

Harbor Town Property Owners Association - Bylaws

BYLAWS

OF

HARBOR TOWN PROPERTY OWNERS ASSOCIATION

ARTICLE I

The temporary mailing address for the Association is Box 345, Big Sandy, Tennessee 38221.

ARTICLE II

MEMBERS

Section 1. Classes of Members. The association shall have two classes of members: ACTIVE MEMBERS which will consist of those persons who own property in Kentucky Lake Heights/Harbor Town and who pay annual association dues. Only active members may vote on any association matter. NON-ACTIVE MEMBERS: Those who own property in Harbor Town/Kentucky Lake Heights but do not pay dues.

Section 2. Membership Dues. Each member of this association shall pay \$15.00 per annum which covers the calendar year July 1 - June 30. The Board of Directors has the authority to change the annual dues as the need arises.

No dues or assessments shall be payable by Dan Mattingly and Wife, Lillian Mattingly, for developed lots unsold by them, nor shall the said Mattingly and wife be liable for delinquent dues of any defaulting member or members of the association whose lots are repossessed for resale by said Mattingly and wife, or their heirs or assigns. Subsequent purchasers of lots repossessed by Mattingly and wife, their heirs, or assigns, shall not be liable for delinquent dues of the defaulting member whose lot or lots were repossessed. The provisions of this paragraph may not be amended without the written consent of Dan Mattingly and wife, Lillian Mattingly, or their heirs or assigns.

The annual dues shall be due and payable as notified by the Board of Directors and shall be paid prior to the annual meeting of this association.

Notwithstanding the provisions of this Section 2, in the event of any emergency, the association may, by majority vote of its active members, provide for a special assessment of members.

Membership terminates when a member fails to pay annual dues or ceases to own property within the area dictated by these Bylaws.

Section 3. Voting Rights. Each Active Member shall be entitled to one vote.

Section 4. Rules and Regulations. Each member and his or her family shall be subject to the following rules and regulations:

(a) All members must comply with each and every restrictive covenant pertaining to Kentucky Lake Heights/Harbor Town as the same are recorded in the Office or Register of Deeds in Benton County, Tennessee.

(b) The association shall have the authority to suspend or expel or terminate members for violation of rules and regulations.

Section 5. Reinstatement. Former members may be reinstated upon written request properly filed with the secretary and favorably voted by the Board of Directors on such terms they deem appropriate.

Section 6. Transfer of Membership. Member ship in this association is not transferable or assignable.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings. An annual meeting of the members shall be held as such place to be determined by the Board of Directors on the second (2nd) Saturday of each May. This meeting shall be for the purpose of electing Directors for the association and for whatever other business shall be brought before the meeting.

Section 2. Special Meetings. Special meetings of the member may be called by the President, Vice President or Secretary-Treasurer, the Board of Directors, or a majority of members having voting rights.

Section 3. Place of Meetings. Written notice sent to the last known address of members giving the date, day, and hour, shall be delivered either personally, via email, or by mail to each voting member not less then ten (10) days prior nor more than sixty (60) days before, the date of such meeting. In the case of special meetings, the purpose shall be stated in the written notice.

Section 4. Quorum. A quorum for the transaction of business at any meeting of members shall not be less than one-fifth (1/5) of the voting members. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting without further notice.

Section 5. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by a member or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provide in the proxy.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the association shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The Board of Directors shall consist of nine (9) Active Members.

Section 3. Regular Meetings. Regular meetings of the Board of Directors shall be held at the call of the President or his designated officer at a location convenient to the membership of the Board of Directors.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors.

Notice of any special meeting of the Board of Directors shall be given at least ten (10) days previous thereto by telephone or letter or personally.

Section 5. Quorum. A majority of the Board of Directors shall constitute a quorum for transacting business at any meeting of the Board. If a majority is not present those present may adjourn the meeting.

Section 6. Manner of Acting. The act of a majority of the Directors who are present at a meeting with a quorum is the act of the Board of Directors unless a greater number is required by law or these BYLAWS.

Section 7. Vacancies. Initial Directors will be selected in one-two-three year terms in threes at the start of these new BYLAWS for experience and continuity of operations in office. A vacancy in the Board of Directors following this election shall be filled by the Board of Directors for the term of the outgoing member. The membership will elect directors as their terms expire at annual meetings.

Section 8. Compensation. Directors as such, shall not receive any stated compensation for their services.

Section 9. Nominating Committee. The Board of Directors shall appoint a Nominating Committee, of three members of the association with the responsibility to solicit candidates for membership on the Board. These nominations will be presented at the annual regular meeting of the membership and additional nominations will be taken from the floor for vacancies in the Board of Directors.

ARTICLE V Officers

Section 1. Officers. The officers of the association shall be a President, Vice President, Secretary, Treasurer. Two or more offices may not be held by the same person except for the offices of Secretary and Treasurer which may be combined as the Board of Directors may direct and approve.

