

SPRINGBROOK LAKES ESTATES PROPERTY OWNERS ASSOCIATION

RESTRICTIVE COVENANTS

CHARTER

CORPORATE BY-LAWS

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**RESTRICTIVE COVENANTS CHARTER
CORPORATE BY-LAWS OF
SPRINGBROOK LAKE ESTATES PROPERTY OWNERS ASSOCIATION INC.**

**Restrictive Covenants
Adopted October 17, 1989**

Latest Amendments: August 24, 2018 (Highlighted in Light Yellow); Verified: August 30, 2018

NOTE: These Restrictive Covenants and By-Laws supersede any previously adopted by Springbrook Lake Estates Property Owners Association.

KNOW ALL MEN BY THESE PRESENTS: That Springbrook Lake Estates Property Owners Association Inc., (“Association”) desiring to create and establish certain restrictions with respect to all of the lots in the Springbrook Lake Estates Development Subdivision (“Development”), said Development being the sections described in plats of record in the Registers Office of Madison County, Tennessee, in Plat Book 2, Page 208; Plat Book 4, Pages 29, 30, 31 and 32, for the benefit and protection of the owners of any such lots, and as an inducement to encourage the purchase by others of such lots for residential purposes, does hereby impress upon the property described in the above plats and upon each and all of the lots into which the Development has been subdivided, as provided by the plats described above, the following covenants and restrictions:

- A. Each owner of any lot described in said plat at the time of acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agrees to become a member of Springbrook Lake Estates Property Owners Association Inc., pursuant to said Association by-laws, and is deemed to covenant and agree to pay said Association periodic and special assessments as the governing board of said Association shall establish pursuant to its by-laws.
- B. “Owner” herein shall refer to the record owner whether one or more persons or entities, of any affected lot, but excludes those having an interest in the affected lot merely as security for the performance of obligation.
- C. The periodic and special assessments, together with interest, cost and reasonable attorneys fees, shall be charged upon each affected lot and shall be a continuing lien upon the affected lot against from which such assessment is made from date said assessment is due. Each such assessment, together with such interest, cost and attorney's fees, shall also be a personal obligation of the person who is owner of the lot at the time when the assessment becomes due and payable. The lien of the assessments provided for herein shall be subordinate to the liens of FHA or VA Deeds of Trust when the loan is guaranteed by the US Government or any of its agencies and any other Deeds of Trust having less than four lots described therein, filed for record subsequent to the adoption of this Amendment. [Amendment adopted March 19, 1991] Sale or transfer of any of said lots shall not affect lien. However, the sale or transfer of any of said lots which is subject to any Deed of Trust or Mortgage above set out, pursuant to a Trustees Deed of Foreclosure under such Deed of Trust or Mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof, which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.
- D. Sale or transfer of any affected lot shall not affect the assessment lien. Any owner of a lot shall be responsible for any unpaid prior assessments concerning a lot, regardless of when said owner purchased said lot.
- E. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest legal rate of interest allowable in the state of Tennessee, and the Association may bring an action law or equity against the owner personally obligated to pay the same, or foreclose the lien against the property, and interest, cost, and a reasonable attorneys fees for 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 non-use of any common area or abandonment of his lot.

Amended August 24, 2018

F. All lots in the development shall be used for private residential purposes i.e., single family dwelling defined as: Either, (a) an individual or two (2) or more persons related by blood, marriage, or adoption, maintaining a common household in a dwelling unit; or (b) a group of not more than four (4) persons who are not related by blood, marriage, or adoption living together as a common household in a dwelling unit, except lots designated on the subdivision as “Access areas”, which shall be reserved for access to the lakes by offshore lot owners.

Property owners of Springbrook Lake Estates are prohibited from renting their property (or allowing Third Party Management Company and etc., to do the same). Property owners may however lease their property for a minimum of six (6) months, not to exceed twelve (12) months. A renewed lease must be submitted to the Board 90 days prior to lease term commencement for approval. Lease can be managed by a Third Party Management Company.

No structure shall be erected, altered, placed or permitted to remain on any residential lot other than one detached single-family dwelling or semi-detached two-family not to exceed 2 ½ stories in height, and a private garage for not more than four cars and other outbuildings incidental to residential use of the lot, except on individual lots of 2 ½ acres or more in the development, which shall be called “ranchettes” and which shall have the right to build small horse barns, stables, and corrals conforming to the conditions set out in paragraphs G and I. Each ranchette must have a dwelling on it order for the improvements described in the previous sentence to be constructed thereon.

Notwithstanding the above, No owner of a lot, which at the date of filing of these restrictive covenants [adopted October 17, 1989]; filed November 16, 1989] is less than 2 ½ acres in size, shall have the benefits of an owner of a ranchette by, in any way, increasing the size of his lot to 2 ½ acres or more.

