

**EXHIBIT "A" TO EIGHTH AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

Exhibit "C"

**BYLAWS
OF
WINSTON HILLS HOMEOWNERS ASSOCIATION**

ARTICLE I

Name and Location. The name of the corporation is Winston Hills Homeowner's Association, Inc., a Tennessee not-for-profit corporation (hereinafter referred to as the "Association"). The principal office of the corporation may be located, and the meetings of members and directors may be held, at such place or places within the State of Tennessee, County of Sumner, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

All terms used herein shall have the same definitions as set out in Article I of the Declaration, to which these Bylaws are attached as Exhibit "C".

**ARTICLE III
MEETING OF MEMBERS**

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

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

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

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

Section 6. Voting. The voting rights of Members is governed by Article III of the Declaration. No Member in default in the payment of Assessments hereunder shall be entitled to vote, until such default is cured.

ARTICLE IV **BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be governed by a board of not less than three (3) nor more than seven (7) directors, as such number may from time to time be established by the Members. Each Director shall have one (1) vote. The Directors need not be Members of the Association. The initial Board of Directors shall consist of three (3) Directors.

Section 2. Term of Office. The initial Board of Directors shall serve until the termination of Class B Membership, and until their successors are elected. At the first annual meeting after the termination of Class B Membership, the Members shall elect one-third (1/3) of the directors for a term of one (1) year, one-third (1/3) of the directors for a term of two (2) years, and one-third (1/3) of the directors for a term of three (3) years, and at each annual meeting thereafter, the Members shall elect one-third (1/3) of the directors for a term of three (3) years.

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

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could have taken at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 6. Right to Disapprove Actions. So long as Class "B" Membership exists, the Class "B" Members shall have the right to disapprove actions of the Board and the Architectural Review Committee. This right is exercisable only by Class "B" Members and this section providing for the right to disapprove cannot be amended without written consent of the Class "B" Members so long as Class "B" Membership exists.

ARTICLE V **APPOINTMENT, NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Initial Board of Directors. The initial Board of Directors shall consist of A. Danny Hale, Randy Hoffman and Jean Hale, who shall serve until the termination of Class B Membership and/or until their successors are elected.

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

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

ARTICLE VI **MEETING OF DIRECTORS**

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

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

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

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

- (a) adopt and publish rules and regulations governing the maintenance and care of the Common Area and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights of a Member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association, all powers, duties and authority vested in or delegated to this Association, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties. Declarant, or managing agent of Declarant, may be employed as manager.
- (f) to borrow money for the purpose of maintenance, repair or restoration of the Common Area and for other purposes with the approval of the Association members pursuant to the provisions thereof.
- (g) appoint the members of the Architectural Control Committee.
- (h) establish, levy, assess and collect the assessments or charges as may be necessary.

Section 2. Duties. The Duties of the Board of Directors are as provided in the Declaration, to which these Bylaws are attached as Exhibit "C", and in addition thereto, it shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting, or at any special meeting when such statement is requested in writing by one-tenth (1/10) of all classes of Members entitled to vote;
- (b) supervise all officers , agents and employees of this Association, and see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to fix the amount of assessments, send written notice of same to every Owner at least thirty (30) days in advance of assessment period, and foreclose the lien against any property for which assessments are in default (not paid within thirty (30) days of due date) or bring an action at law against the defaulting Owner;
- (d) issue, or cause to be issued, upon demand by any person, a certificate setting forth whether or not any assessment has been paid;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Areas or Common Elements to be maintained.

ARTICLE VIII **OFFICERS and THEIR DUTIES**

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) **President.** The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments, and shall co-sign all checks and promissory notes.
- (b) **Vice-President.** The vice-president shall act in the place an instead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- (c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal serve notice of the meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.
- (d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

Generally, the Board of Directors may appoint committees as deemed appropriate in carrying out its purpose, pursuant to the provisions of the Declaration, to which these Bylaws are attached as Exhibit "C". Specifically, the Board of Directors may appoint an Architectural Control Committee ("ACC") to consist of at least three (3) and no more than five (5) members, all of whom shall be appointed by the Board of Directors. The ACC, if established, shall have exclusive jurisdiction over all new construction on any portion of the Properties, as well as modifications, additions, or alterations made on or to existing Units or structures containing Units and the open space, if any, appurtenant thereto.

The ACC shall promulgate detailed standards and procedures governing its areas of responsibility and practice, consistent with the guidelines and procedures detailed in this Declaration. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions or alterations, shall be submitted to the ACC for approval as to quality of workmanship and design and as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired. In the event that the ACC fails to approve or to disapprove such plans or to request additional information reasonably required within forty-five (45) days after submission, the plans shall be deemed approved. Any alterations to approved exterior finishes and elevations must be approved in writing by the ACC.

The approval of the ACC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ACC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

The ACC may authorize variances from compliance with any of the provisions of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of the Declaration, or (c) estop the Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

ARTICLE X **BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI ASSESSMENTS

The Declaration provides for the obligation of Members to pay to the Association annual assessments, special assessments and remedial assessments, all of which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid in full within thirty (30) days after the due date are in default and shall bear interest as provided in the Declaration. The Association may bring an action for collection as provided for in the Declaration, and any costs associated therewith shall be added to the amount of the assessment and interest. There may be no waiver of assessments provided for herein by non-use of the Common Area or abandonment of a Lot or Unit by an Owner.

