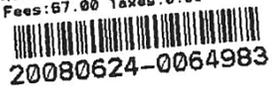


Davidson County BYLAWS
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SECOND AMENDED AND RESTATED

BY- LAWS

FOR

**HEARTHSTONE MANOR HOME OWNERS
ASSOCIATION, INC.**

Dated: June 24, 2008

SECOND AMENDED AND RESTATED BY-LAWS

FOR HEARTHSTONE MANOR HOME OWNERS ASSOCIATION, INC.

This Second Amended and Restated By-Laws is made as of the 24th day of June, 2008, by Hearthstone Manor Home Owners Association, Inc., a Tennessee non-profit corporation;

WITNESSETH:

WHEREAS, Radnor/Nashville Corporation and Joe Vaulx Crockett III previously executed By-Laws for the Hearthstone Manor Home Owners Association dated as of November 13, 1984 ("original by-laws"); and

WHEREAS, Radnor/Nashville Corporation, as a Class B Member at the time, executed an Amended and Restated By-Laws for Hearthstone Manor Home Owners Association dated November 10, 1987, which was recorded on November 16, 1987 in the Register of Deeds office in Davidson County, Tennessee, in Book 7403, Pages 568 to 592 ("amended by-laws").

WHEREAS, Hearthstone Manor Home Owners Association, Inc., a Tennessee non-profit corporation, is the successor to the original Declarant in the original and amended By-Laws, and all the real property now comprising the Common Areas of Hearthstone Manor are now owned by such Hearthstone Manor Home Owners Association, Inc., which is hereinafter referred to as the "Declarant" or the "Association"; and

WHEREAS, Paragraph 10 of the amended by-laws provides for the amendment of the by-laws by the vote of Members representing at least 67% of the total votes of the Association; and

WHEREAS, by this document the Association desires to restate the original and the amended by-laws, with appropriate amendments thereto as approved by the Hearthstone Manor Home Owners Association, Inc. (hereinafter called these "By-Laws");

NOW, THEREFORE, in consideration of the foregoing premises, the by-laws are hereinafter amended and restated, and shall be deemed superseded hereby, as follows:

1. Identity.

(a) These are the By-Laws of Hearthstone Manor, a planned unit development, herein called the "Development", and Hearthstone Manor Home Owners Association, Inc., herein called the "Association", a corporation not for profit, incorporated under the laws of the State of Tennessee, the Charter of which was filed in the Office of the Secretary of State of Tennessee on November 13, 1984, and is of record in that Office under Document No. 167249, and is also of record in the Office of the Register of Davidson County, Tennessee, in Book 6437 page 852. An Articles of Amendment to such charter, dated April 11, 1988, was recorded June 30, 1988.

(b) The Association has been organized for the purpose of administering the Development now established by an Amended and Restated Declaration of Covenants, Conditions, and Restrictions, recorded May 10, 2006 in the Register's Office of Davidson County, Tennessee, as Document No. 20060510-0054690, herein called the "Declaration", as amended from time to time, which Development is identified by the name Hearthstone Manor.

2. Members.

The Association shall have one type of membership as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

3. Meetings of Members.

(a) The members of the Association shall have an annual meeting. Such annual meeting of members shall be held at such date, time, and place as shall be determined by the Board of Directors.

(b) Special meetings of members shall be held whenever called by the President, Vice-President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast not less than one-third (1/3) of the votes of the entire membership.

(c) Notice of all members' meetings stating the time and place, and the objects for which each meeting is called, shall be given by the President, Vice-President or Secretary, unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association, and shall be mailed not less than ten (10) days, nor more than sixty (60) days, prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

(d) Except as otherwise provided in these By-Laws or in the Declaration the presence in person or by proxy of the members representing twenty-five percent (25%) of the total vote of the Association shall constitute a quorum of all meetings of the Association. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting for at least ten (10) days, and adequate notice of the new date shall be given as described in subparagraph (c) of this Paragraph. The persons present and entitled to vote at such reconvened meeting shall constitute a quorum, regardless of number.

(e) If a Residential Unit is owned by one (1) person, his right to vote shall be established by the record title to his Unit. If a Residential Unit is owned by more than one (1) person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If a Residential Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate of appointment signed by the President or Vice-President of the corporation and filed with the Secretary of the Association. Such certificate shall be valid until revoked, or until superseded by a subsequent certificate, or until a change in the ownership of the Residential Unit concerned occurs. A certificate designating the person entitled to cast the vote of a Residential Unit may be revoked by any Unit Owner at any time.