Amended August 24, 2018

A business (“Home Occupation”) may not be practiced at any location within the development without the written approval of the Springbrook Lake Estates Property Owners Association Inc.

A business (“Home Occupation”) is defined as any of (all) the below (and must meet those requirements as defined to be considered) but specifically:

*(a) Location must be approved by the Madison County Board of Zoning Appeals and have a current Madison County license for the site (home) location.

*Note: If the property owner (in Springbrook proper) has not applied to the Madison County Board of Zoning Appeals and does not have a Madison County license for the site (home) location and does not otherwise violate any of the below requirements specifically; The use has not been found to become a nuisance by reason of odor, dust, gas, noise, and excessive vehicular or pedestrian traffic (outside the community, Springbrook proper) or to impose a hazard to health or property. It will be defined as a “Hobby” and not a business (“Home Occupation”) and not require and Annual Permit or approval from the Board of Directors.

The SPOA Board of Directors is required to preserve and protect the area in which the proposed use is located. The Board must verify the following by personal inspection/review that all the following requirements are met for Conditions of Approval:

1. The home occupation shall be limited in employment to the residents of the property.
2. The home occupation shall be clearly incidental and secondary to the use of the site for dwelling purposes and shall not change the residential character thereof.
3. The home occupation shall be conducted within the dwelling and/or within an accessory building provided that all structure used be harmonious in appearance with the residential area.
4. Unless otherwise determined by the Springbrook Board, there shall be no sales of products or services not produced on the premises.
5. There shall be no external alteration of the appearance of the property, the dwelling, or accessory building I which the home occupation is conducted, which would reflect the existence of said occupation. There shall be no outdoor advertising signs permitted.

6. The home occupation shall not be the primary or incidental storage facilities for a business, industrial, or agricultural activity conducted elsewhere. Storage of materials associated with the home occupation shall not be openly visible, nor shall the display of materials, implements, and/or end products be permitted.
7. No additional points of access to any street, road, or highway shall be permitted, unless necessary to provide safe and proper access to the proposed use.
8. The use has not been found to become a nuisance by reason of odor, dust, gas, noise, and excessive vehicular or pedestrian traffic or to impose a hazard to health or property.
9. The home business must be approved by the Madison County Board of Zoning Appeals.
10. The home business shall be issued a permit by the Springbrook on January 1, of each year. The Board may withhold or withdraw the permit at any time if the above conditions are not met.
11. Approval by the Madison County Board of Zoning Appeals does not guarantee approval by the Springbrook Board; all of the above provisions must be met. Home businesses currently operating in Springbrook must have a Madison County license at the current location of the home business to be approved by the Springbrook Board.
12. The Springbrook Board is the “only” authorized entity to determine if the home is a business or a hobby. No other property owners in Springbrook are authorized to address or make determination.

Amended October 13, 2005

Amended October 10, 2006

G. No building shall be erected, or materially altered on any lot of the subdivision until the building plans and specification and lot plan showing the location and size of such building, and elevation and drainage control away from said building and location of driveway culvert, if any, have been approved in writing by the Board of Directors of the Association (Board).

No structure, (pool, deck, dock, shed, garage, shop, boat house, tennis court, storm shelter, fence, etc.) will be erected or altered until plans have been approved in writing by the Board of Directors. All renovations and new construction must “blend” with existing structures.

In the event the Board fails to disapprove such design, location or erection within **30 days** after said plans and specifications have been submitted to it, such design and location shall be deemed to have been approved and this paragraph fully complied with.

Adopted June 30, 1994

Amended November 4, 1997

H. Ranchettes in section 3 may be subdivided, for building purposes, provided, no lot as a result thereof will be less than 2 ½ acres. Lots in other sections may be subdivided, for building purposes, provided, as a result thereof; no lot shall be less than one acre. Portions of any lot may be sold for use in conjunction with adjoining lots so long as the unsold portion of the lot, if in section 3 contains at least 2 ½ acres, and the lot, if in any other section contains at least one acre. Adjoining lots in any section of the subdivision may be combined if prior approval is obtained from the Board. Notwithstanding the above, any property owner who combines lots shall continue to pay assessments on the combined lot as if it were two lots.

A residence may be constructed on two combined lots subject to approval by the Board and the Madison County Building Commission.

Lots may be split and sold to adjoining lot owners and each lot owner will pay ½ of the current assessment for a full lot subject to approval by the Board. Lots in section III must be a minimum of 2 ½ acres to build a residence. A residence may be built on less than one acre in sections I, II, IV and V, if the lot was originally platted, but any other lot divided after November 1, 1997 must be a minimum of one acre to build a residence.

