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STATE OF TENNESSEE
REGISTER OF DEEDS
KNOX COUNTY

DECLARATION OF RESTRICTIONS AND COVENANTS

LOT 24R, UNIT V

BARRINGTON SUBDIVISION

BYLAWS

OF

BARRINGTON POOL ASSOCIATION, INC.

INST: 42260 MB 2308 PG: 471

1. DEFINITIONS

The following words and terms, as used in the Bylaws of Barrington Pool Association, Inc., a Tennessee nonprofit corporation shall, unless the context should otherwise require, mean and be defined as follows:

1. "Association" means Barrington Pool Association, Inc.
2. "Board" means the board of directors of the Association, as it shall be constituted from time to time.
3. "Bylaws" means these Bylaws, as amended from time to time.
4. "Charter" means the Charter of Barrington Pool Association, Inc.
5. "Condominium Association" means the Villas of Barrington Condominium Association, Inc., a Tennessee nonprofit corporation.
6. "Condominium Unit" means a single Condominium Unit within Villas of Barrington Condominiums.

INST: 9813 MB 2295 PG: 589
REC'D FOR REC 08/05/1998 09:28:17 KNOX CO. TN
RECORD FEE: \$ 108.00
MORTGAGE TAX: \$ 0.00 TRANSFER TAX: \$ 0.00

EXHIBIT

"P"

7. "Condominium Unit Owner" means any natural person(s) who holds fee simple title to a Condominium Unit, as indicated by the deed to said Condominium Unit, other than (i) the Developer, (ii) a builder who has constructed a Condominium Unit and is holding such Condominium Unit for sale, and (iii) any person who has acquired an interest in a Condominium Unit for purposes of security only.

8. "Deed of Conveyance" means the deed pursuant to which the Property was conveyed to the Association from the Developer and which restricts the use of the Property to the terms of the Bylaws. The Deed of Conveyance is recorded with the Register of Deeds for Knox County, Tennessee in Warranty Book 226 at Page 587.

9. "Developer" means Southland Group, Inc., or its successors and assigns.

10. "Member" means (i) subject to Article III, Section A, every Subdivision Lot Owner(s) and (ii) the Condominium Association.

11. "Property" shall mean and refer to the real property described on Exhibit A attached hereto, which was conveyed to the Association pursuant to the terms of the Deed of Conveyance, and any clubhouse, playground, swimming pool, buildings, fixtures, and/or other structures or improvements located thereon or incident thereto.

12. "Residential Owner" means each Subdivision Lot Owner and Condominium Unit Owner.

13. "Restriction Agreement" means that certain Restriction Agreement to be executed by any Lot Owner as a condition to membership in the Association, form of which is attached hereto as Exhibits B-1 and B-2. The Restriction Agreement shall (i) require the Subdivision Lot Owner to pay dues to the Association in accordance with the terms of the Bylaws, (ii) otherwise be bound by the terms of the Bylaws, (iii) be recorded in the office of the Register of Deeds for Knox County, Tennessee, and (iv) be binding upon all subsequent owners of such Subdivision Lot.

14. "Rules" means the rules and regulations of the Association as may be adopted and/or amended from time to time.

15. "Subdivision" means Barrington Subdivision, Phases I through V, plats of which are recorded in the office of the Register of Deeds for Knox County, Tennessee in Plat Cabinet K at Pages 259B and C; Plat Cabinet M at Page 21B; Plat Cabinet M at Page 65D; Plat Cabinet N at Page 235D; and Plat Cabinet O at Page 120C.

16. "Subdivision Lot" means a platted lot in the Subdivision.

17. "Subdivision Lot Owner" means any natural person(s) who holds fee simple title to a Subdivision Lot (as indicated by the deed to said Subdivision Lot), and who (a) has executed a Restriction Agreement, or (b) takes title to a Subdivision Lot with respect to which a Restriction

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Agreement has been executed and recorded by a predecessor-in-title, but not including (i) the Developer, (ii) a builder who has acquired a Subdivision Lot for purposes of constructing a house thereon for sale or (iii) any party who has acquired an interest in a Subdivision Lot for purposes of security only.

II. ASSOCIATION PURPOSES AND POWERS

A. The Association has been organized to promote the health, safety, and general welfare of its Members and to acquire, construct, manage, operate and maintain the Property, including the construction, operation and maintenance of such amenities as the Board determines are appropriate and in the best interest of the Members, and otherwise as provided in the Association's Charter and Bylaws. In addition, the Association, acting through its Board, shall procure such general liability insurance as the Board deems necessary to protect against hazards arising in connection with the ownership and operation of the Property.

B. The powers and rights of the Association shall be as specified in its Charter and these Bylaws, both as may be amended from time to time. Such provisions are incorporated herein as fully and as completely as if specifically set forth.

III. MEMBERSHIP AND PRIVILEGES

A. **Membership.** The Condominium Association and each of every Subdivision Lot Owner shall be mandatory Members of the Association. To the extent that any Subdivision Lot shall be owned of record, as shown by deed, by more than one (1) person as co-tenants, each co-tenant shall be a Member of the Association, but together said Members shall exercise only one (1) vote, which shall be cast in accordance with Article IV, Section H hereof. The Condominium Association may not withdraw as a member or transfer its membership in the Association. With respect to Subdivision Lot Owners, Membership shall be appurtenant to and may not be separated from ownership of any Subdivision Lot and all rights and duties created and established hereby shall automatically pass to and become binding upon any Subdivision Lot Owner's successor-in-title or interest to the Subdivision Lot. No person or entity possessing an interest in any Subdivision Lot as security for an obligation may be a Member.

