

Exhibit "A"

BY-LAWS  
OF  
CAMBRIDGE FARMS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Cambridge Farms Homeowners' Association, Inc., a Tennessee not-for-profit corporation (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 2504 Hwy 31W, White House, Tennessee, 37188, but meetings of members and directors may be held at such places within the State of Tennessee, County of Sumner, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Cambridge Farms Homeowners' Association Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Protective covenants, Conditions and Restrictions, to which these By-laws are attached as Exhibit "A".

Section 3. "Common Area" shall mean that property described on the Plat of the Properties as Common Area and owned and maintained by the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon and recorded subdivision map of the Properties as a numbered Lot.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 6. "Declare" shall mean and refer to Tyree Woods Co., and its successors and assigns, if such successors and assigns should acquire all remaining undeveloped Lots from Tyree Woods Co. for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Protective Covenants, Conditions and Restrictions applicable to the Properties recorded in the Register's Office for Sumner County, Tennessee to which these By-laws are attached as Exhibit "A".

Section 8. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. ANNUAL MEETINGS. The first annual meeting of the Members shall be held within one (1) year from the date of the incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. SPECIAL MEETINGS. Special meetings of the Members may be called at any time by the president or by the

who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

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, at least fifteen (15) days before such meeting to each Member, addressed to the Member's 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.

Section 4. QUORUM. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership entitled to vote at such meeting, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. PROXIES. At all meetings of Members, each Member entitled to vote may do so in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

#### ARTICLE IV

##### BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. NUMBER. The affairs of this Association shall be managed by a board of not less than three (3) nor more than nine (9) directors, as such number may from time to time be established by the Members. The Directors need not be Members of the Association. The initial Board of Directors shall consist of three (3) Directors.

Section 2. TERM OF OFFICE. At the first annual meeting the members shall elect three directors for a term of one year, three directors for a term of two years and three directors for a term of three years; and at each annual meeting thereafter the members shall elect three directors for a term of three years.

Section 3. REMOVAL. Any director other than those appointed prior to the termination of Class B membership, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association entitled to vote thereon. In the event of the death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. COMPENSATION. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his 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 have taken at a meeting by obtaining the written approval of all the

*Get com change to two  
Board of directors -  
However, vote must  
be taken to close*

directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

#### ARTICLE V

##### APPOINTMENT, NOMINATION AND ELECTION OF DIRECTORS

Section 1. INITIAL BOARD OF DIRECTORS. The initial Board of Directors shall consist of Robert Goodall Sr., Betty Ann Goodall, and Robert H. Goodall Jr. who shall serve until the termination of Class B Membership and until their successors are elected.

Section 2. NOMINATION. Nomination for election to the Board of Directors after expiration of the term of the Initial Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nomination may be made from among Members or nonmembers.

Section 3. ELECTION. Election to the Board of Directors shall be by secret written ballot. At such election the Members of their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### ARTICLE VI

##### MEETING OF DIRECTORS

Section 1. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3. QUORUM. A majority of the number of directors shall constitute a quorum for the transaction of business. 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.

#### ARTICLE VII

##### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. POWERS. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the maintenance and care of the Common Area and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights of a Member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of

published rules and regulations;

(c) 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 By-laws, the Articles of Incorporation, or the Declaration;

(d) 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; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. 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 Class "A" Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(I) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(II) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(III) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been made. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, absent manifest error, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

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

(g) cause the Common Area to be maintained.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a ~~president~~ and 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 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 or 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. Any officer may be removed with or without cause by the Board. 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 replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer 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. Duties. The duties of the officers are as follows:

President

(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 sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory note.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of the 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.

Treasurer

(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 audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX

COMMITTEES

The Declarant or the Association shall appoint an Architectural Committee, as provided in the Declaration, and the Board of Directors shall appoint a Nominating Committee, as provided in these By-laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the By-laws of the Association shall

be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

## ARTICLE XI

### ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid when due, the assessment shall bear interest from the date of delinquency at the highest rate of interest permitted by law, and if the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property; and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

## ARTICLE XII

### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Cambridge Farms Homeowners' Association, Inc.

## ARTICLE XIII

### INSURANCE AND CASUALTY LOSSES

Section 1. Insurance for the Common Use Facilities. The Board of Directors shall, to the extent practical, obtain insurance for all of the improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief, in an amount sufficient to cover the full cost of any repair, reconstruction or replacement in the event of damage or destruction from any such hazard. The Board shall also obtain (1) insurance as may be available to cover the indemnification of officers and directors of the Association as provided in these By-laws with such limits as may reasonably be required by the Association. Premiums for all such insurance shall be a common expense. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association. Each owner shall be responsible for casualty insurance for all improvements on his Lot and for public liability insurance with respect to his Lot insuring such owner and his family individually.