I. No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. Lots with an objectionable appearance such as derelict autos, trash piles, or overtaken with kudzu, etc. will be considered offensive. Whether an activity is noxious or offensive will be determined by the Board at its sole discretion.

Amended August 24, 2018

There shall be no burning of Trash and Garbage in burn barrel within Springbrook Subdivision.

Easements are reserved for installation and maintenance of utilities, drainage facilities and other purposes as shown on the above-described recorded plats of Springbrook Development Subdivision. All other restrictions and easements described in said plats and this document, this document shall govern.

J. No fowl, livestock or other animals, except such customary domesticated animals as dogs and cats, for so long as the same are not dangerous or annoying, shall be kept, stabled or penned on any lot or brought onto the development. Notwithstanding the previous sentence, horses and ponies may be stabled and ridden upon Ranchettes. This paragraph, however, shall not apply to section III of the development.

Amended November 4, 1997

K. No trailer, basement, tent, shack, barn, prefabricated structure, motor home, or other outbuilding on any lot in the subdivision shall at any time be used as a residence, temporarily or permanently, nor shall any outbuilding be constructed until the principal dwelling is built, nor shall any outside privy be permitted.

Adopted October 27, 1992

Amended November 4, 1997

Amended October 7, 2004

L. Every dwelling erected after January 1, 2005, in sections I, II, III, IV, V, VI and those lots situated in Windemere Drive, Miraway Cove, Lodenwood Cove, and Lochlea Cove in section VI in the development, except those on Doak Mason Road, and those situated West of Windemere, shall have an interior ground floor living area of at least 2,000 square feet, exclusive of all areas within open porches, breezeways, garages, carports, and accessory buildings, provided, however, that any dwelling erected in sections I, II, III, IV, VI and those lots situated on Windemere Drive, Miraway Cove, Lodenwood Cove, and Lochlea Cove in section VI with split level construction, or having two stories may contain less than 2,000 square feet of interior living area on the ground floor, if the total interior living area on all floors is not less than 2,400 square feet. Every dwelling erected after January 1, 2005, on Springview Drive-east to Windemere, Bonnedelle Cove and Sylvan Cove in section VI in the Development, and Doak Mason Road shall have an interior ground floor living area of at least 1,650 square feet, exclusive of all areas within open porches, breezeways, garages, carports, and accessory areas.

No prefabricated or modular residences shall be constructed in Springbrook.

No building shall be located on any lot nearer than thirty (30) feet to the front lot line nor nearer than fifteen (15) feet to any side of lot line, except in section VI, where buildings shall not be nearer than twelve (12) feet to any side lot line, and, in regards to improvements in any section of the development, except a garage or outbuilding located on the rear quarter (¼) of a lot. Notwithstanding any other provision of this agreement, all dwellings erected on, or prior to January 1, 1993, shall continue to be subject to the paragraph L replaced by this paragraph.

L. Notwithstanding any other provisions in these Restrictive Covenants, an owner may construct an outbuilding on a vacant lot, which adjoins his/her residence. The outbuilding must be to the rear of the residence. Said two lots must be owned by the same owner in order for such construction to be permissible, and such construction must be approved by the Board. If the lot is sold to another owner, the outbuilding must be removed.

M. All lands covered by lakes within the Development, and the privileges and use of said lakes shall be subject to the following restrictions:

1. No pier shall extend more than 25 feet into the lake from the shoreline, except such piers or docks, which shall be erected by the Association for use by property owners whose lots do not front on any of the said lakes.

The design and plan for all pier construction must be approved by the Association in the manner set forth in paragraph G above.

Adopted October 27, 1992

2. Gas Motors on boats are allowed upon any lake in the subdivision but use shall be limited to electric trolling motors only. Fishing in said lakes shall be sport fishing only. No trotlines, unattended lines, jugging, traps or commercial type fishing shall be permitted in any of said lakes.

3. No sewage, waste disposal, or drainage from septic tanks shall be permitted to enter lakes. No one shall pump water from any lake for use on any lot, except in case of emergency.

4. The owners of lots in the Subdivision not abutting the shoreline of any lake shall have the use of said lake on the same basis as the owners of lots abutting any said lake, provided, however, no one may go upon any person's lot abutting a shoreline without said person's consent.

5. Certain designated areas may be set apart by the Association for the use of property owners in the subdivision whose property does not abut a lake. Docks may be built for the use of all lot owners in the subdivision in the said areas set apart on the lake shore therefore, and said dock shall be maintained, and, when necessary, rebuilt by the Association from the assessments paid to them by all lot owners, as provided for in paragraph P hereafter.

