BY LAWS

OF

THE ORCHARD KNOB PROPERTY OWNERS ASSOCIATION, INC.

Article I

Name

Section 1: The name of the corporation shall be The Orchard Knob Property Owners Association, Inc. as provided in its charter.

Article II

Purpose and Powers

Section 1: The purposes for which this corporation is organized are to promote community improvement and environmental enhancement, general welfare, recreation and a sense of community pride of the residents and property owners in the Orchard Knob Subdivision of Anderson County, Tennessee.

Section 2: The general powers of this corporation shall include but not be limited to the following enumerated powers:

(1) The power to act as successor to the developer as set forth in the Declaration of Covenants and Restrictions of Orchard Knob.

(2) The power to accept, hold, own, maintain, improve, alter all real and personal property conveyed to the Orchard Knob Property Owners Association, Inc.

(3) The power to collect initiation fees, periodic dues and assessments from which to maintain the said properties and any improvements thereon and to enforce such collection by whatever sanctions shall be determined to be appropriate by the Board of Directors.

Section 3: This corporation shall have the general powers, and shall be governed by that portion of the General Corporation Act of the State of Tennessee which is applicable to corporations not for profit.

Article III

Membership

Section 1: The members of the corporation shall consist of the persons signing the Charter of incorporation and such other person or persons as the Board of Directors may approve, subject to the following:

a. The membership shall be limited to property owners and their assigns, of the Orchard Knob Subdivision as shown on the plot maps of record in the office of the Register of Deeds for Anderson County, Tennessee, and who have paid their dues according to Article VI, Section I of these By-Laws.

Section 2: Membership shall entitle the member, the member's spouse, their children and any other members of their household to use of the corporation facilities subject to reasonable rules and regulations as promulgated from time to time by the corporation.

Section 3: Membership shall be evidenced by a certificate in writing.

Article IV

Meetings

Section 1: The annual meeting of the members of the corporation shall be held on or before the second Monday of March at a time and place specified by the Board of Directors within Anderson County. At such meetings, members shall elect Directors to the Board of Directors as the terms expire and shall transact such other business as may come before the meeting. Each membership is entitled to two (2) votes without regard to the number of persons entitled to corporation privileges thereunder.

Section 2: Special meetings of members may be called by the President, the Board, or by 15% of the members entitled to vote at such meetings. The date on which notice of a membership meeting is delivered shall be the record date for the purpose of determining the identity of members entitled to notice of such meeting.

Section 3: Notice of meetings of members.

(1) 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, person or persons calling the meeting, to each member. If mailed, such notice shall be delivered not less than ten (10) nor more than sixty (60) days 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 on the membership books of the corporation, with postage thereon prepaid. If delivered personally, such notice shall be delivered not less than five (5) nor more than sixty (60) days before the date of the meeting and shall be deemed delivered when actually received by the member. A certificate of the secretary or other person giving the notice that the notice required by this section has been given, in the absence of fraud, shall be prima facie evidence of the facts therein stated.

(2) When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting.

Section 4: List of members at meetings.

(1) A list of members, certified by the corporate officer responsible for its preparation, shall be open for inspection at any meeting of members. If the right to vote at any meeting is challenged, the person presiding thereat may rely on such list as evidence of the right of the persons challenged to vote at such meeting.

(2) Failure to comply with this section shall not affect the validity of any action taken at such meeting.

Section 5: Every member entitled to vote at a meeting of members may authorize another member or members to act for him by proxy. Said proxy authorization shall be in such written form and context as the Board of Directors may specify and shall be delivered into the hands of the Secretary of the Corporation by the member or proxy holder prior to the membership meeting.

Section 6: Any business may be conducted at the annual meeting whether or not specified in the notice, except amendments to the Charter and these By Laws which must, in all cases, be specified in the notice. No business shall be conducted at a special meeting which is not specified in the notice.