B. **Change of Membership.** As regards Subdivision Lot Owners, change of membership shall be accomplished by recording at the Register's Office for Knox County, Tennessee a deed or other instrument establishing record title to a Lot which is subject to a Restriction Agreement and delivery to the Secretary/Treasurer of the Association of a certified copy of such instrument. Upon satisfaction of the foregoing requirements, the membership of the transferor Subdivision Lot Owner shall be transferred to the transferee Subdivision Lot Owner as set forth in the deed, and the rights of the transferor Subdivision Lot Owner shall be thereby terminated.

C. **Rights of Use and Enjoyment.** Subject to Article III, Section D below, and notwithstanding that Condominium Unit Owners are not Members of the Association as individuals, each Residential Owner shall be entitled to the use and enjoyment of the Property subject to rules

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and regulations as adopted by the Association from time to time. Any Residential Owner may delegate his or her rights of use and enjoyment in the Property to any family member who resides upon said Residential Owner's Lot or Unit or their guests in accordance with rules and regulations adopted by the Association from time to time. Such Residential Owner shall notify the secretary of the Association in writing of the names of any such persons and of the relationship of the Residential Owner to such person. The rights and privileges of such persons are subject to the same restrictions and limitations regarding their personal conduct and their use of the Property as those of the Residential Owners.

D. Suspension of Rights. If a Residential Owner shall have failed to pay when due any dues or charge lawfully imposed upon him or her pursuant to the terms of these Bylaws, or if the Residential Owner, his or her family members or guests, shall have violated any of the covenants therein or herein contained, or any rule or regulation of the Association regarding the use of any Property or conduct with respect thereto, then the Association shall provide written notice to the Residential Owner by certified mail, setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the Residential Owner shall not have taken reasonable steps toward the required remedy action within twenty (20) days of mailing of the aforesaid notice of violation, then the Association may suspend the privileges provided by Section C of this Article III and, if such Residential Owner is a Member, the membership rights (including voting rights) of that Residential Owner.

E. Proxies. Proxy ballots shall be permitted with respect to all elections of Directors, and all amendments to the Charter or these Bylaws or any other matter which is to come before a meeting of the membership of the Association. All proxies shall be in writing, signed by the Member(s) or by his, her or its duly authorized representative(s) and delivered to the Secretary/Treasurer of the Association, or such other person as the President may designate prior to or at the commencement of the meeting at which ballots are to be cast.

IV. MEETINGS OF MEMBERS

A. Annual Meeting. The first annual meeting of the Members shall be held on the date specified by the initial Board appointed by the Developer pursuant to Article V, which date shall in all events be the earlier of (i) five (5) years from the date these Bylaws are recorded in the Register's Office for Knox County, Tennessee, or (ii) the date that the Developer voluntarily and in writing turns over control of the Board to the Members, effective from and after the date specified in writing. Thereafter, an annual meeting of the Members shall be held on such date as selected by the Board which is within thirty (30) days before or after the first anniversary of the first annual meeting of the Members. If such day be a legal holiday, the meeting shall be held on the next succeeding business day. At the annual meeting of the Members, the Members shall elect directors to the Board and transact such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of the Association shall cause the election to be held at a special meeting of the Members called as soon thereafter as may be convenient.

B. **Special Meetings.** Special meetings of the Members may be called by the Board, the President or by not less than twenty percent (20%) of the holders of all votes entitled to be cast on any issue proposed to be considered. The notice for any special meeting shall specify the matters to be considered at such special meeting.

C. **Place and Time of Meeting.** All regular meeting of the Members shall take place at such time and location as the Board shall designate. The time and place of all special meetings shall be designated by the person or persons calling the special meeting.

D. **Notice of Meetings.** Written or printed notice stating the place, day and hour of any regular or special meeting of the Members shall be delivered personally or by the mail to each Member entitled to vote at such meeting in care of his or her residence not less than ten (10) nor more than thirty (30) days before the date of such meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose of which the meeting is called shall be stated in this notice. The notice of a meeting shall be deemed delivered when personally delivered, or if mailed, when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association.

E. **Quorum.** To establish a quorum at any annual or special meeting there must be present or represented by proxy Members holding a majority of all votes entitled to be cast at any meeting of the Members.

F. **Manner of Acting.** Except as set forth below and except as otherwise required by these Bylaws, any action to be taken at any meeting of the Members at which a quorum is present shall be upon the affirmative vote of a majority of the votes which may be cast at such meeting.

G. **Organization.** At each meeting of the Association, the President, or, in his or her absence, the Vice President, or in their absence, Members present in person or represented by proxy and entitled to vote at the meeting, shall act as a chairperson, and the Secretary/Treasurer, or in his or her absence, a person whom the chairperson shall appoint, shall act as secretary of the meeting.