6. No owner of a lot in said Development shall permit any person, except members of his family or his house guests, or other owners of lots, to use boats or dock placed by him in any of the Springbrook lakes and shall not give permission to swim in said lakes or use any of the lakes or facilities to any person except lot owners or bona fide guests, when accompanied by the owner of a lot or members of his household.

N. The Association shall have the authority to maintain, repair, and supervise the use of the lakes, lake waters, and lake dams. For said supervision purposes, the Association shall have the right to lower or raise lake water levels when it determines such practice is necessary. The Board shall also have the authority to maintain, repair and supervise the use of any access acres, access areas, common areas, property owned by all lot owners of the Development, property owned by the Association, streets and roads shown on the plats of the Development, all property included in the Development which is not designated a lot, and any other property designated by the Association to be maintained by it. The Association may pay out of assessments collected by it and ad valorem taxes on the property to be maintained pursuant to this section N.

Amended August 24, 2018

All licensed street vehicles (*defined as: those vehicles that can operate on state, county and interstate highways, including motorcycles*) and boats of property owners who use or park on community owned lands, lakes, dams, parks or swimming areas (common areas) must display permanently affixed backing removed from sticker and placed on vehicles/boats; for vehicles, *required placement* (so they are visible) on left bottom or top corner of back glass of vehicle or rear bumper and for motorcycles the rear fender (backing removed and permanently affixed, not taped or laminated); for boats, *required placement* (so they are visible) on front left side of boat above the natural waterline (backing removed and permanently affixed) to make it easier for police, board members, property owners and/or security to identify those association members that are authorized to use the common areas of Springbrook Lake Estates. Annual stickers (color changes each year) will be issued when annual assessments and boat fees are paid. Annual stickers can not be placed in front dash of vehicle or laminated they must be permanently adhered to the vehicle they were issued for to prevent passing stickers from one person to the other allowing those who are not authorized use of the common areas/facilities. Property owner licensed street vehicles without permanently affixed annual stickers will be addressed per Section N. "Violation Notice" of the Restrictive Covenants and towed at owners expense.

All Off Highway Vehicles (OHV) (*Defined as: class 1 and class 2 vehicles licensed by the state for county roads, ATV's, Side-by-Sides, Four Wheeler's, Three Wheeler's, Motocross and Dirt bikes, etc.*) and Golf Carts of property owners who use or park on community owned lands, lakes, dams, parks or swimming areas (common areas) must display permanently affixed (backing removed from sticker and placed on vehicles), *Required placement* (so they are visible) on the the rear of the OHV and golf cart (permanently affixed, not taped) to make it easier for police, board members, property owners and/or security to identify those association members that are authorized to use the common areas of Springbrook Lake Estates . They will be Lifetime Stickers that will be issued when Annual Assessments are paid. OHV and golf cart stickers can not be placed in front dash of vehicle or laminated they must be permanently adhered to the vehicle they were issued for. Property owner OHV without permanently affixed stickers will be addressed per Section N. "Violation Notice" of the Restrictive Covenants and towed at owners expense.

Visitor Guest Passes must be issued for each Visitor/Guest visiting by a property owner in good standing (all Assessments, Yearly and Special paid in full and have a current annual sticker on the licensed street vehicle). They can be found on the Springbrook website and printed and filled out completely and must be placed in the front dash of the visitor vehicle/s. The Visitor/Guest Pass is for the Pavilions and Beach Parking Areas only and can not be used for any other lands, lakes, dams and parks (common areas). Property owner Visitor/Guests without Visitor/Guest Passes will be addressed per Section N. "Violation Notice" of the Restrictive Covenants and towed at owners expense.

Violations of the aforementioned covenants will constitute a "violation notice" in written form provided to the violators (property owner) of the covenants from the Springbrook Board of Directors as authorized by the Association. In addition, failure to conform to the covenants may result in towing storage, fines (added to the violators assessment account), etc. and ultimately for the violators (property owner) loss of privileges to use Springbrook common facilities and areas. The violator (property owner) will incur the following for non-compliance as defined:

1. First Violation; Written warning
2. Second Violation; \$50.00 fee added to your assessment account.
3. Third Violation; \$100.00 fee added to your assessment account.
4. Fourth Violation; \$250.00 fee added to your assessment account.
5. Fifth Violation; (and consecutive); \$250.00 fee added to your assessment account.

Adopted June 30, 1994

O. Streets or roads shown on the plats of the Development and additions thereto shall remain private roads and shall not be dedicated to the public as public roads. Owners of lots in the Development and additions thereto shall have non-exclusive easements over said roads shown on said plats of the subdivision and additions thereto. However, the Association shall dedicate the roads of the Development to the public should a majority of the lot owners in the Development deem it advisable and in the best interest of the subdivision and the lot owners.