Section 7: Pursuant to the Corporate Charter, 25% of the members entitled to vote shall constitute a quorum for the transaction of business at any corporation meeting except for a vote to amend the Corporate Charter or these By Laws. If a quorum is not present or represented by proxy at an annual membership meeting, or at a special meeting, the President may adjourn the meeting.

Section 8: The order of business at the annual meetings of the membership shall be as follows:

(1) Proof of due notice of meeting.

(2) Reading of minutes of last annual meeting and of all special meetings held subsequent thereof and action upon said minutes.

(3) Annual report of

a. Board of Directors (including a proposed budget for the next year)

b. Treasurer

c. Committees

(4) Unfinished business

(5) New business (including approval of the proposed budget)

(6) Election of Directors

(7) Adjournment

Article V

Board of Directors and Officers

Section 1: The business and affairs of the corporation shall be managed by a Board of five (5) Directors, each of whom shall be of legal age. Only members of the corporation, their spouses, their children or members of their household are eligible to serve as Directors. Three (3) Directors shall be elected at the first meeting of members for terms of two (2) years and two (2) Directors shall be elected at the first meeting of members for terms of one (1) year and at annual meetings of members for terms of two (2) years, and thereafter until successors have been elected and qualified. Directors shall be elected by a plurality of the votes cast in the election and cumulative voting for Directors is prohibited.

Section 2: Vacancies occurring in the Board for any reason may be filled by a vote of a majority of the Directors then in office, although less than a quorum exists. A Director elected to fill a vacancy shall be elected to hold office until the next annual meeting of the members, at which time the membership will elect a Director to hold office for the remainder of the unexpired term.

Section 3: Any or all of the Directors may be removed without cause by majority vote of the members present. A Director may be removed for "cause", as hereinafter defined, by a majority of the entire board. For purposes of this section, "cause" shall mean final conviction of a felony, declaration of unsound mind by court order, adjudication of bankruptcy, non-acceptance of office or conduct prejudicial to the interest of the corporation.

Section 4: The annual meeting of the Directors will be held immediately following the annual meeting of members. Special meetings of the Board may be called by the President, or a majority of the Directors. Meetings of the Board may be held on any location within Anderson County, Tennessee. A majority of the Board of Directors shall constitute a quorum for the transaction of business.

Section 5: Annual Directors' meetings and Directors' meetings scheduled upon a regular basis may be held without notice. Special meetings of the Board shall be held upon three (3) days' oral or written notice. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board need be specified in the notice or waiver of notice of such 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 thirty days in any one adjournment.

Section 6: The vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except in those unusual cases where a greater number is required by the General Corporation Act of the State of Tennessee, the Charter, or elsewhere in these By Laws.

Section 7: The Board, by a resolution adopted by a majority of the entire Board, 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 but must be members, the spouse of a member, children of a member or members of the household of a member, and the Board may delegate to such committee or committees all such authority of the Board that it deems desirable, except that no such committee or committees, unless specifically so authorized by the Board, shall have and exercise the authority of the Board to:

(a) Submit to members any action that needs members' authorization under the General Corporation Act of the State of Tennessee, or these By Laws.

(b) Fill vacancies in the Board or any committee.

(c) Adopt a plan of distribution of the corporate assets.

The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent member or members at any meeting of such committee.

Each such committee shall serve at the pleasure of the Board. The designation of any such committee and delegation thereto of authority shall not relieve any Director of any responsibility imposed by law.

So far as applicable, the provisions of this chapter relating to the conduct of meetings of the Board shall govern meetings of the Executive and other committees.

Section 8: The Board of Directors shall prescribe or may delegate authority to prescribe and enforce rules and regulations of safety and convenience respecting use of the facilities of the corporation and said rules and regulations shall be enforced in the manner set forth elsewhere in these By Laws.