H. **Voting.** With respect to any matters upon which Members of the Association are entitled to vote, each Subdivision Lot Owner shall have one (1) vote and the Condominium Association shall have that number of votes equal to the total number of Condominium Unit Owners. In the event that any Lot shall be owned by two (2) or more individuals as co-tenants, each co-tenant shall be a Member of the Association, but said co-tenants shall collectively have but one (1) vote, which shall be exercised by said co-tenants delivering to the Secretary of the Association a certificate executed by each co-tenant which designates one (1) co-tenant who shall have the right to vote for and on behalf of all co-tenants. None of the co-tenants shall be entitled to vote as Members or be counted in determining a quorum until said certificate shall have been executed and delivered as provided in the immediately preceding sentence. The Association shall be entitled to rely upon such certificate as to the authority of the named co-tenant to vote until a replacement certificate, executed by each co-tenant, shall be delivered to the Secretary of the Association. Except as otherwise

required by law, the affirmative vote of a majority of the votes represented at any duly called Members' meeting at which a quorum is present shall be binding upon the Members.

I. **Order of Business.** The order of business at the annual meeting of the Members or at any special meetings insofar as practicable shall be:

1. Roll call (or check-in procedure)
2. Proof of notice of meeting or waiver of notice
3. Reading of minutes of preceding meeting
4. Establish number and term of memberships of the Board of Directors (if required and noticed)
5. Reports of Committees
6. Election of directors (if required and noticed)
7. Unfinished Business
8. New Business
9. Ratification of Budget (if required and noticed)
10. Adjournment

V. BOARD OF DIRECTORS

A. **Composition.** The affairs of the Association shall be governed by the Board. The initial Board shall be composed of three (3) persons designated by the Developer who shall serve as members of the Board until the first meeting of the members of the Association at which directors are elected pursuant to Section A of Article IV. The conditions, limitations and restrictions set forth in Sections A through I, inclusive of this Article V shall not apply to the initial Board or the members thereof, and said conditions, limitations and restrictions applicable to the initial Board shall be determined by the Developer; provided, however, (i) Section I of this Article V shall apply to the initial Board; and (ii) this Article V shall apply fully to directors elected at and after the first meeting of the members of the Association.

After the initial Board, the following shall apply to directors:

1. The directors must be Residential Owners.

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2. A director may succeed himself in office.

3. At and after the first election of directors, there shall be a total of five (5) directors, at least two (2) of whom shall be Subdivision Lot Owners and at least two (2) of whom shall be Condominium Unit Owners.

B. Term of Office. The initial Board as appointed by the Developer shall serve a term consistent with Article V, Section A above. For the first Board of Directors elected by the Members, the initial term of the two (2) directors receiving the highest number of votes shall be established as three (3) years, the initial term of office of the two (2) directors receiving the next highest number of votes shall be established as two (2) years and the initial term of office of each director shall be established at one (1) year. After the expiration of the initial term of office of each director elected by the Members, his or her successors shall be elected to serve a term of two (2) years, which term shall expire at the second annual meeting following their election, or until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

C. Removal of Directors. Members of the initial Board may be removed at any time by the Developer with or without cause, and a successor may then be appointed by the Director to fill the vacancy so created. Otherwise, any one or more of the directors may be removed by a majority vote of the Members at any regular or special meeting of the Association duly called, and a successor may then and there be elected to fill the vacancy thus created, provided, that there shall always be at least two (2) directors who are Subdivision Lot Owners and two (2) who are members of the Condominium Association. Any director whose removal has been proposed by the Members shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

D. Vacancies. Vacancies in the Board caused by any reason, but excluding the removal of a director, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board for the remainder of the term of the director being replaced. Said director shall serve until a successor shall be elected at the annual meeting of the Association to fill the unexpired portion of the term.

E. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every six months. The Board shall meet within ten (10) days after each annual meeting of Members.

F. Special Meetings. Special meetings of the Board may be called by the President of the Association on three (3) days' notice to each director given by mail, in person or by telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary/Treasurer of the Association in like manner and on like notice of the written request of at least two (2) directors.

G. **Quorum.** A quorum of directors shall be deemed present throughout any Board meeting at which a majority of the directors are present at the beginning of such meeting.

H. **Conduct of Meetings.** The President of the Association shall also preside over all meetings of the Board and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. Robert's Rules of Order (latest edition) shall govern the conduct of the meetings of the Board when not in conflict with these Bylaws.

I. **Action Without a Meeting.** Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board.

J. **Powers and Duties.** The Board shall exercise for the Association all powers, duties and authority vested therein by these Bylaws, except for such powers, duties and authority specifically reserved therein to the members of the Association or the Developer or delegated to any other appropriate body or party. The Board shall have the following powers and duties:

1. to elect the officers of the Association as hereinafter provided;
2. to administer the affairs of the Association;
3. to appoint committees and to delegate to such committees the Board's authority to carry out certain duties of the Board;
4. to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;
5. to estimate the amount of, prepare, adopt and distribute the budget for the expenses of the Association not less frequently than annually, to provide the manner of assessing, levying on and collecting from the Residential Owners the annual and special dues;
6. to engage the services of an agent to maintain, repair, replace and administer the Property or any part thereof for all of the Members, upon such terms and for such compensation as the Board may approve;
7. to provide for the operation, care, upkeep, maintenance, repair, replacement and improvement of the Property and payments therefor, and to approve payment vouchers or to delegate such approval to the officers of the Association;