If no certificate is presented to the Secretary and a Residential Unit is owned by two (2) or more individuals, any record owner present at a meeting of the Association may cast the vote of the Unit. If more than one (1) record owner of a Residential Unit is present at a meeting, only one such owner may cast the vote of the Residential Unit. If the record owners of a Residential Unit cannot unanimously agree as to who may cast the vote of the Unit, the vote of the Unit shall not be counted.

(f) Any member entitled to vote may do so by written proxy (and must do so by written proxy, in the case of a member which is a corporation, partnership, or other similar entity not a natural person or persons) duly executed by the member, or in cases where the member is more than one (1) person, by all such persons, setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used and must be dated. No proxy shall be revocable except by written notice delivered to the Association. Notwithstanding the above, a proxy shall be automatically revoked if the member who has give such proxy is in attendance at a meeting.

(g) The order of business at annual members' meetings, and as far as practical at all other members' meetings, shall be:

- (1) election of a chairman of the meeting, if the President is unavailable to preside;
- (2) calling of the roll and certifying the proxies;
- (3) proof of notice of meeting or waiver of notice;
- (4) reading and disposal of any unapproved minutes;

- (5) reports of officers;
- (6) reports of committees;
- (7) election of inspectors of election;
- (8) election of Directors;
- (9) unfinished business;
- (10) new business;
- (11) adjournment.

4. Directors.

(a) The affairs of the Association shall be managed by a Board of Directors. The Board of Directors shall consist of five (5) persons, all of whom shall be Unit Owners, or, in the event any Unit is owned by a partnership, corporation, or fiduciary, such person shall be a partner, officer of the corporation, or the fiduciary or officer of the fiduciary, as the case may be. The initial Board of Directors shall serve without compensation. Thereafter, the compensation, if any, of the Directors shall be as fixed by the vote of a majority of the Unit Owners.

(b) At the first annual meeting of the members of the Association, five persons shall be elected to serve as the Board of Directors, and the term of office of those elected shall be as follows: the term of office of the two (2) persons receiving the highest number of votes shall be fixed at three (3) years; the term of office of the two (2) persons receiving the next highest number of votes shall be fixed at two (2) years; and the term of the office of the person elected receiving the least number of votes shall be fixed at one (1) year.

The election, and subsequent elections of Directors, shall be by ballot and by a plurality of the votes cast. If there are more than one length of term upon which votes are cast, then the nominee(s) receiving the most votes shall have the longer (longest) term. There shall be no cumulative voting.

(c) Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors until the next annual meeting at which time a Director shall be elected to fill the remaining term of any such vacancy.

(d) Any Director elected by the members may be removed, with or without cause, by the vote of members holding a majority of the votes entitled to be cast for the election of such Director. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall then and there be elected by the members entitled to elect the Director so removed to fill the vacancy for the remainder of the term of such Director.

Any Director elected by the members who has three (3) consecutive unexcused absences from regular Board meetings (as opposed to special Board meetings called for particular purposes), or who is delinquent in the payment of any assessment or other

charge due the Association for more than thirty (30) days, may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board and it may appoint a successor.

(e) The term of each Director's service shall be three (3) years. A Director's term of service shall extend until his successor is elected at the annual meeting of the members and thereafter until his successor is qualified and assumes office, or until he is removed in the manner elsewhere provided.

5. Directors' Meetings.

(a) The organizational meeting of a newly elected Board of Directors shall be held within fifteen (15) days of its election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present.

(b) Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, or e-mail, at least three (3) days prior to the day named for such meeting.

(c) Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of any two (2) of the Directors. Notice of the meeting shall be given personally or by mail, telephone, or e-mail at least three (3) days prior to the day named for such meeting, which notice shall state the time, place, and purpose of the meeting.

(d) Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

(e) A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Declaration, Charter, or these By-Laws. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

(f) The presiding officer of Directors' meetings shall be the President. In the

absence of the President, the Directors present shall designate one of their number to preside.

(g) The order of business at Directors' meeting shall be:

- (1) calling of roll;
- (2) proof of due notice of meeting;
- (3) reading and disposal of any unapproved minutes;
- (4) reports of officers and committees;
- (5) election of officers (if necessary);
- (6) unfinished business;
- (7) new business; and
- (8) adjournment.

(h) Provided there are at least three (3) qualified and acting Directors, the Directors may adopt any resolution by an instrument in writing, signed by all of the then qualified and acting Directors, and any such resolution, when so executed, shall have the force and validity of a resolution adopted at any regular or special meeting.

(i) All minutes and records of actions of the Directors, and all records pertaining to operations of the Association, shall be kept at the Association office or at such place as may be designated by the Secretary of the Association, and shall be available to members for inspection at all times during normal business hours.