Section 9: The Board of Directors shall elect from their number a President, Vice President, Secretary and Treasurer. The term of office of said officers shall be for one (1) year and thereafter until successors have been elected and qualified. The Board may require any officer to give security for the faithful performance of his duties. Any officer or agent may be removed by the Board whenever in its judgment the best interests of the corporation will be served thereby. The duties of said officers shall be as follows:

a. The President shall be the active executive officer of the corporation and subject to the Board of Directors, shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall convene and preside at all meetings of the membership and perform such duties as may be assigned to him by the Board of Directors. The President shall preside at all meetings of the Board of Directors.

b. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall from time to time prescribe.

c. The Secretary shall keep the minutes of all meetings of the Board of Directors and membership. He shall give such notices to the Directors and membership as may be required by law or by these By Laws. He shall have charge of all books, papers, contracts and documents belonging to the corporation except those pertaining to the office of the Treasurer. He shall attest to the signature of the corporation by the President. He shall keep or cause to be kept a record showing the name and address of each member of the corporation and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

d. The Treasurer shall have custody of the corporation funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies and other valuable effects in the name and to the credit of the corporation.

He shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements and shall render to the President and Directors at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the finanacial condition of the corporation. All checks on the corporation bank account must be signed by the Treasurer and one other officer.

Section 10: Directors and officers shall discharge the duties of their respective positions in good faith and with that degree of diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions. In discharging their duties, Directors and officers, when acting in good faith, may rely upon financial statements of the corporation stated in a written report by an independent public or certified public accountant or firm of such accountants representing to them fairly to reflect the financial condition of such corporation. In the event a public or certified public accountant is not engaged to prepare a written report on the corporation's financial condition, then each year prior to the annual meeting of members, the President shall appoint from the membership a committee of three (3) to audit the books of the corporation and report its findings to the annual meeting of the membership.

Section 11: The Board of Directors, except as otherwise provided in these By Laws, may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by contract or engagement, or to pledge its credit, or render it liable pecuniarily for any purpose to any amount. Under no circumstances may the Board of Directors pledge the credit of the corporation beyond that specified in the budget without affirmative vote of a majority of the membership.

Section 12: Indemnification of Officers and Directors. Any person who is or was a Director or officer of the corporation, and who serves as such at the request and on behalf of the corporation to protect the corporation's interest, direct or indirect, and its members, may in accordance with paragraph two below be indemnified by the corporation against any and all liability and reasonable expense (including, but not limited to, counsel fees and disbursements and amounts paid in settlement or in satisfaction of judgments or as fines or penalties) paid or incurred by him in connection with or resulting from any claim, action, suit or proceeding (whether brought by or in the right of the corporation of such other corporation or otherwise), civil, criminal, administrative or investigative, including any appeal relating thereto, in which he may be involved, or threatened to be involved, as a party or otherwise, by reason of his being or having been a director or officer of the corporation or such other corporation, or by reason of any action taken or not taken in the course and scope of his employment as such officer or in his capacity as such director, provided: (i) in the case of a claim, action, suit or proceeding brought by or in the right of the corporation to procure a judgment in its favor, that such person has not been adjudged to be liable for negligence or misconduct in the performance of duty to the corporation; and (ii) in the case of a claim, action, suit or proceeding brought other than by or in the right of the corporation to procure a judgment in its favor, that such person acted in good faith for a purpose which he reasonably believed to be in the best interests of the corporation. In any criminal action or proceeding, such person shall be deemed not to have met the standard in clause (ii) of the foregoing sentence if he had reasonable cause to believe that his conduct was unlawful. The termination of any claim, action, suit or proceeding, civil, criminal, administrative or investigative, by judgment, order, settlement (whether with or without court approval, conviction or upon a plea of guilty or nolo contendere, or its equivalent), shall not itself create a presumption that a director or officer did not meet the standards of conduct set forth in this paragraph.