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8. to obtain adequate appropriate kinds of insurance as provided in Article XV of these Bylaws;
9. to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property;
10. to act in a representative capacity in relation to matters involving the Property;
11. to adopt and publish Association Rules governing the use of the Property, and the conduct of the Residential Owners and their guests thereon, and to establish penalties for infractions thereof;
12. to cause to be kept a complete record of all its acts and corporate affairs, to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote and to file Federal and State tax returns as required by law;
13. to bid and purchase, for and on behalf of the Association, any Lot or Unit, or interest therein, at a sale pursuant to a deed of trust foreclosure, a foreclosure of the lien for annual assessments, special assessments or both, or any order or direction of a court, or at any other involuntary sale, upon the affirmative vote of not less than 75% of the votes of Members at a meeting duly called for that purpose, provided that the Members shall set forth a maximum price that the Board or its duly authorized agent may bid and pay for such Lot or Unit or interest therein;
14. to make such mortgage loan arrangements and special assessments proportionately among the respective Residential Owners, and other such financing arrangements, as the Board may deem desirable, in order to close and consummate the purchase of a Lot or Unit, or interest therein, by the Association; provided, however, that no such financing arrangement shall be secured by an encumbrance or any interest in the Property other than the Lot or Unit, or interest therein, to be purchased or leased;
15. to enforce by legal means the provisions of these Bylaws with respect to the Property;
16. to renew, extend or compromise indebtedness owed to or by the Association;

17. unless otherwise provided herein, to comply with the instructions of a majority of the Members as expressed in a resolution duly adopted at any annual or special meeting of the Association;
18. to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any dues have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment of dues have been paid, such certificate shall be conclusive evidence of such payment;
19. to supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
20. to employ attorneys to represent the Association when deemed necessary;
21. to suspend the voting rights of a Member during any period in which such Member shall be in default under the provisions of these Bylaws or in the payment of any dues or other charges levied by the Association. Such rights may also be suspended after twenty (20) days for infraction of Association Rules;
22. to suspend the rights of a Residential Owner during any period in which such Residential Owner shall be in default under the provisions of these Bylaws or in the payment of any dues or other charges levied by the Association. Such rights may also be suspended after twenty (20) days for infraction of Association Rules; and
23. to declare the office of a director of the Board to be vacant in the event such director shall be absent from (3) consecutive regular meetings of the Board.

VI. OFFICERS

A. Designation. The executive officers of the Association shall be a President and a Secretary/Treasurer, each of whom shall be elected annually by the Board of Directors. The Board of Directors may also appoint such other officers as in its judgment may be necessary to manage the affairs of the Association. Any person may hold two or more offices, except that the President shall not also be the Secretary/Treasurer or an Assistant Secretary.

B. Election of Officers. Until the first election of directors, the officers of the Association shall be as designated by the initial Board. Thereafter, the officers of the Association shall be elected annually by the Board of Directors at the Board of Directors meeting following the first and each annual meeting of the Members. Such officers shall hold office at the pleasure of the Board of Directors.

C. Removal of Officers. Upon affirmative vote of a majority of the full number of directors, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purposes.

D. Duties and Responsibilities of Officers.

1. The President shall be the chief executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He or she shall preside at all meetings of the Association and the Board of Directors. He or she shall have all the powers and duties which are usually vested in the office of the President of an association including but not limited to the power to appoint committees from among the Members from time to time, as he or she may in his or her discretion determine appropriate, to assist in the conduct of the affairs of the Association. He may sign, with the Secretary/Treasurer or any other officer of the Association authorized by the Board, any deeds, mortgages, contracts or other instruments which the Board has authorized to be executed.

2. The Secretary/Treasurer shall keep the minutes of all proceedings of the Board of Directors and the Members. He or she shall attend to the giving and serving of all notices to the Members and directors, and such other notices required by law. He or she shall keep the books and records of the Association and shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He or she shall keep the dues, rolls and accounts of the Members; he or she shall keep the books of the Association in accordance with good accounting practices; and he or she shall perform all other duties incident to the office of Secretary/Treasurer and as may be required by the Board or the President of the Association.

VII. INITIAL ASSESSMENTS; ANNUAL DUES AND ASSESSMENTS

A. The Developer has conveyed the Property to the Association pursuant to the Deed of Conveyance. In consideration of the conveyance of the Property, the Association agrees to assess and collect from the Members, and the Members each agree to pay, initial one-time assessments as follows:

1. Each Subdivision Lot Owner in Phases I, II and III of the Subdivision (as shown by plat of record) shall at the time of execution and delivery of a Restriction Agreement pay directly to the Developer, for and on behalf of the Association, the sum of One Thousand Five Hundred Dollars (\$1,500.00). Each Subdivision Lot Owner in Phases IV and V of the Subdivision (as shown by plat of record) shall at the time of execution and delivery of a Restriction Agreement pay directly to the Developer, for and on behalf of the Association, the sum of Two Thousand Five Hundred Dollars (\$2,500.00). Said payment shall be an obligation only of the Subdivision Lot Owner(s) executing the Restriction Agreement and not any successor-in-title or interest of said owner(s), it being the intent hereof that only one (1) such payment shall be made for or with respect to each Subdivision Lot.