ARTICLE XII ANNUAL BUDGET AND REPORT

Section 1. Annual Budget. The estimated annual Budget (the "Budget") for each fiscal year shall be approved by the Board, and copies thereof furnished to any Member upon written request, not later than thirty (30) days prior to the beginning of such year. The Budget shall provide for the schedule of proportionate shares (monthly, quarterly, etc.) of payment of annual assessments by Members. Although such proportionate share shall be in accordance with the respective ownership in the Common Area and Common Elements, the Board may determine different allocations with respect to parts of such charges whenever the Board determines, in its sole discretion, that said allocation may be unfair. Allocations shall be applied uniformly to all Members of like situations and shall be final and binding upon all parties. In the event that the Board shall not approve an annual budget or fail to determine the assessments for any year, or shall be delayed in doing so, each Member shall continue to pay the amount of their respective assessments as last determined until such time as they are notified of the new budget/assessments by the Board.

Section 2. Partial Year or Month. For the first fiscal year, the annual budget shall be approved by the First Board. If such first fiscal year, or any succeeding fiscal year , shall be less than a full year, then the assessments for each Member shall be proportionate to the number of months and days covered by said Budget. Commencing with the date of occupancy of its Unit, each Member shall pay assessments for the following period or fraction of a period, which assessment shall be in proportion to ownership interest in the Common Area or Common Elements and the number of months and days covered by the current Budget, and which assessment shall be computed by the Board.

Section 3. Annual Report. Within forty-five (45) days after the end of each fiscal year covered by the Budget, or as soon thereafter as shall be practicable, the Board shall cause to be made available to any Member requesting same in writing, a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem desirable.

Section 4. Supplemental Budget. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the Budget for such year, are insufficient or inadequate to cover the expenses of the Association for the remainder of the year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency, copies of which supplemental budget shall be made available to each Member upon written request, and assess a special assessment to each Member for its proportionate share.

Section 5. Expenditures. Except for expenditures and contracts specifically authorized by the Declaration and By-laws herein, the Board shall not approve any expenditures in excess of Five Thousand and No/100 Dollars (\$5,000.00) unless required for emergency repair, protection or operation of the Common Area or Common Elements, or enter into any contract for more than three (3) years without approval by a majority of the Members. For purposes of this paragraph, the discharge of a mechanic's lien which, in the opinion of the Board, constitutes a lien against the Common Area or Common Elements, shall be deemed to be an expenditure required for the emergency repair, protection or operation of the Common Area or Common Elements.

ARTICLE XIII **INDEMNIFICATION OF BOARD OF DIRECTORS, OFFICERS AND** **COMMITTEE MEMBERS**

The Association shall indemnify and hold each of its directors and officers, each member of any committee appointed pursuant to the Bylaws of the Association, and the Board, against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers or committee members, on behalf of the Members or arising out of their status as directors, Board, officers, or committee members, unless any such contract or act shall have been made in clear violation of the Declaration of these By-Laws, or fraudulently or with gross negligence or criminal intent. This indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or other proceeding, whether civil, criminal, administrative or other, in which any such director, officer, Board or committee member may be involved by virtue or such persons being or having been such director, officer, Board or committee member; provided, however, that such indemnity shall not be operative with respect to: (a) any matter as to which such person is finally adjudged to be liable for gross negligence or fraud in the performance of their duties as such director, officer, Board or committee member; or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable grounds for such persons being adjudged liable for criminal acts, or clearly violating the Declaration or these By-Laws, or for gross negligence or fraud in the performance of their duties as such director, officer, Board or committee member. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in

advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case, upon receipt of an undertaking satisfactory to the Board by or on behalf of the person, or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Association as authorized by this Article. The Association and the Board shall have the power to raise and the responsibility for raising any sums required to discharge its obligation under this Article by special assessment. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of Members of the Association or otherwise. In no event, however, shall this indemnity exceed coverage occasioned by liability insurance coverage, which the Association is required to carry and maintain.

ARTICLE XIV AMENDMENTS

These Bylaws shall be amended in the same manner as the Declaration, to which these Bylaws are attached as Exhibit "C", pursuant to Article IX thereof.

ARTICLE XV MISCELLANEOUS

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

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

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

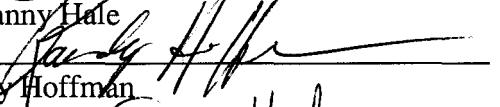
Section 4. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, male or female, shall in all cases be assumed as though in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

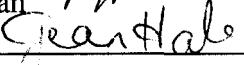
Section 5. Notices. Any notice required to be sent to the Owner of any Lot pursuant to any provision of the Declaration or these Bylaws shall be served by personal delivery or by depositing such notice in the mails, postage prepaid, regular mail, addressed to an

owner, at such address as such Owner may have designated to the Association, or if no other address has been designated then at the address of such Owner's Lot. Such service shall be deemed sufficient, and the date of service shall be the date of mailing. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

IN WITNESS WHEREOF, we, being all of the directors of WINSTON HILLS HOMEOWNER'S ASSOCIATION, INC., have hereunto set our hands this 4th day of January, 2005.


A. Danny Hale


Randy Hoffman


Jean Hale

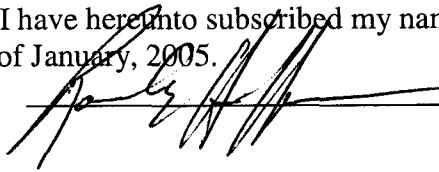
CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Winston Hills Homeowner's Association, Inc., a Tennessee corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 4th day of January, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed seal of said Association this 4th day of January, 2005.

, Secretary