

BY-LAWS
OF
WELLINGTON FARMS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Qualification

Section 1. Every owner, defined hereinafter, of a lot in Wellington Farms Subdivision, Phases 4 through 7, shall be a member of the Corporation; and, if Duntreath Partners so elects, as provided in the Declaration of Covenants and Restrictions for Wellington Farms Subdivision, Phases 4 Through 7 and, Subject to Certain Conditions, for the Property Described on Exhibit B Hereto (the "Declaration"), every owner of a lot in Phases 8, 9 and 10 of said Subdivision shall be a member of the Corporation by right of ownership of such lot. If governmental authorities require Tract 2 [as identified in the Declaration], or portions thereof, to be designated on official plats of subdivision by some other nomenclature than Phases 8, 9 and 10 of Wellington Farms Subdivision, then, for the purposes hereof, wherever the term "Phases 8, 9 and 10" is used herein, same shall refer to the same land required by governmental authorities to be designated in another manner. "Owner" shall mean and refer to a person or any other legal entity, or any combination thereof, which is the record owner of a lot. Tenants in common, joint tenants by the entireties, or other joint owners shall constitute together the owner with respect to any lot in which they have or possess an interest. The term "owner" shall include and embrace the term "member" as such term may be used hereinafter. Each owner shall be a member of the Corporation and such membership shall cease upon cessation of ownership of a lot.

Annual Meeting

Section 2. The annual meeting of the members of this Corporation shall be held in the State of Tennessee at such place as the Directors may designate on the second Tuesday of the second month following the close of the fiscal year, unless such date is a legal holiday, in which case the meeting shall be held on the preceding business day, of each and every year for the election of Directors and such other business as may properly come before said meeting. At the annual meeting the President shall report on the activities and financial condition of the Corporation. The Corporation shall notify members of the date, time, and place of each annual members' meeting no fewer than ten (10) days nor more than two (2) months before the meeting date. Unless the laws of the State of Tennessee require otherwise, the notice of said meeting need not include a description of the purpose or purposes for which the meeting is called.

If the annual meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if the new date, time, or place is announced at the meeting before adjournment. However, if a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are members as of the new record date.

Notwithstanding the foregoing, so long as Duntreath Partners is solely obligated under the terms of the Declaration to pay the maintenance obligations as provided for therein, no such annual meeting shall be held.

Special Meeting

Section 3. The Corporation shall hold a special meeting of members on call of the Board of Directors or President, or, unless the Charter otherwise provides, if the holders of at least ten percent (10%) of all the votes entitled to be cast on any issue to be proposed to be considered at the proposed special meeting sign, date, and deliver to the Corporation's Secretary one (1) or more written demands for the meeting describing the purpose or purposes for which it is to be held. Special members' meetings may be held in the State of Tennessee at such place as the Directors or President may designate, or, in the absence of such designation, at the Corporation's principal office. The Corporation shall notify members of the date, time, and place of each special members' meeting no fewer than ten (10) days nor more than two (2) months before the meeting date; provided, however, that notice of the special meeting shall in any event be given within one (1) month after the date that written demand(s) for such meeting by the holders of at least ten percent (10%) of all the votes entitled to be cast is delivered to the Corporation's Secretary. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called, and only business within the purpose or purposes described in the notice shall be conducted at the special members' meeting. If a special meeting is adjourned to a different date, time, or place, notice need not be given of the date, time, or place if the new date, time, or place is

announced at the meeting before adjournment. However, if a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting shall be given to persons who are members as of the new record date.

Action Without Meeting

Section 4. Action required or permitted by any provision of the Tennessee Nonprofit Corporation Act, as now in effect or hereafter amended, to be taken at a members' meeting may be taken without a meeting. If all members entitled to vote on the action consent to taking such action without a meeting, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the members. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each member entitled to vote on the action in one (1) or more counterparts, indicating each signing member's vote or abstention on the action, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. If not otherwise determined under these By-Laws or the laws of the State of Tennessee, the record date for determining members entitled to take action without a meeting is the date the first member signs the written consent. A consent signed under this section shall have the effect of a meeting vote and may be described as such in any document.

Action by Written Ballot

Section 5. Unless prohibited or limited by the Charter or By-Laws, any action which may be taken at any annual or special meeting of members may be taken without a meeting if the Corporation delivers a written ballot to every member entitled to vote on the matter. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements, state the percentage of approvals necessary to approve each matter other than election of Directors and specify the time by which a ballot must be received by the Corporation in order to be counted. Except as may otherwise be provided in the Charter or By-Laws, a written ballot may not be revoked.