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2. The Condominium Association shall, at the time of the first sale of each Condominium Unit to a Condominium Unit Owner, pay to the Developer, for and on behalf of the Association, the sum of One Thousand Five Hundred and No/100 Dollars (\$1,500.00). There shall be no payment due or made upon the record or any subsequent sale of any Condominium Unit.

B. The Board of Directors shall have the power, from time to time, to fix, assess and collect annual dues to be paid by each Residential Owner in the amount necessary and adequate to provide for the expenses of the Association; provided, however, that any dues so fixed by the Board shall be subject to the approval of a majority of the votes entitled to be cast by the Members at their annual meeting. In the absence of a quorum present at such annual meeting of the Members, the dues so fixed by the Board shall be deemed approved by the Members. The annual dues levied by the Board shall be used exclusively for the purposes for which the Association has been organized, and the powers incident thereto. Dues may be collected on an annual, semi-annual, quarterly or monthly basis by the Treasurer of the Association as established by the Board, provided that the Condominium Association shall have the duty and obligation to collect the dues owing by the Condominium Unit Owners and the Condominium Association shall collect such dues and pay them over to the Association, along with a list of any Condominium Unit Owners from whom the Condominium Association was unable to collect such dues, on or before the date such dues are payable. Assessment of annual dues shall commence as to each Residential Owner as of the first day of the month in which the Residential Owner becomes a Residential Owner. Dues shall be assessed equally among all Residential Owners, provided that the amount of the annual dues assessed to a Residential Owner in the years in which the Residential Owner's obligation to pay dues commences and terminates shall be prorated based on the portion of the year that the Residential Owner is a Residential Owner. Notwithstanding the foregoing, there shall be no annual dues assessed against any Residential Owner of a Subdivision Lot until such time as said Residential Owner, or any successor-in-title, shall commence construction of a residence upon said Subdivision Lot.

C. The dues levied by the Pool Association shall be used exclusively for promoting the health, safety, pleasure and welfare of the members of the Pool Association and the costs and expenses incident to the operation of the Pool Association, including, without limitation, payment of any debts of the Pool Association (including but not limited to any debt to the Developer relative to the acquisition and/or construction of the Property), the maintenance and repair of the Pool Association's facilities, the purchase of insurance by the Pool Association, payment of all taxes, insurance premiums and all costs and expenses incidental to the operation and administration of the Pool Association, payment of utilities relative to the Pool Association's facilities and the establishment and maintenance of a reasonable reserve fund or funds.

D. In addition to the annual dues authorized above, the Pool Association Board of Directors may levy, in any assessment year, special assessments of dues applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Property, including roads and sidewalks, provided that any such assessment of dues shall have the assent of at least two-thirds (2/3) of the votes entitled to be cast by the Members voting in person or by proxy at a meeting duly called for such purpose.

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Special assessments of dues may also be levied by the Board of Directors if for any reason the portion of the annual dues previously assessed prove inadequate to defray such expenses in fulfilling its duties and obligations hereunder, subject to the consent of the Members as set forth above.

E. All Residential Owners shall be personally responsible for the payment of dues. If the dues are not paid on the date when due, as determined by the Board, then such dues shall become delinquent and shall, together with such interest thereon and cost of collection thereof, including reasonable attorney's fees and court costs incurred, thereupon become a continuing lien upon the Lot or Unit, as applicable, of such Residential Owner, which lien shall bind said Lot or Unit in the hands of the Residential Owner and its heirs, devisees, personal representatives and assigns. The personal obligation of the Residential Owner to pay such dues, however, shall remain his or her personal obligation for the statutory period and shall not pass to his or her successors in title unless expressly assumed by them. If the dues are not paid within 30 days after the delinquency date, the payment shall bear interest from the date of delinquency at the maximum rate permitted by law, and after six months, the Association, or the Board acting on its behalf, may bring an action in law against the Residential Owner personally obligated to pay the same and/or enforce the lien upon the Lot or Unit, as appropriate.

V III. COMPENSATION, INDEMNIFICATION AND EXCULPABILITY OF OFFICERS, DIRECTORS AND COMMITTEE MEMBERS

A. **Compensation.** No compensation shall be paid to the President or the Vice President or any director or committee member for acting as such officer or director. The Secretary/Treasurer may be compensated for his or her services if the Board of Directors determines that such compensation is appropriate. Nothing herein stated shall prevent any officer, director, or committee member from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association; provided, however, that any such expenses incurred or services rendered shall have been authorized in advance by the Board of Directors.

B. **Indemnification.** Each director, officer or committee member of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having been a director, committee member or agent of the Association, and in connection with any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, except in such cases wherein he or she is adjudged guilty of willful misfeasance or gross negligence in the performance of his or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer or committee member may be entitled.

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C. **Exculpability.** Unless acting in bad faith, neither the Board of Directors as a body nor any director, officer, committee member or agent of the Association, shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his or her office. Each Member shall be bound by the good faith actions of Board of Directors, officers, committee members or agents.