P. Notwithstanding and provision in this document to the contrary, the Board shall have the right to collect any funds needed to repair any damages to property which is to maintain from a lot owner, his immediate family, guests or agents who negligently or willfully cause said damages.

Amended November 4, 1997

Q. Each owner of any lot described herein, his immediate family, agents, employees, guest, heirs and assigns (collectively "users of the property"), by acceptance of a deed therefore or use of any property in the Development hereby acknowledge that they use said property at their own risk and release the Association from the liability to said users of the property for any damages, losses, expenses or other costs incurred by said users of the property as a result of their use of said property.

The foregoing restrictions and reservations shall constitute covenants running the land and shall bind all purchasers (or owners) of such lots in the Development, their heirs, successors and assigns, and all persons claiming under them from the date of recording of this instrument, after which time such restrictive covenants shall automatically be extended until changed or cancelled pursuant to this document. At any time pursuant to an instrument adopted by the presence of members representing one vote in excess of fifty percent (50%) of the votes of a minimum of 100 owners of lots (i.e., an owner of two lots is equal to two lot owners) in the Association pursuant to its by-laws and placed on public record in the Registers Office of Madison County, Tennessee, these restrictive Covenants may be changed in whole, in part or cancelled.

The foregoing covenants may be enforced by the Association or any owner of a lot or lots in the Development, jointly or severally, by proceeding in law or equity, however, failure to enforce the breach of any covenant provided herein shall not, in any manner, constitute a waiver therefore or bar future enforcement. The invalidation of any one or more of the aforesaid covenants or restrictions by any court or competent jurisdiction shall not effect the force or validity of any other covenant or restriction, as the same shall be deemed severable and remain in full force and effect.

These restrictive covenants shall bind and be for the benefit for all parties named herein, there successors and assigns.

IN WITNESS WHEREOF Springbrook Lake Estates, Property Owners Association, Inc., has hereto subscribed its name, through its duly authorized representative, on the 17th day of October 1989.

Springbrook Lake Estates

Property Owners Association, Inc.

By: /s/ Robert F. Graves, Jr.

Title: President

AMENDMENT RATIFIED

IN WITNESS WHEREOF, Springbrook Lake Estates Property Owners Association, Inc. has hereto subscribed its name, through its duly authorized representative, on this day the 19th of March 1991.

Springbrook Lake Estates

Property Owners Association, Inc.

By: /s/ Donald R. Mallete

Title: Secretary

**RESTATED CHARTER
SPRINGBROOK LAKE ESTATES
PROPERTY OWNERS ASSOCIATION INC.**

Pursuant to the provisions of Section 48-60-106 of the Tennessee Nonprofit Corporation Act, the undersigned corporation adopts the following restated charter.

PART II

(Part I has been superseded by Part II)

1. The date of the original charter as filed with the Secretary of State is October 19, 1977.
2. The name of the corporation is Springbrook Lake Estates Property Owners Association, Inc. The Corporation's restated charter restates the text of the original charter and further amends the charter as specified below. The amendment to the charter herein required approval of the members. The date of the amendment's adoption was October 17, 1989.
3. The address for the principal office of the corporation in the State of Tennessee shall be 108 East Baltimore Street, Jackson, Madison County, Tennessee 38301.
4. The Corporation is a mutual benefit corporation.
5. The address of the corporation's registered office is 108 East Baltimore Street, Jackson, Madison County, Tennessee.
6. The name of the corporation's registered agent is Charles Byrd.
7. The corporation is not for profit.
8. The corporation shall have members.

9. This corporation shall have, enjoy and exercise all the rights, powers and privileges pertaining to and incidental to those which a nonprofit corporation may exercise pursuant to the Tennessee Nonprofit Corporation Act or any other statutes of the State of Tennessee; provided, however, notwithstanding anything herein to the contrary, the corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in the subsection of section 528 or section 501 of the Internal Revenue Code of 1986 under which the Corporation chooses to qualify for exemption, as the same now exists, or as it may be amended from time to time. No part of the net earnings of the corporation shall inure to the benefit of any private member or individual.

10. In the event of the dissolution of the corporation, no member shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source after the payment of all debts and obligations of the corporation shall be used or distributed exclusively for purposes within the intentment of the Section of the Internal Revenue Code under which the corporation chooses to qualify for exemption as the same now exists or as may be amended from time to time.

11. The presence of members representing ten percent (10%) of the votes entitled to be cast shall constitute a quorum for the purpose of electing the members of the board of directors of the Association. For the transaction of all other business, the presence of members representing a total of one vote in excess of fifty percent (50%) of the votes represented at the meeting established a quorum (i.e., votes of owners present and votes of owners represented by proxies). A meeting may be adjourned despite the absence of a quorum, and the meeting may be held as adjourned without further notice. When a quorum is present at any meeting, a decision by members representing a simple majority of all votes represented at the meeting shall decide any question brought before such meeting, unless the question is one which, by express provision of this Associations' charter, its By-Laws, or by the laws of Tennessee, a larger or different vote is required, in which case such provision shall govern the decision of such question.