Waiver of Notice

Section 6. A member may waive any notice required by the Charter, these By-Laws, or by any provision of the Tennessee Nonprofit Corporation Act, before or after the date and time stated in the notice. The waiver must be in writing, be signed by the member entitled to the notice, and be delivered to the Corporation for inclusion in the minutes or filing with the corporate records. A member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting (or promptly upon his arrival) objects to holding the meeting or transacting business at the meeting, and waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

Fixing of Record Date

Section 7. The Board of Directors may fix the record date in order to determine the members entitled to notice of a members' meeting, to demand a special meeting, to vote, or to take any other action. However, a record date fixed by the Board of Directors shall not be more than seventy (70) days before the meeting or action requiring a determination of members occurs. A determination of members entitled to notice of or vote at a members' meeting shall be effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than four (4) months after the record date fixed for determining members entitled to notice of the original meeting.

Quorum

Section 8. Fifteen (15) of the votes entitled to be cast on a matter must be represented at a meeting of members to constitute a quorum on that matter. When a quorum is once present to organize a meeting, a meeting may be adjourned despite the absence of a quorum caused by the subsequent withdrawal of any of those present. When a quorum exists, action(s) taken at the meeting by a majority of the voting power present shall constitute the act(s) of the members, unless any law of the State of Tennessee requires a greater number of affirmative votes.

Proxies

Section 9. A member may vote in person or by proxy. A member may appoint a proxy to vote or otherwise act for him by signing an appointment form, either personally or by his attorney-in-fact. An appointment of proxy shall be effective when received by the Secretary or other officer or agent authorized to tabulate votes. An appointment shall be valid for eleven (11)

months unless another period is expressly provided in the appointment form. An appointment of a proxy shall be revocable by the member except as otherwise provided in T.C.A. Section 48-57-205, as now in effect or hereafter amended.

Voting

Section 10.

(a) As provided in the Declaration, Duntreath Partners shall have the sole right to elect the members of the Board of Directors of the Corporation for a specified period of time. The provisions of the Declaration relative to such right are incorporated herein by reference. After Duntreath Partners has relinquished such right, the provisions of subparagraph 10(b) hereof shall be applicable.

(b) The Board of Directors of the Corporation shall be elected by the majority vote of the members casting votes at a meeting at which a quorum is present. The Charter of this Corporation does not provide for cumulative voting for Directors, and it is hereby expressly stated that members do not have the right to cumulate their votes for Directors.

Members' List for Meeting

Section 11. After fixing a record date for a notice of a meeting, the Corporation shall prepare an alphabetical list of the names of all its members who are entitled to notice of a members' meeting. The list must show the address and number of votes a member is entitled to vote at the meeting. The members' list must be available for inspection by any member, beginning two (2) business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the Corporation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. The Corporation shall make the members' list available at the meeting, and any member, his agent, or his attorney shall be entitled to inspect the list at any time during the meeting or any adjournment. A member, his agent, or attorney shall be entitled on written demand to inspect and to copy the list, at a reasonable time and at his expense, during the period that it is available for inspection; provided, however, that the member must give the Corporation written notice at least five (5) business days before the date on which the member wishes to inspect and copy, that the aforesaid written demand to inspect and copy said list must be made in good faith and for a proper purpose, that the member must describe with reasonable particularity his purpose and the records he desires to inspect, and that the records must be directly connected with his purpose. Further, without the consent of the Board of Directors, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a member's interest as a member. Without limiting the generality of the foregoing, without the consent of the Board, a membership list or any part thereof may not be used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Corporation, used for any commercial purpose or given or sold to or purchased by any person.

Voting Entitlement to Shares

Section 12. Ownership of a lot in a Phase of Wellington Farms Subdivision which is subject to the Declaration shall entitle such owner to one vote as a member. If a member owns more than one such lot, such member shall be entitled to one vote for each lot owned. If any lot is owned jointly, the joint owners shall only have one vote as to each lot and if they are unable to determine between or among themselves as to how to cast such vote, they shall not be entitled to vote.

ARTICLE II

PROVISIONS RELATING TO BOARD OF DIRECTORS

Board of Directors

Section 1. All corporate powers shall be exercised by or under the authority of, and the affairs of the Corporation managed under the direction of, its Board of Directors. The Board of Directors shall determine the amount of and administer the collections of assessments, keep and account for the monies received, and report, at least annually, to the members of the Corporation, expend such of the funds as are necessary for the purpose of maintenance of the Landscape Easement, and all improvements thereon and therein, and the cost of utilities therefor, and, if required, for the purpose of capital improvements, or for the purpose of acquiring and maintaining any insurance deemed appropriate by the Board, all in such amounts and at such times as shall be determined by the Board. The Board of Directors shall see to the enforcement of the provisions of the Declaration of Covenants and Restrictions for the subdivision, as now in effect or as may be amended or superseded from time to time. The Board of Directors, at its sole discretion, shall be permitted to vote to expand the membership to adjoining areas with like or common interests, if the Board deems it in the interest of the Corporation.