IX. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

A. **Contracts.** The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these Bylaws, 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.

B. **Checks, Drafts.** All checks, drafts or other 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. In the absence of such determination by the Board, such instruments shall be signed by the Secretary/Treasurer and countersigned by the President of the Association.

C. **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 may select.

X. BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the meetings of the Members, Board and committees having any of the authority of the Board, and the Secretary/Treasurer of the Association shall keep a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by any Member, or his agent or attorney for any proper purposes at any reasonable time.

XI. FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December each year.

XII. SEAL

The Association shall not have a seal.

INST: 42280 NB 2308 PG: 484

INST: 9813 NB 2295 PG: 602

XIII. FISCAL MANAGEMENT

A. **Depository.** The depository of the Association shall be such bank or banks and/or federal savings and loan associations as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be by such persons as are authorized by the Board of Directors.

B. **Tax Returns.** The annual federal income tax return of the Association (plus such other federal, state or local tax returns or filing which the Association is required to file or submit) shall be prepared by a certified public accountant selected and designated by the Board of Directors. In addition, the Board of Directors by resolution may require for each and/or any year a compilation, review or audit of the books, records and accounts of the Association duly performed by a certified public accountant. The cost of the compilation, review or audit, as the case may be, shall be an expense of the Association to be paid from member dues and assessments. If such compilation, review or audit shall be conducted, a copy of any report(s) generated as a result thereof shall be provided to each Member upon written request.

C. **Examination of Books and Records.** The Board of Directors shall keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the Association and its administration and specifying the maintenance and repair expense of the Property and any other expenses incurred. Such book the vouchers accrediting the entries made thereon, these other expenses incurred. Such book the vouchers accrediting the entries made thereon, these Bylaws, the rules and regulations and other books, records and financial statements of the Association shall be maintained at the principal office of the Association and shall be available for inspection by Members during normal business hours or under any other reasonable circumstances.

D. **Management Contracts.** The Association may enter into professional management contracts or other agreements; provided, however, that each such contract or other agreement shall contain a right of termination with or without cause that the Association can exercise at any time; such right to be exercised without penalty on advance notice of more than ninety (90) days.

E. **Fidelity Bonds.** The Association shall maintain blanket fidelity bonds for all persons who either handle or are responsible for funds held or administered by the Association, whether or not they receive compensation for such services. Any management agent that handles funds for the Association shall also be covered by a fidelity bond.

F. **Interest and Attorneys' Fees.** The Board of Directors shall have the option, in connection with the collection of any charge or dues from a Residential Owner, to impose a late fee, or an interest charge at a rate of eighteen percent (18%) per annum or the highest legal rate then chargeable, whichever is less, from the date the charge or dues are due until paid. In the event attorneys' fees are incurred by the Board of Directors in the collection of such charges, the Residential Owner shall be responsible for payment of all reasonable attorneys' fees in addition to such costs allowable by law.

INST: 9813 MB 2275 PG: 603

INST: 42280 MB 2308 PG: 485

XIV. ASSOCIATION RULES

Reasonable Rules concerning the use of the Property may be made and amended from time to time by the Association. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Residential Owners and such Rules shall be of the same force and effect as the provisions of these Bylaws.

XV. INSURANCE

The Association, or its duly authorized agent, shall obtain such insurance policies upon the Property as the Association deems necessary or desirable in its sole discretion. The named insured on all policies of insurance shall be the Association.

XVI. ENFORCEMENT

A. **Enforcement.** The Board shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto, by any or all of the following: lawful self-help, sending notice to the offending party to cause certain things to be done or undone, restoring the Association to its original position and charging the breaching party with the entire cost of any part thereof; complaint to the duly constituted authorities; or by taking any other action before any court, summary or otherwise, as may be provided by law.

B. **Waiver.** No restriction, condition, obligation or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

XVII. AMENDMENTS

Until the first annual meeting of the Members as provided in Article IV, Paragraph A, these Bylaws may be altered and/or amended only by the Developer. From and after the date of the first annual meeting of the Members, these bylaws may be altered, amended or repealed and new bylaws may be adopted by the affirmative vote of 75% of all votes entitled to be cast at a regular meeting or at any special meeting called for such purpose; provided that Article VII, Paragraph A may be altered or amended only upon the consent and written approval of the Developer. Notwithstanding anything to the contrary herein contained, an amendment which affects a Residential Owner's obligation to pay dues to the Association or the calculation of the amount of such dues must be approved by at least a majority of the Subdivision Lot Owners and a majority of the Condominium Unit Owners.

An amendment or addition to these Bylaws when adopted shall become effective only after being recorded in the Register's Office for Knox County, Tennessee.

INST: 9813 WB 2295 PG: 664

INST: 42280 WB 2308 PG: 466

XVIII. INVALIDITY

The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability or affect the remaining provisions of the Bylaws.

XIX. USE OF OFFICE

The Developer, its successors, assigns and tenants, shall have the perpetual right to use the Property for the purposes of maintaining a sales office thereon. The Developer shall have the right to use and occupy the Property in this regard at no cost, charge, rent or other amount due the Association, and the Association agrees to provide such utilities (including HVAC and water) as the Developer shall reasonably require in this regard; provided, however, that the Developer shall have installed and pay for, at their expense, any telephone line or lines which are necessary to their business. The Developer may place a sign or signs on the Property advertising its sales office and shall otherwise have the right to take any action or actions relative to the Property as its use thereof as may be reasonably necessary or appropriate to utilize the same as a sales office.