Any members who is delinquent in the payment of an assessment; upon the date of any meeting of the association at which any business shall be considered not have a vote in the consideration of any issue. Any member who is delinquent in the payment of an assessment shall not have access to Association services or equipment. In addition, said member shall not be considered in the determination whether a quorum is present or whether a majority of members has voted in favor of a resolution or the total numbers eligible to vote.

12. Whenever a member shall cease to own real property in the Development or shall cease to have an ownership interest in any of said property in the Development, such member shall automatically cease to be a member of the corporation, and said members membership shall be deemed redeemed by the corporation. Upon demand, said member shall be paid \$1.00 per membership for said membership so redeemed.

DATED: This is the 16th day of November 1989.

Springbrook Lake Estates

Property Owners Association, Inc.

Title: President

By: /s/ Archie R. Thomas

IN WITNESS WHEREOF, Springbrook Lake Estates Property Owners Association, Inc. has hereto subscribed its name, through its duly authorized representative, on this the 16th day of November 1989.

Springbrook Lake Estates

Property Owners Associations

By: /s/ Robert F. Graves, Jr

Title: President

CERTIFICATION

I, Archie R. Thomas, acting secretary, do hereby certify that the above restrictive covenants were duly adopted by the owners of lots of Springbrook Development Subdivision, which meeting was held pursuant to an order of the Chancery Court of Madison County, Tennessee, dated February 3, 1989 (Case No. 40172) on October 17, 1989. Pursuant to said order, these Restrictive Covenants are effective October 1, 1987.

Signed/ Archie R. Thomas

Title: Secretary

STATE OF TENNESSEE

COUNTY OF MADISON: Before me, Thomas F. Taylor, a Notary Public of the State and County aforesaid, personally appeared Robert F. Graves, with I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, acknowledged himself to be president of Springbrook Lake Estates Property Owners Association, Inc. a Tennessee Corporation, the within named bargainer, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as president.

IN WITNESS WHEREOF, I have set my hand and official Seal at Office, in said State and County, this the 16th day of November, 1989.

Signed/ Thomas F. Taylor, Notary Public, My commission expires: 10-23-90

STATE OF TENNESSEE

COUNTY OF MADISON: Before me, a Notary Public of the State and County aforesaid, personally appeared Archie R. Thomas, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and he acknowledged to me that he was the person described in the foregoing instrument and that the statement contained therein were true to the best of his knowledge, information and belief.

WITNESS M HAND notarial Seal, at office, in said State and County, on this the 16th day of November 1989.

Signed/ Thomas F. Taylor; Notary Public; My Commission expires: 10-23-90

BY-LAWS

SPRINGBROOK LAKE ESTATES PROPERTY OWNERS ASSOCIATION INC.

Article I

NAME

The name of the corporation shall be:

SPRINGBROOK LAKE ESTATES PROPERTY OWNERS ASSOCIATION INC. and will sometimes be referred to in these bylaws as the "corporation".

Article II

POWERS

The corporation shall have, enjoy and exercise all the rights, powers and privileges pertaining and incidental to those which a not-for-profit corporation may exercise pursuant to the Tennessee Non-profit Corporation Act or any other statutes of the State of Tennessee; provided, however, notwithstanding anything herein to the contrary, the corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in the subsection of Section 528 or Section 501(c) of the Internal Revenue Code of 1986, under which the Board of Directors chooses to qualify for exemption, as the same now exists or as it may be amended from time to time.

Article III

MEMBERS

1. **Qualifications.** All entities owning residential lots in Springbrook Lakes Estates Subdivision, hereafter "Development" (as shown in Plat Book 2, Page 171, Plat Book 2, Page 208, Plat Book 2, pages 250 and 251, Plat Book 3, page 269, Plat Book 3, page 296, and Plat Book 4, pages 29, 30, 31, 32, in the Register's Office of Madison County, Tennessee), shall be members of the Corporation. Where two or more persons have an interest in a development lot, only one of such persons shall be a member of the Corporation. Where two or more persons have an interest in a development lot, only one of such persons shall be entitled to be a member of the Corporation. Where a lot is jointly owned by persons who are husband and wife, then either the husband or wife, but not both, shall be entitled to be a member of the Corporation. The sales price shall be determined by the Board of Directors and the method of payment shall be determined by said Board. However, the maximum sales price shall be \$1.00 per share.

2. **Voting Rights.** Each member shall have one vote for each lot he owns. There shall be no more than one vote per said lot, regardless of the number of owners of said lot.