6. Powers and Duties of the Board of Directors.

(a) All of the powers and duties of the Association existing under the laws of the State of Tennessee, the Declaration, the Charter, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by Unit Owners when such is specifically required. Compensation of employees of the Association shall be fixed by the Directors. A Director may be an employee of the Association, and a contract for management of the Properties may be entered into with a Director. The Board of Directors is specifically charged with the responsibility of providing for the care and upkeep of the Common Area, Limited Common Areas, and Additional Maintenance Area of the Development pursuant to the provisions of the Declaration and these By-Laws. Specifically included in the foregoing general powers of the Board of Directors are the following powers and duties, which are listed by way of enumeration and not by limitation:

- (1) To elect and remove the officers of the Association;
- (2) To administer the affairs of the Association and the Development property;
- (3) To engage the services of a managing company or agent, hereinafter sometimes called the "Managing Agent", to maintain, repair, replace, administer and operate the Development or any part thereof for all the Unit Owners upon such

terms and for such compensation and authority as the Board of Directors may approve;

(4) To formulate policies for the administration, management and operation of the Development and the Common Area and/or Additional Maintenance Area;

(5) To adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Development property and the Common Area and Additional Maintenance Area, and to amend such rules and regulations from time to time;

(6) To provide for the maintenance, repair, and replacement of the Common Area, Limited Common Areas, and Additional Maintenance Area as required by the Declaration and these By-Laws, to make payments therefor, and to approve payment vouchers or to delegate such approval to the officers or Managing Agent;

(7) To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Development property and the Common Area and Additional Maintenance Area, and to delegate any such powers to the Managing Agent (or any employees of the Managing Agent);

(8) To appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board of Directors;

(9) To determine the fiscal year of the Association and to change said fiscal year from time to time as the Board of Directors deems advisable;

(10) To fix the estimated annual budgets, and to provide the manner of assessing and collecting from Unit Owners their respective shares of such estimated expenses, as hereinafter provided;

(11) To borrow money for the purpose of repair or restoration of Common Area, with the approval of the members of the Association;

(12) To secure insurance policies as required by the Declaration and in this regard, annually to review the amounts of coverage afforded by such policy or policies;

(13) To maintain or defend any action in any court or other proceeding on behalf of the Unit Owners which arises in connection with the Common Area;

(14) To exercise all other powers and duties of Unit Owners as a group referred to in the Declaration or these By-Laws.

(b) Specifically, whenever in these By-Laws or in the Declaration the Association is given the power to take any action, it is the intention of such instruments that the Board of Directors shall act for the Association in all cases, except to the extent that it is expressly provided that action may be taken upon vote of the Unit Owners.

(c) Nothing in these By-Laws shall be considered to grant to the Board of Directors, the Association, or to the officers of the Association, any powers or duties which, by law, have been delegated to the Unit Owners.

7. Officers.

(a) The executive officers of the Association shall be a President, who shall be a Director, a Vice President, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be removed by vote of the Directors at any meeting. Any such officer so elected shall serve until removed or replaced by the Board or until their successor is elected. Any person may hold two (2) or more offices except that the President shall not also be the Secretary or the Assistant Secretary. The Board of Directors may from time to time elect other officers to exercise such powers and duties as the Board shall find to be required to manage the affairs of the Association. Compensation, if any, of officers shall be fixed by the Board of Directors.

(b) The President shall be the Chief Executive Officer of the Association. Such President shall have all of the powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as the President may, in their discretion, determine appropriate, to assist in the conduct of affairs of the Association.

(c) The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(d) The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(e) The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of treasurer of an association. The Board may delegate a Managing Agent to keep such funds, securities and books.

8. Assessments.

(a) Assessments shall be as determined by the Association and provided for herein or in the Declaration.

(b) If a Unit Owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the

assessment upon notice thereof to the Unit Owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than twenty (20) days after delivery thereof to the Unit Owner, or not less than thirty (30) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

If, in the opinion of the Board of Directors, a Unit Owner is habitually or repeatedly delinquent or tardy in paying installments of assessments, the Board shall have the right to require such Owner to prepay an amount equal to one year's assessment, to be held in escrow for such period of time and to be applied toward such delinquencies as the Board deems appropriate, provided, however, that the balance of such escrow shall be repaid to the Unit Owner upon resale of the Unit. The Board may also impose a late charge upon a Unit Owner for payments of assessments more than ten (10) days late, such late charge not to exceed, per month, ten percent (10%) of the amount of each assessment not paid when due.

(c) In the event that during the course of any year it shall appear to the Board of Directors that the annual assessment, payable monthly, as determined in the Declaration, is insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, then the Board of Directors may prepare and submit a supplemental budget for the purposes of determining Special Assessments in accordance with the Declaration.