Section 2. Election Qualification and Term of Office. The officers will be elected annually by the Board of Directors at its first regular meeting after the Annual Meeting of the membership. This meeting can be held immediately after the annual meeting of the membership if the Board of Directors so decides.

Section 3. Removal. Any officer elected or appointed by the Board of Directors can be removed by the Board of Directors by a majority vote.

Section 4. Vacancies. A vacancy in any office for any reason may be filled by the Board of Directors for the term of the outgoing member.

Section 5. President. The President shall be the principal executive officer of the Association and shall in general supervise and control all of the

business and affairs of the association. The President may sign with the Secretary checks, documents, contracts, or other instruments which the Board of Directors have authorized to be executed.

Section 6. Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President when so acting.

Section 7. Treasurer. The treasurer may be required to give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors may determine. He shall be in charge and have custody of all funds and securities and property of the association. He shall give and receive receipts for monies due and payable to and for the association for any source whatsoever, and deposit all such monies in the name of the association in such banks, as shall be selected IAW Article VIII of this regulation and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. Any checks used in the association shall carry a second signature of the President or by his designated board member and such signatures shall be recorded on a signature card at the Bank where the account is maintained.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; and see that all notices are duly given IAW the provisions of these regulations or as required by law; be custodian of the corporate records, and maintain such annual filings with the State of Tennessee as may be required, and keep the seal of the association (if any), keep a register of the post office address of each member which shall be given to the Secretary by each member; and in general; perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

ARTICLE VI

Committees

Section 1. Committees of Directors. The Board of Directors by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of three (3) or more Directors, which committees, to the extent provided in said resolution shall have and exercise the authority of the Board of Directors in the management of the association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Term of Office. Each member of a committee shall continue such until the next annual meeting of the members of the association or until his successor is appointed unless the committee shall be sooner terminated, or unless the member be removed from the committee, or unless such member shall cease to qualify as a member thereof.

Section 3. Chairman. One member of each committee shall be appointed the chairman by the person or persons authorized to appoint the members thereof.

Section 4. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the cases of the original appointments.

Section 5. Quorums. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee will constitute a quorum and the act of a majority of the members of said committee present at a meeting at which a quorum is present shall be the act of the committee.

Section 6. Rules. Each committee may adopt rules for its own government not inconsistent with these regulations or with rules adopted by the Board of Directors.

ARTICLE VII

CERTIFICATES OF MEMBERSHIP

Section 1. Certificates of Membership. The Board of Directors may provide for the issuance of a certificate of membership in the association.

Section 2. Issuance of Certificates. When a member has been elected to membership and has paid membership dues, a certificate of membership will be issued in his name and will be delivered to him by the Secretary if the Board of Directors has provided for the issuance of certificates of membership.

ARTICLE VIII

CONTRACTS, CHECKS, DEPOSITS, FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the association, in addition to the officers so authorized by these regulations, to enter into any contracts or execute and deliver any instrument in the name and on behalf of the association, and such authority may be general or confined to specific instance.

Section 2. Checks, Drafts, etc. All checks, drafts, or orders for payment of money, notes or other evidence of indebtedness issued in the name of the association shall be signed by such officer or officers, agent or agents of the association and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President of the association (checks shall be signed by the Treasurer and the President based on the valid signature card at the bank with the account from the association).

Section 3. Deposits. All funds from the association shall be promptly deposited in such banks, as the Board of Directors has selected.

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

ARTICLE IX

BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, Board of Directors, and Committees having any of the authority of the Board of Directors, and shall keep such records in the hands of those designated directors that are responsible. All books and records of the association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time. Records will be maintained at the Secretary's or President's homes in the 4 drawer file cabinet which is property of the Association during their tenure in office.

ARTICLE X

FISCAL YEAR

The fiscal year of the association shall begin on July 1 and end on the last day of June (30 June) each year.

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of these Rules and Regulations (BYLAWS), a waiver thereof in writing signed by the person or person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notices.

ARTICLE XII

AMENDMENTS TO REGULATIONS

Resolutions may be altered, amended or repealed and new regulations may be adopted by a majority of the members present at any meeting at which a quorum is present, if at least ten (10) days notice (written notice) is given of the intention to alter, amend or repeal or adopt new regulations at such meeting is given.

ARTICLE XIII

All liabilities, rights, and privileges contained herein shall run with the land. In the event a member (active paid or non-active non paid) sells his property, the purchaser who becomes a member of the association will be bound by the same rules and regulations as herein contained or as may hereafter be amended or added to.

ARTICLE XIV

These BYLAWS must be adopted by the membership and will be presented at the next annual meeting. Once adopted they will be signed by the elected President and placed in the files maintained by the secretary. The signature and date will be recorded on this BYLAW as adopted in the space below:

June 10, 1995
Date

Lee A. Colstock
President