3. **Non-transferability of Membership.** The membership issued by the Corporation to owners of Development lots shall be non-transferrable and shall not be subject to encumbrance by any member.

4. **Annual Meeting.** An annual meeting of members shall be held at such time and place within this State as may be designated from time to time by the Directors. Unless the time is otherwise specified by the Directors, said meeting shall be held in October of each year, or as close thereto as practicable.

5. **Special Meetings.** Special meetings of the members may be called by the President; a majority of the Board of Directors, or by not less than (10%) of all the members entitled to vote at such meeting.

6. **Notice of Member Meetings.** Written or printed notice stating the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called and the person or persons calling the meeting, shall be delivered either personally or by mail by or at the direction of the President, Secretary, Officer, or person calling the meeting to each member entitled to vote at the meeting. If mailed, such notice shall be delivered not less than ten (10) days or more than two (2) months before the date of the meeting, and shall be deemed to be delivered when deposited in the United States Mail addressed to the member at his address as it appears in the books of the Corporation, with postage thereon prepaid. If delivered personally, such notice shall be delivered not less than ten (10) days nor more than two (2) months before the meeting, and shall be deemed delivered when actually received by the member. The person giving such notice shall certify that the notice required by this paragraph has been given.

Amended August 24, 2018

7. **Voting and Proxies.** Every member entitled to vote at a meeting may do so either in person or by written proxy. The Proxy form must be requested by the property owner via proxy request form (enclosed in Notice of Member Meetings). A completed proxy form must be mailed and received by the Board Secretary prior to a scheduled meeting. Incomplete forms will be rejected. Such proxy shall entitle the holders thereof to vote (at any meeting) before adjournment, but shall not be valid after the final adjournment thereof. Proxies are limited to five (5) per holder to prevent hoarding. Proxy forms hand carried to meeting will not be accepted due to time needed for legal verification.

Article IV

BOARD OF DIRECTORS

Amended August 24, 2018

1. **Qualification and Election.** Directors must be shareholders, residents of this State, and must be of legal age. Except as stated otherwise in these by-laws, they shall be elected by plurality of the votes cast at the annual meetings of the members. Directors will be elected to three (3) year terms and shall not serve more than two consecutive terms. Each Director shall hold office until the expiration of the term elected and maintain continuous residency within a 30 mile radius from the Office in Springbrook Lake Estates. No member who is in arrears in the payment of assessments may be elected to serve as director. No more than one (1) member of the same household shall serve as a director. No more than one (1) member of the same family may be authorized to sign on any bank account, deposit box, or any other legal document during the same term, except in the case of a member filling the unexpired term left by death or resignation of another family member.

2. **Assessments and other Powers.** The property and business shall be managed by its Board of Directors. The Board of Directors of the Corporation may assess payments from owners of lots of the Development in any year in an amount the same or less than the amount assessed in the immediate prior year without ratification by the members. Should the Board determine to increase an assessment in any year, said increase must be approved by the members of the corporation at a duly called meeting.

The Board of Directors shall have the authority to approve building plans together with the authority to exercise all other powers authorized pursuant to the Restrictive Covenants. The Board may exercise all other powers pursuant to the Laws of the State of Tennessee and federal law, except as limited by these by-laws.

3. **Number.** The number of Directors may be fixed from time to time by the members.

4. **Meetings.** The annual meeting of the board of directors shall be held immediately after the adjournment of the annual meeting of the members, at which time the officers of the corporation shall be elected. The board may also designate more frequent intervals for regular meetings. Special meetings may be called at any time by the chairman of the board, president, or any two (2) directors.

5. **Notice of Directors Meetings.** All regular board meetings may be held without notice. Special meetings shall be preceded by at least two (2) days notice of the date, time, place of the meeting. Notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed one (1) month in any adjournment.

A Director may waive notice by (a) delivering to the corporation before or after the date and time stated in the notice a written waiver signed by the director entitled to the written notice or (b) attending the meeting which is the subject of the notice provided that the director does not object at the beginning of the meeting to holding the meeting or transacting business at the meeting.

6. **Quorum and Vote.** The presence of a majority of the directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at the meeting at which a quorum is present shall be the act of the board.

7. **Executive and other Committees.** The Board of Directors by a resolution adopted by a majority of its members, may designate an executive committee, consisting of two or more directors, and other committees, consisting of two or more persons, who may or may not be directors, and may delegate to such committee or committees and all such authority as it deems desirable, including the right to delegate to an executive committee the power to exercise all the authority of the board of directors in the management of the affairs and property of the corporation.

Amended August 24, 2018

8. **Waive Assessment.** A Board member in good standing will have their Yearly Assessment for one (1) house and one (1) lot waived for the duration of their terms.