(d) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Directors. The Directors may contract with a Managing Agent to provide that the Managing Agent shall collect assessments from Unit Owners and other moneys of the Association and disburse such funds; provided, however, all employees of the Managing Agent handling or responsible for Association funds must be covered by fidelity bonds. All payments and checks of the Association may be only for ordinary, budgeted, or reserve item expenses of the Association, unless such other expense or payment is explicitly approved by a majority of the Board of Directors. All checks of the Association for over One Thousand Dollars (\$1,000) must be signed by two (2) persons, both of whom shall be a Director and /or an Officer of the Association; Provided, however, only one signature shall be required if a check is processed and signed by the delegated Managing Agent in accordance with their company policy, and the required up-to-date fidelity bond is in the Board's hands.

(e) An independent financial review shall be conducted at least every other year (to wit: at least every two years), or, if requested by a majority of the members, an audit by a certified public accountant of the accounts of the Association shall be made annually. A most recent copy of such financial report and any audit shall be available for each member at each annual meeting of members, and shall be promptly delivered to any member at any other time (but not over once per year) upon request by that member to any Board member.

(f) Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least one-fourth (1/4) of the amount of the total annual assessments against members for Common Expenses plus the amount of the reserve account. The premiums on such bonds shall be paid by the Association. The Managing Agent shall be required to provide satisfactory evidence that all employees handling Association funds are protected by a bond naming the Association as the insured.

(g) The Board of Directors shall cause to be kept detailed and accurate records in chronological order of its receipts and expenditures affecting the Common Elements, specifying and itemizing the Common Expenses incurred. Payment vouchers may be approved in such manner as the Board of Directors may determine.

(h) The Board shall, upon receipt of ten (10) days written notice to the Association and upon payment of a reasonable fee not to exceed \$25.00, furnish any Unit Owner a statement of his accounts setting forth the amount of any unpaid assessment or other charges due and owing from such Unit Owner.

9. Rules and Regulations.

The Directors are expressly empowered to adopt and promulgate, from time to time, reasonable rules and regulations governing the use of the Units and the Common Areas, including the imposition of penalties for violation thereof. All such rules and regulations shall be binding rules and regulations of the Association unless rejected by a resolution adopted at a meeting of the members or by a writing signed by members representing at least fifty-one percent (51%) of the votes of the Association. The Directors shall give written notice to all members of the adoption of any new rules and regulations or of the amendment of any existing rule or regulation.

10. Amendments.

These By-Laws may be amended in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(b) These By-Laws may be amended by the affirmative vote, written consent, or any combination thereof, of members representing at least sixty-seven percent (67%) of the total votes of the Association.

(c) No amendment shall discriminate against any Unit Owner or against any Residential Unit or class or group on the basis of race, color, religion, sex, or national origin. No amendment shall change any Residential Unit, nor increase the Unit Owner's share of the Common Expenses, nor change the voting rights of members, unless the record owner of the Residential Unit concerned and all record owners of liens thereon

shall join in the execution of the amendment giving their written approval.

11. Parliamentary Rules.

Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration, the Charter or these By-Laws.

12. Definition of Terms.

The terms used in these By-Laws, to the extent they are not defined therein, shall have the same definition as set forth in the Declaration.

These Second Amended and Restated By-Laws were presented at a duly called meeting of Owners, on December 10, 2007, were approved at said meeting, and were subsequently approved by written consent of other Owners, to constitute approval of over Sixty-Seven percent (67%) of the Owners. It is duly executed on June 23, 2008, with an effective date when recorded of June 24, 2008.

IN WITNESS WHEREOF, the undersigned Declarant hereby certifies that this Amendment and Restatement has been duly adopted, and hereby executes same.

As of the 23rd day of June, 2008.

Hearthstone Manor Home Owners Association, Inc.

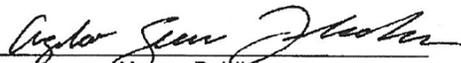
By: Carolyn Oehler
Carolyn Oehler, President

Attest: Larry Vaughn
Larry Vaughn, Secretary

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Carolyn Oehler, with whom I am personally acquainted, and who, upon oath, acknowledged herself to be President of Hearthstone Manor Home Owners Association, Inc., a Tennessee non-profit corporation, and that, being so authorized to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by herself as President.

WITNESS my hand and seal, at office in Davidson County, Tennessee, this 23rd day of June, 2008.



Notary Public

My Commission Expires: *Nov. 22, 2010*



This Instrument Prepared by:
M. Bradshaw Darnall III
201 Hearthstone Manor Lane
Brentwood, TN 37027
(615) 373-9602