voting Rights.** All members may vote in the following manner:
 - a. Each member may cast one vote for each Tract that Member owns. Whenever the bylaws or the Restrictions refer to voting by “Members,” this phrase anticipates that Members owning more than one Tract may have more than one Vote (unless the bylaws state otherwise).
 - b. If a Member owns a Tract on which more than one dwelling is permitted, requiring payment of multiple Assessments, the Member shall have one vote for each Assessment.
 - c. If a member records a plat of record in the Office of the Register of Deeds for Blount County, Tennessee, which combines two or more contiguous Tracts into a single Tract, that Member may cast one vote for the combined Tract.

- d. If more than one individual or business owns a Tract, all co-Owners shall appoint a single individual to cast a vote on behalf of those Co-Owners. The co-Owners shall notify the Association of the name of the person authorized to vote at least 24 hours prior to the time any vote of the Members is taken. This notice must be in writing and must be signed by all co-Owners as identified on the Owner's deed.
 - e. If a corporation, partnership, joint venture, limited liability company, or similar entity owns a Tract, that entity shall appoint a single individual to cast a vote on behalf of that entity. The entity shall notify the Association of the name of the person authorized to vote at least 24 hours prior to the time any vote of the Members is taken. This notice must be in writing.
2. **Majority Vote.** The Association is authorized to act on normal routine business upon approval of an action by at least a majority of the votes cast (unless these bylaws state otherwise).
 3. **Quorum.** A quorum is achieved with twenty percent or 40 separate Members present at any meeting in person or by proxy, whichever is greater.
 4. **Proxies.**
 - a. A Member may cast a vote by proxy only if the proxy is in writing and is given to the Association's Secretary before the meeting for which the proxy is given.
 - b. A member may define the scope of the proxy if the limitations are in writing. Otherwise, the proxy shall be considered unlimited and permit the party casting the vote to vote without further instructions from the Member.
 - c. Unless an expiration date is given in the proxy, a proxy is valid until it is revoked by a written revocation given to the Association's Secretary. Revocation shall be effective when the revocation is received by the Secretary. Even if the proxy has expired, the proxy will remain valid through the adjournments of a meeting in which the proxy was originally valid.

Article III – Meetings of Members

1. **Meeting Location and Time.** Meetings of Members shall be held at the location designated in the Notice of the meeting. In any case, the meeting shall be held in Blount County, Tennessee. Meetings of Members shall be held on Saturdays at 10:00 a.m.
2. **Annual Member Meetings.** Members shall meet at least annually. The annual meeting shall be held on either the first or second Saturday in July each year, as determined by the Board. The Association's secretary shall notify all Members of the date of the annual meeting by a notice sent at least 15 days (but not more than 45 days) before the meeting. At the annual meeting, Members shall elect the Board and transact any other business that is properly before them.
3. **Special Member Meetings.**
 - a. A special meeting of the Members may be held if the Board determines that a meeting is necessary or if at least ten percent of Members request a meeting by sending Notices of that request to the Association's secretary.
 - b. The Association shall send Notice to all Members of the time and place of the special meeting. The meeting shall be scheduled at least 10 days (but not more than 60 days) after notice is sent.
 - c. Notice of the special meeting shall specify the business to be conducted at the meeting. No other business may be conducted at that meeting.
4. **Procedure.** Meetings shall be conducted under the procedures provided in Robert's Rules of Order, using the edition adopted by the Board.