Article V

OFFICERS

1. **Number.** The corporation shall have a president and a secretary, and such other officers, as the board of directors shall from time to time deem necessary. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. In order to be an officer, a person must be a member of the Board of Directors.

2. **Election and Term.** The officers shall be elected by the Board at its annual meeting. Each officer shall serve until the expiration of the term for which he is elected, and thereafter until his successor has been elected and qualified.

3. **Duties.** All officers shall have such authority and perform such duties in the management of the corporation as are normally incident to their offices and as the board of directors may from time to time provide.

Article VI

RESIGNATIONS, REMOVALS AND VACANCIES

1. **Resignations.** Any officer or director may resign at any time giving written notice to the chairman of the board, the president, or the secretary. Any such resignation shall take effect at the time specified therein, or, if not specified, then upon its acceptance by the board of directors.
2. **Removal of Officers.** Any officer or agent may be removed by a vote of the majority of the entire board whenever in its judgment, the best interests of the corporation will be served thereby.
3. **Removal of Directors.** Any or all of the directors may be removed either with or without cause by a vote of the majority of the members and may be removed with cause by a majority vote of the entire board.
4. **Vacancies.** Newly created directorships resulting from an increase in the number of directors, and vacancies occurring in any office or directorship for any reason, including removal of any officer or director, may be filled by a majority vote of the directors then in office, even if less than a quorum exists.

Article VII

ACTION BY

Whenever the members or directors are required or permitted to take action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all persons or entities to vote thereon.

Article VIII

AMENDMENT OF BY-LAWS

These by-laws may be amended, added to, or repealed by a majority vote of the members at any duly constituted membership meeting.

Article IX

INDEMNIFICATION

1. **Indemnification.** The corporation shall indemnify an individual made a party to a proceeding because he/she is or was a director, or officer of the corporation against a liability incurred in the proceeding if: (a) he/she conducted themselves in good faith; and (b) he/she reasonably believed; (I) in the case of conduct in his/her official capacity for the corporation. That his/her conduct was in the best interest; and (II) in all other cases that his/her conduct was at least not opposed to its best interest; and (c) in the case of any criminal proceeding, he/she had no reasonable cause to believe his/her conduct was unlawful. The corporation shall indemnify directors, officers, employees or agents of the corporation for monetary damages for any breach of fiduciary duty in their capacity except that no indemnification shall be made to or on behalf of any director, or officer, if a judgment or other final adjudication adverse to the director, officer, employee or agent established his/her liability; (a) for any breach of the duty of loyalty to the corporation or its members; (b) for any act or omission not in good faith or which involves intentional misconduct or knowing violation of the law; or

(c) any unlawful distribution under the Tennessee Nonprofit Corporation Act, as not effective or hereafter amended. Such indemnification shall not be entitled, under and by-law, agreement, vote of members, statute or otherwise.

Notwithstanding anything in this document to the contrary, the directors, officers, trustees or members of the corporation shall be immune from suit as provided in Tennessee Code Annotated 48-58-601 and nothing contained in this document shall be deemed to limit the immunity therein.

Article X

SEVERABILITY

The invalidity or enforce-ability of a particular provision of these by-laws shall not affect the other provisions hereof, and these by-laws shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Proposal to change annual assessments ratified October 27, 1992 to take effect January 1, 1993.

From; \$35.00 per lot; \$10.00 per boat

To; \$50.00 per lot; \$10.00 per boat

(\$50.00 per residence (in addition to the lot on which the residence is situated.)

(\$500.00 per commercial business (permissible only on lots A, B, and C on Hartmus Lane.)

SPECIAL ASSESSMENT RESOLUTION

At a meeting held on February 17th, 2011 Springbrook Board of Directors explained to the residents of the subdivision, that Springbrook was approved for a disaster loan the the U.S. Small Business Administration in the amount of \$457,000.00. The loan will be repaid at 3% interest which will make the loan payment amount \$40,457.00 each year for 13 years 1 month. The loan is for rebuilding, replacing, or repairing of the disaster areas only. After explaining to the neighborhood the members voted on accepting the loan and a \$125.00 yearly special assessment to be due by July 1 every year for the life of the loan.

Voting is determined by each general owner and the number of properties owned by that person. For example, every owner is entitled to 1 vote for every lot owned. There were 114 owners present. Total votes: 208 yes and 19 ½ No.

Members Present: 127 ½ -Yes; 12 -No

Proxy: 80 ½ -Yes 7 -No

The Special Assessment is prorated by actual owners. Currently there are 358 property owners being assessed \$125.00 each.

Springbrook Lake Estates

Property Owners Associations

Board of Directors

Heather Thomas, Secretary