Section 2. Damage and Destruction to Common Area. Immediately after damage or destruction by fire or other casualty to all or any part of the Common Area covered by insurance written in the name of the Association, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article XIII, means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. Following any damage or destruction to all or a part of the Common Area covered by such insurance, the Board shall proceed to repair or reconstruct such damage or destruction. If the insurance proceeds for such damage or destruction are not sufficient to defray the cost thereof, the Board of Directors shall levy a special assessment against all Owners in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction unless such deficiency can be

appropriated from a reserve fund as may have been established for such purpose. Additional assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by the Association under and by virtue of such assessments shall be held by the Association together with the insurance proceeds for such damage or destruction in trust for the benefit of the Owners. Such insurance proceeds and assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with a certificate of the Association signed by the president or vice-president and attested by the secretary or assistant secretary directing the making of the disbursements. Any proceeds remaining after defraying such costs shall be paid into the common expense fund for the benefit of all Owners.

Section 3. Damage or Destruction to Dwellings. In the event of damage or destruction by fire or other casualty to any dwelling or any Lot or accessory structure and in the further event that the Owner of such Lot elects not to repair or rebuild the damaged or destroyed dwelling or accessory structures on such Owner's Lot, such Owner shall, within thirty (30) days after the date of such damage or destruction, raze the remains of such dwelling or accessory structures and leave such Lot neatly landscaped, in a clean, orderly, safe and sightly condition. Should such Owner elect to repair or rebuild such dwelling or accessory structure, such Owner shall secure such dwelling or accessory structure, if unoccupied, within ten (10) days after the date of such damage or destruction and repair or rebuild such dwelling or accessory structures to substantially the same condition as existed prior to such fire or other casualty and in accordance with the plans and specifications therefore originally approved by the Architectural committee pursuant to the Declaration, with any changes being approved by the Architectural Committee. All such work of repair or construction shall be commenced promptly following such damage or destruction, and shall start within 90 days and completed within 6 months and shall be subject to all of the provisions of the Declaration relating to construction.

#### ARTICLE XIV

##### AMENDMENTS

Section 1. These By-laws may be amended at a regular or special meeting of the Members, by a vote of a majority of the votes of a quorum of Members entitled to vote thereon, in person or by proxy, except that the Federal Reserve Bank of San Francisco shall have the right to veto amendments while there is a Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

#### ARTICLE XV

##### MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. Rules of Order. Except as may be otherwise provided herein, the parliamentary conduct of all meetings of the Board and of the Association shall be conducted substantially in accordance with the most recent edition of Roberts Rules of Order.

Section 3. Severability. Invalidation of any covenant, condition, restriction, provision, sentence, clause, phrase or word contained in these By-laws, or the application thereof in any circumstances, shall not affect the validity of the remaining portions thereof or the application thereof, which shall remain in full force and effect.

Section 4. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

Section 5. Notices. Any notice required to be sent to the Owner of any Lot pursuant to any provision of the Declaration or these By-laws shall be served by personal delivery or by depositing such notice in the mails, postage prepaid, regular mail, addressed to an owner, at such address as such Owner may have designated to the Association, or if no other address has been designated then at the address of such Owner's Lot. such service shall be deemed sufficient, and the date of service shall be the date of mailing.

Section 6. Indemnifications. (A) Under the circumstances prescribed in Article XV, Sections 7(C) and (D) of these By-laws, the Association shall indemnify and hold harmless any person who was or is a party or is threatened to be made a part of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(B) Under the circumstances prescribed in Article XV, Sections 7(C) and (D) of these By-laws, the Association shall indemnify and hold harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor, by reason of fact he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of



liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

(C) To the extent that a director, officer, employee or agent of the Association or a corporation as defined in Article XV, Sections 7(A) and (B) has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Article XV, Sections 7(A) and (B) of these By-laws, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(D) Except as provided in Article XV, Section 7(C) of these By-laws and except as may be ordered by a court, any indemnification under Article XV, Section 7(A) and (B) of these By-laws shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Article XV, Sections 7(A) and (B) of these By-laws. Such determination shall, at the option of the Board of Directors, be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by the firm of independent legal counsel then employed by the Association in a written opinion, or (3) by the affirmative vote of a majority of the members of the Association.

(E) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article XV, Section 7.

(F) The indemnification provided by this Article XV, Section 7 shall not be deemed exclusive of any other right to which the persons indemnified hereunder shall be entitled under the laws of the State of Tennessee, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors or administrators of such persons.

(G) The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power in indemnify him against such liability under the provisions of this Article XV, Section 7.

(H) If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action of the Members or by an insurance carrier pursuant to insurance maintained by the Association, the Association shall, not later than the next annual meeting of the Members, unless such meeting is held within three months from the date of such payment, and, in any event, within fifteen months from the date of such payment, send by mail to its members of record at the time entitled to vote for the election of directors, a statement specifying the persons paid, the amounts paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Cambridge Farms Homeowners' Association, Inc., have hereunto set our hands this            day of            , 19    .

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CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am duly elected and acting secretary of the Cambridge Farms Homeowners' Association, Inc., a Tennessee corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the            , day of            , 19    .

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed seal of said Association this            day of            , 19    .

\_\_\_\_\_  
Secretary