Article IV - Board

1. **Number and Qualification.** The Board shall consist of seven (7) individuals, all of whom must be Members or be properly exercising membership rights. The membership rights of an Owner that is not a natural person may be exercised by any Officer, Director, Partner or Trustee of the entity or by an individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association. Such person would have the right to serve as a member of the Board even though he or she individually is not an Owner of a Tract.
2. **Powers and Duties.** The Board shall have all powers and duties necessary to administer the Association's affairs and may do all acts that are permitted by law or by these bylaws to be done by a board of directors of a non-profit corporation.
3. **Nominations.** Nominees may originate from the Nominating Committee, from Members sending their name and a brief biographical sketch to the Board, or by direct nominations from the floor at the annual meeting.
4. **Election and Term of Office.**
 - a. At each annual meeting, Members shall elect Directors to fill the position of out-going Directors, and the elected Directors shall serve a three year term.
 - b. No Director shall serve more than two consecutive terms.
 - c. The candidates receiving the most votes shall be elected to fill vacancies.
5. **Vacancies.** If a Director resigns or is no longer a Member or is otherwise ineligible or unable to serve, a majority of the remaining Directors shall elect a successor Director to serve the remainder of the vacating Director's term. This election shall be held at the next meeting of the Board to be scheduled by the Association's president as soon as is reasonably practical after the vacancy occurs.
6. **Removal.** At any annual meeting or special Members meeting in which the issue of removal of a Director is included in the Notice of the meeting, a majority of the Members may remove a Director (with or without cause) and elect a successor. The Director whose removal is at issue shall have an opportunity to speak at this meeting.
7. **Annual Board Meeting.** The Board shall meet immediately after the annual meeting of Members, at which time the Board shall:
 - a. Elect officers for the new fiscal year, and
 - b. Schedule a time and place for regular Board meetings for the new fiscal year. No additional Notice to Directors of regular meetings shall be required.
8. **Regular Meetings.** The Board shall meet at least quarterly and more often if necessary to manage the affairs of the Association. If a Director cannot be physically present at a meeting, they shall be considered to be in attendance if they attend via video or audio connection. A Director attending via video or audio connection will participate in all aspects of the meeting as if they were physically present.
9. **Special Meetings.** Any Director may call a special Board meeting. The Association's secretary shall give each Director notice of the time and place of the meeting. For the purpose of a special Board meeting, notice may be given by telephone or by any other reasonable means at least two days before the meeting.
10. **Voting.** Each Director has one vote. The Board acts by majority vote of its Directors.
11. **Action by Consent.** If all Directors agree in writing to act without a meeting, Directors may vote by mail or telephone without a meeting. However, the action shall not be effective until written confirmation of all votes is received by the Board of the Association.
12. **Quorum.** A quorum is achieved with a majority of Directors present in person or through audio or visual connection.
13. **Proxy Voting.** Directors may not give their proxy to another Director to vote on business conducted during a regular or special Board meeting.
14. **Procedure.** See Article 111.4 above.

15. **Compensation.** Directors shall serve without compensation of any type. However, the Association shall reimburse any out-of-pocket expenses reasonable incurred by a Director in connection with service as a Director.

Article V – Officers

1. **Designation.** The Association shall have the following officers, all of whom are Directors, who will perform the duties designated. Additional officers may be established by the Board at its discretion.
 - a. **President.** The President shall preside at Members meetings and at Board meetings, appoint committees as needed, and perform those duties generally assigned to the chief executive officer of a non-profit corporation.
 - b. **Vice President.** The Vice President shall perform the President’s duties when the President is unavailable and shall perform other duties reasonable imposed by the Board.
 - c. **Meeting Chairperson.** If both the President and Vice President are unable to preside at a meeting of Members or of the Board, the Board shall appoint a Director to serve as Chairperson of that meeting.
 - d. **Secretary.** The Secretary shall keep the minutes of all meetings of the Members and of the Board, maintain the records required by the Board, and perform those duties generally assigned to the Secretary of a non-profit corporation. In the Secretary’s absence, the Board may appoint an Interim Secretary.
 - e. **Treasurer.** The Treasurer shall have responsibility for the Association’s funds, and shall maintain complete and accurate records of all receipts and disbursements, subject to the terms of the financial procedures established by these bylaws or the Board.
2. **Election.** The Board shall elect officers at its annual meeting.
3. **Removal.** A majority of the Board may remove an officer (with or without cause) and elect a successor at any Board meeting provided that the officer has an opportunity to be heard at the meeting and has at least three days’ notice of the meeting (as notice is given to Directors of a special Board meeting).
4. **Compensation.** Officers shall serve without compensation of any type. However, the Association shall reimburse any out-of-pocket expenses reasonable incurred by an officer in connection with service as an officer.

Article VI – Amendment

These bylaws may be amended using procedures consistent with TN laws governing non-profit corporations.

1. The bylaws may be amended using procedures listed below:
 - a. The Board of Directors may amend or repeat the Association’s bylaws.
 - b. The members may amend or repeal the Association’s bylaws even though the bylaws may also be amended or repealed by the Board of Directors.
 - c. An amendment to the bylaws shall be approved by members by two thirds (2/3) of the votes cast or a majority of the voting power, whichever is less.
2. Notice of proposed amendments will be provided to the Members of the Association prior to any meeting of the Members during which the amendment(s) will be subject to discussion or voting. This notice may be accomplished by the methods(s) determined by the Board to be most effective in reaching the Members. These methods may include, but not be limited to: hard copy notices delivered to the address of record for the Member by the US Postal Service, electronic mailing to email address provided by the Member, posting on the Board approved website, or any other reasonably accessible method approved by the Board.

3. Members may vote in person or via properly execute proxy at the annual or a special meeting.
4. The aggregate of the votes will be tallied to determine if the proposed amendment(s) will be adopted.