Any person referred to in the above paragraph of this By Law who has been wholly successful on the merits with respect to any claim, action, suit or proceeding of the character described in the above paragraph shall be entitled to and be granted indemnification as of right, except to the extent he has otherwise been indemnified. Except as provided in the preceding sentence, the grant of indemnification under this By Law, unless awarded by a court, shall be at the discretion of the Board, but may be granted only (i) if the Board, acting by a quorum consisting of directors not parties to such claim, action, suit or proceeding, shall have determined in its opinion that the director or officer has met the applicable standards of conduct set forth in the above paragraph or (ii) alternatively, if the Board shall have received the written advice of independent legal counsel that in the latter's judgment such applicable standards of conduct have been met. If several claims, issues, matters or actions are involved, any person referred to in the above paragraph of this By Law may be indemnified by the Board to the extent of that portion of the liability and expenses described in paragraph one above which are allocable to the claims, issues, matters of actions in respect of which such person has met the applicable standards of conduct set forth in the above paragraph. Any rights of indemnification provided in this By Law shall not include any amount paid to the corporation pursuant to any settlement of, or any judgment rendered in or resulting from, any claim, action, suit or proceeding brought by or in the right of the corporation to procure a judgment in its favor.

Expenses incurred with respect to any claim, action, suit or proceeding of the character described in paragraph one of this By Law may be advanced by the corporation prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to, and is granted, indemnification under this By Law.

The rights of indemnification provided in this By Law shall be in addition to any other rights to which any such director or officer may otherwise be entitled by contract or otherwise; and in the event of such person's death, such rights shall extend to his heirs and legal representatives. The foregoing rights shall be available whether or not such person continues to be a director or officer at the time of incurring or becoming subject to such liability and expenses, and whether or not the claim asserted against him is based on matters which antedate the adoption of this By Law.

If any word, clause or provision of this By Law or any award made hereunder shall for any reason be determined to be invalid, the provisions hereof shall not otherwise be affected thereby but shall remain in full force and effect.

Section 13: No officer or Director shall attempt to pledge the credit of the corporation so as to render members personally liable therefor.

Article VI

Obligation of Members

Section 1: The financial obligations of members include the following:

(a) Payment of the initial membership fee.

(b) Payment of annual dues as determined by the membership at its annual meeting. Such dues shall be payable by the beginning of the annual meeting of members.

(c) Payment of special assessments as may be determined by the membership at the annual meeting or at special called meetings.

(d) A member who becomes delinquent in a financial obligation to the corporation must, after due notice from the Treasurer, pay and discharge the obligation or be subject to whatever sanctions that have been previously determined to be appropriate by the Board of Directors.

Section 2: Members of Orchard Knob Property Owners Association, Inc., the spouse of members, their children, and all other persons using corporation facilities are obligated to observe rules of safety and convenience established by Orchard Knob Property Owners Association, Inc. A member, the spouse of a member, a child of a member, or members of the household of a member may be subject to whatever sanctions have been previously determined by the Board of Directors for failure to observe rules and regulations for safety and convenience adopted by the Board of Directors, or by a committee appointed by the Board of Directors for such purpose.

Article VIII

Miscellaneous

Section 1: No member, director, officer, or employee of or member of a committee or person connected with the corporation, or any other private individual shall receive at any time any net earnings or any pecuniary profit from the operations of the corporation provided, that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board of Directors.

Section 2: Whenever members are required or permitted to take action pursuant to the General Corporation Act of the State of Tennessee, such actions may be taken without a meeting, on written consent, setting forth the action so taken, signed by all of the members entitled to vote thereon. Directors may take any action which they are required or permitted to take under the General Corporation Act of the State of Tennessee without a meeting in the same manner.

Section 3: If any word, clause, or provision of these By Laws be determined to be invalid, the remaining provisions hereof shall not otherwise be affected thereby but shall remain in full force and effect.

Article IX

Amendments to By Laws

These By Laws may be amended by the affirmative vote of a majority of all the members entitled to vote thereon, or upon receiving two-thirds of the votes of members present or represented at a meeting held pursuant to a notice of the proposed By Law amendments.