31st day of July, 1998. ADOPTED and APPROVED for and on behalf of Barrington Pool Association, Inc. this

SOUTHLAND GROUP, INC.

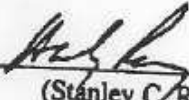
By: 

(Rufus H. Smith III, President)

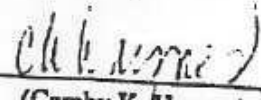
INCORPORATOR/DEVELOPER



(Rufus H. Smith III)



(Stanley C. Roy)



(Camby K. Haynes)

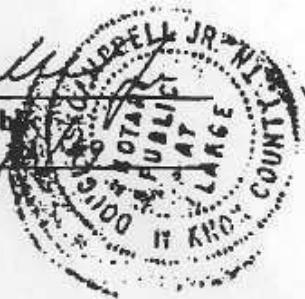
INITIAL DIRECTORS

STATE OF TENNESSEE)
) ss:
COUNTY OF KNOX)

Personally appeared before me, M. Douglas Campbell, Jr., a Notary Public in and for the County and State aforesaid, Stanley C. Roy, the within named bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand, at office this 31st day of July, 1998.

M. Douglas Campbell, Jr.
Notary Public
My Commission Expires: 3/31/00




STATE OF TENNESSEE)
) ss:
COUNTY OF KNOX)

Personally appeared before me, M. Douglas Campbell, Jr., a Notary Public in and for the County and State aforesaid, Camby K. Haynes, the within named bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that she executed the within instrument for the purposes therein contained.

WITNESS my hand, at office this 31st day of July, 1998.

M. Douglas Campbell, Jr.
Notary Public
My Commission Expires: 3/31/00



~~INST: 9813 MB 2295 PG: 607~~

INST: 42280 MB 2308 PG: 489

STATE OF TENNESSEE)
) ss:
COUNTY OF KNOX)

Personally appeared before me, M. Douglas Campbell, Jr., a Notary Public in and for the County and State aforesaid, Rufus H. Smith III, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged himself to be the President of Villas of Barrington Condominium Association, a corporation, and that he as such President, executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal, at office this 31st day of July, 1998.

M. Douglas Campbell, Jr.
Notary Public
My Commission Expires: _____



INST: 9813 MB 2295 PG: 608

INST: 42280 MB 2308 PG: 490

H:\WPFILES\666001\BYPOOLS.WPD

THIS INSTRUMENT PREPARED BY:
M. Douglas Campbell, Jr.
Wagner, Myers & Sanger, P.C.
1801 First Tennessee Plaza
800 South Gay Street
Knoxville, Tennessee 37929
(423) 525-4600

INST: 42280 MB 2308 PG: 492

MEMBERSHIP AND RESTRICTION AGREEMENT
(Units I, II and III, Barrington Subdivision)

This MEMBERSHIP AND RESTRICTION AGREEMENT is entered into this ___ day of _____, 19___, by and between _____ of Knox County, Tennessee ("Lot Owner") and BARRINGTON POOL ASSOCIATION, INC., a Tennessee nonprofit corporation (the "Association").

WITNESSETH

WHEREAS, Lot Owner is the owner of Lot ____, Unit ____ in Barrington Subdivision (the "Lot") as more particularly shown upon plat of record in the office of the Knox County, Tennessee Register of Deeds in Plat Cabinet ___ Slide ___ ("Subdivision");

WHEREAS, the Association owns lot 24R, in Unit V of Barrington Subdivision as more particularly shown upon plat of record in the office of the Knox County, Tennessee Register of Deeds in Plat Cabinet O, Slide 293D, upon which is located certain recreational facilities and improvements and fixtures related thereto (collectively the "Facilities");

WHEREAS, owners of lots in the Subdivision may become Members of the Association and thereafter be entitled to enter upon and use the Facilities subject to the restrictions contained herein and the Bylaws of the Association of record in Deed Book ____, Page ____ in the office of the Knox County, Tennessee Register of Deeds, a copy of which is attached hereto as Exhibit A (the "Bylaws"); and

WHEREAS, Lot Owner desires to become a Member of the Association.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Membership in the Association.** Lot Owner is hereby granted membership in the Association, and shall from and after the date hereof be a Member of the Association, entitled to all rights and privileges and subject to all duties and obligations as set forth herein and in the Bylaws of the Association. Lot Owner agrees to comply with all terms and conditions of the Bylaws, including but not limited to those relative to the use of the Facilities (and limitations thereon) and

INST: 9813 MB 2295 PG: 610

EXHIBIT

B-1

the payment of dues and assessments. Lot Owner acknowledges that noncompliance with the terms of the Bylaws may result in the revocation or suspension of membership privileges.

2. **Initial Assessment.** Lot Owner warrants that Lot Owner has as of the date hereof tendered to Breckinridge, Inc., for and on behalf of the Association, the sum of One Thousand Five Hundred Dollars (\$1,500.00) as payment of the Initial Assessment, as required and established by the Bylaws.