Article VII – Management

1. **Managing Agent.** The Board may appoint a managing agent to manage the day-to-day affairs of the Association. The agent's salary shall be set by the Board. The agent shall be an employee at will and shall not be employed for a specific term of employment.
2. **Fiscal year.** The Association's fiscal year shall be July 1 through June 30.
3. **Bank Accounts.**
 - a. The Association shall maintain a checking account at a bank or similarly regulated institution whose deposits are insured by the United States government
 - b. All funds received by the Association shall be deposited in the appropriate account at the first available opportunity.
 - c. All Association accounts shall require the signatures of two parties to make withdrawals. These signatories shall be officers or Directors or the managing agent.
 - d. Payment shall not be made to any party without approval by the Board if the payment is
 - I. Over \$300 and is not included in the annual budget or
 - II. Pursuant to a contract between the Association and a third party and is more than \$300 over the contract price.
4. **Contracts.**
 - a. Work to be performed for the Association by third parties shall be performed under a written contract.
 - b. These contracts shall be signed by the Association's President or its managing agent, or an appropriate committee chairman.
 - c. Whenever practical, contracts shall be awarded only after competitive bids are received. No third party shall have any rights against the Association or its officers, Directors, or employees, in the event that competitive bids are not taken.
5. **Budget.** The Board shall prepare an operating budget for the Association for each fiscal year. If any proposed expense exceeds the budgeted amount by 10%, the expense may not be incurred without the Board's majority consent.
6. **Assessments.** Assessments paid by Members under the Restrictions shall be used only for the following purposes:
 - a. Maintenance of Rights-of-Way.
 - b. Collections of assessments
 - c. Security and security facilities
 - d. Enforcement of Restrictions
 - e. Professional fees for ordinary and necessary services as defined by a majority of the Board
 - f. Office space
 - g. Office management employees, and
 - h. Budgeted expenditures approved at the annual meeting.Use of assessments for any other expenses requires the majority of the Board, unless specified to the contrary.
7. **Borrowing Authority.** The Board's authority to borrow money on behalf of the Association is limited as follows:
 - a. A majority of the Board shall determine that the debt will serve the Association's best interests in order to implement its operating budget.

- b. Notice shall be sent to all Members within five days of the adoption of the borrowing resolution. This notice shall inform Members of the purpose of the loan and the manner of repayment and shall describe any security pledged to its repayment. This notice shall also set a time for a special meeting of Members to consider whether the debt should be incurred. This meeting shall be held not earlier than 15 days from the date of the Notice.
- c. This borrowing resolution shall not be implemented unless at least two-thirds of the total members (not lots) approve the borrowing resolution at this special meeting.

Article VIII – Indemnification

The Association shall indemnify its Officers and Directors and their estates against all costs, expenses and attorney fees paid or incurred in connection with any action, suit, or legal proceedings to which the officer or Director may be made a party by reason of being or having been a Director or officer. This indemnification shall apply to the full extent allowed by present or hereafter enacted Tennessee law. As Tennessee statutes relating to this type of indemnification are incorporated into these bylaws by reference to the extent that:

1. The statutes in effect at the time an action is commenced shall prevail over other statutes.
2. When options are given in the statutes, the option providing the broadest Indemnification to the officer or Director shall prevail.

Article IX – Limited Liability Notification

Each Owner and occupant of a Tract and his/her respective guests, invitees and/or tenants shall be responsible for their own personal safety and the security of their real or personal property in Laurel Valley. The association may, but shall not be obligated to maintain or support certain activities within Laurel Valley designed to enhance the level of safety each person provides for himself/herself and his/her property. The Association shall not be considered insurers or guarantors of the safety or security within Laurel Valley nor shall it be held liable for any loss or damage by reason of failure to provide adequate security or ineffective security measures undertaken.

No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to Laurel Valley, cannot be compromised or circumvented, nor that any such system or security measures undertaken will in all cases prevent loss or provide detection or protection for which the system is designed or intended. Each owner acknowledges, understands, and shall be responsible for informing his/her tenants and all occupants or guests of the Tract that the Association, its Board and Committees are not insurers or guarantors of security or safety and that each person within Laurel Valley assumes risk of personal injury and loss and damage to his/her property, including his Tracts and any improvements thereon, and contents therein resulting from acts of third parties.

CERTIFICATION

I, Scott J. Mason as Secretary of the Laurel Valley Property Owners Association, Inc. hereby certify that the above referenced votes took place on the dates stated above and that the outcome of the votes resulted in the foregoing By-Laws being adopted by the Association.

THIS 11th day of December, 2019.

Secretary

ATTEST:

President

STATE OF TENNESSEE)
COUNTY OF BLOUNT)

Before me, a Notary Public in and for said County, personally appeared _____, with whom I am personally acquainted, and who, upon oath, acknowledged himself/herself to be the Secretary of LAUREL VALLEY PROPERTY OWNERS ASSOCIATION, INC., the within named bargainer, a corporation, and that he/she as such Secretary, being authorized so to do, executed the within instrument for the purposes therein contained by signing the name of the corporation by himself/herself as Secretary.

WITNESS my hand and official seal at office this _____ day of _____, 2017.

My Commission Expires:

Notary Public