3. **Restriction Running with the Land.** This Agreement and the Bylaws, together with all restrictions and conditions herein or therein contained, shall be restrictions running with the Lot and shall be binding upon Lot Owner and Lot Owner's heirs, devisees, executors, personal representatives, successors and assigns. Lot Owner acknowledges that the Association may have this Restriction Agreement recorded in the office of the Register of Deeds for Knox County, Tennessee.

IN WITNESS WHEREOF, this Agreement is executed and entered into as of the day and year first above written.

_____)

_____)

LOT OWNER

INST: 9813 NB 2295 PG: 611

BARRINGTON POOL ASSOCIATION, INC.,
a Tennessee nonprofit corporation

By: _____

Its: President

ASSOCIATION

INST: 42280 NB 2308 PG: 493

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, _____, of the state and county aforesaid, personally appeared RUFUS H. SMITH, III, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, swore to and acknowledged himself to be the president of Barrington Pool Association, Inc., the within named bargainor, a Tennessee corporation, and that he as such executed the foregoing instrument for the purpose therein contained, by signing as president.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 1998.

Notary Public

My commission expires: _____

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, _____, of the state and county aforesaid, personally appeared _____, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, swore to and acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 1998.

Notary Public

My commission expires: _____

INST: 8013 NB 2295 PG: 612

THIS INSTRUMENT PREPARED BY:
M. Douglas Campbell, Jr.
Wagner, Myers & Sanger, P.C.
1801 First Tennessee Plaza
800 South Gay Street
Knoxville, Tennessee 37929
(423) 525-4600

INST: 42280 NB 2308 PG: 495

**MEMBERSHIP AND RESTRICTION AGREEMENT
(Units IV, and V, Barrington Subdivision)**

This MEMBERSHIP AND RESTRICTION AGREEMENT is entered into this ___ day of _____, 19___, by and between _____ of Knox County, Tennessee ("Lot Owner") and BARRINGTON POOL ASSOCIATION, INC., a Tennessee nonprofit corporation (the "Association").

WITNESSETH

WHEREAS, Lot Owner is the owner of Lot ____, Unit ____ in Barrington Subdivision (the "Lot") as more particularly shown upon plat of record in the office of the Knox County, Tennessee Register of Deeds in Plat Cabinet ____ Slide ____ ("Subdivision");

WHEREAS, the Association owns lot 24R, in Unit V of Barrington Subdivision as more particularly shown upon plat of record in the office of the Knox County, Tennessee Register of Deeds in Plat Cabinet O, Slide 293D, upon which is located certain recreational facilities and improvements and fixtures related thereto (collectively the "Facilities");

WHEREAS, owners of lots in the Subdivision may become Members of the Association and thereafter be entitled to enter upon and use the Facilities subject to the restrictions contained herein and the Bylaws of the Association of record in Deed Book ____, Page ____ in the office of the Knox County, Tennessee Register of Deeds, a copy of which is attached hereto as Exhibit A (the "Bylaws"); and

WHEREAS, Lot Owner desires to become a Member of the Association.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Membership in the Association.** Lot Owner is hereby granted membership in the Association, and shall from and after the date hereof be a Member of the Association, entitled to all rights and privileges and subject to all duties and obligations as set forth herein and in the Bylaws of the Association. Lot Owner agrees to comply with all terms and conditions of the Bylaws, including but not limited to those relative to the use of the Facilities (and limitations thereon) and

INST: 9813 NB 2295 PG: 613

EXHIBIT
B-2

the payment of dues and assessments. Lot Owner acknowledges that noncompliance with the terms of the Bylaws may result in the revocation or suspension of membership privileges.

2. **Initial Assessment.** Lot Owner warrants that Lot Owner has as of the date hereof tendered to Breckenridge, Inc., for and on behalf of the Association, the sum of Two Thousand Five Hundred Dollars (\$2,500.00) as payment of the Initial Assessment, as required and established by the Bylaws.

3. **Restriction Running with the Land.** This Agreement and the Bylaws, together with all restrictions and conditions herein or therein contained, shall be restrictions running with the Lot and shall be binding upon Lot Owner and Lot Owner's heirs, devisees, executors, personal representatives, successors and assigns. Lot Owner acknowledges that the Association may have this Restriction Agreement recorded in the office of the Register of Deeds for Knox County, Tennessee.

IN WITNESS WHEREOF, this Agreement is executed and entered into as of the day and year first above written.

()

()

LOT OWNER

INST: 9813 MB 2295 PG: 614

BARRINGTON POOL ASSOCIATION, INC.,
a Tennessee nonprofit corporation

By: _____

Its: President

ASSOCIATION

INST: 42280 MB 2308 PG: 496

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, _____, of the state and county aforesaid, personally appeared RUFUS H. SMITH, III, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, swore to and acknowledged himself to be the president of Barrington Pool Association, Inc., the within named bargainor, a Tennessee corporation, and that he as such executed the foregoing instrument for the purpose therein contained, by signing as president.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 1998.

Notary Public

My commission expires: _____

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, _____, of the state and county aforesaid, personally appeared _____, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, swore to and acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 1998.

Notary Public

My commission expires: _____

INST: 9813 NB 2295 PG: 615