Number, Tenure and Qualifications

Section 2. The initial Board of Directors shall consist of three (3) individuals and shall remain at such number so long as Duntreath Partners has the sole right to elect the members of the Board. Thereafter, the number of Directors shall be eight (8), one representing each Phase, which number may be increased or decreased (but to no fewer than three) from time to time by an amendment to these By-Laws. Directors need not be residents of the State of Tennessee but must be in good financial standing with the Association and an owner or part owner of a lot, or a partner, principal shareholder or member in a legal entity which is an owner of a lot, subject to assessment by the Corporation; provided, however, that the Board elected by Duntreath Partners in accordance with its rights under the Declaration may be made up of persons who are not owners of a lot. Initial Directors may be elected by the Incorporator of the Corporation in accordance with direction from Duntreath Partners. Subject to the right of Duntreath Partners to elect the members of the Board during the period of time specified in the Declaration, Directors shall be elected at the first members' meeting and at each subsequent annual meeting of the members, and the terms of the initial Directors of the Corporation shall expire at the first members' meeting at which Directors are elected. The terms of all other Directors shall expire at the next annual members' meeting following their election. Despite the expiration of a Director's term, he shall continue to serve until his successor is elected and qualified or until there is a decrease in the number of Directors. A Director may resign at any time by delivering written notice to the Board of Directors, the President, or to the Corporation. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. A vacancy created by a resignation that will occur at a specific later date may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs. The Board of Directors shall serve without compensation.

After Duntreath Partners has relinquished the right granted to it under the Declaration to elect all of the members of the Board of Directors, no more than two (2) persons who own Lots in any one Phase of the Subdivision may be members of the Board of Directors so that all Phases of the Subdivision shall have the opportunity to have owners of Lots within the respective Phases represented on the Board of Directors.

[Amended 6/28/01 and 11/9/02]

Removal of Directors

Section 3. The members may remove one (1) or more Directors with or without cause if elected by the members. Only Duntreath Partners may remove a Director from a Board elected solely by it. A Director may be removed only if the number of votes cast to remove the Director would be sufficient to elect the Director at a meeting to elect Directors. A Director may be removed by the members, when members have such right, only at a meeting called for the purpose of removing the Director and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the Director.

Vacancies

Section 4. Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors, unless a meeting of the members is then in progress, in which latter event the members shall fill any vacancy.

Regular Meetings of the Board of Directors

Section 5. Regular meetings of the Board of Directors may be held at such time and place as the Board of Directors shall from time to time determine. The President may waive any regular meeting of the Board of Directors. The Board of Directors shall permit any or all Directors to participate in a regular meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means shall be deemed to be present in person at the meeting.

Annual Meeting of the Board of Directors

Section 6. The annual meeting of the Board of Directors shall be held in the State of Tennessee on the second Tuesday of the second month following the close of the fiscal year, unless such date is a legal holiday, in which case the meeting shall be held on the preceding business day, of each and every year immediately following the adjournment of the annual meeting of the members of the Corporation.

Special Meetings of the Board of Directors

Section 7. The Board of Directors may hold special meetings in the State of Tennessee, and such meetings may be called by the President or any two (2) Directors. The Board of Directors shall permit any or all Directors to participate in a special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating can simultaneously hear each other during the meeting. A Director participating in a meeting by this means shall be deemed to be present in person at the meeting.

Notice of Meetings of the Board

Section 8. Regular meetings of the Board of Directors shall be held without notice. Special meetings of the Board of Directors shall be preceded by at least two (2) days' notice to each Director of the date, time and place of the meeting. The notice need not describe the purpose of the special meeting. Notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment does not exceed one (1) month in any one (1) adjournment.

Action Without Meeting

Section 9. Action required or permitted to be taken by the laws of the State of Tennessee at a Board of Directors' meeting may be taken without a meeting. If all the Directors consent to taking such action without a meeting, the affirmative vote of the number of Directors that would be necessary to authorize or to take such action at a meeting shall be the act of the Board. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each Director in one (1) or more counterparts, indicating each signing Director's vote or abstention on the action, and which shall be included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section shall be effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under the section shall have the effect of a meeting vote and may be described as such in any document.

Waiver of Notice

Section 10. A Director may waive any notice required by these By-Laws, the Charter, or by any provision of the laws of the State of Tennessee, before or after the date and time stated in the notice. The waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records. In addition, a Director's attendance at or participation in a meeting waives any required notice to him of the meeting unless the Director at the beginning of the meeting (or promptly upon his arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Quorum and Voting

Section 11. Except as otherwise provided by the laws of the State of Tennessee, the Charter or these By-Laws, a quorum of a Board of Directors consists of a majority of the Directors in office immediately before a meeting begins. In no event may a quorum consist of fewer than the greater of one-third (1/3) of the number of Directors in office or two (2) Directors. When a quorum is once present to organize a meeting, a meeting may be later adjourned despite the absence of a quorum caused by the subsequent withdrawal of any of those present. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board unless the laws of the State of Tennessee, the Charter or By-Laws require the vote of a greater number of Directors. A Director who is present at a meeting of the Board of Directors when corporate action is taken shall be deemed to have assented to the action taken unless: (i) he objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting business at the meeting; (ii) his dissent or abstention from the action taken is entered in the minutes of the meeting; or (iii) he delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention shall not be available to a Director who votes in favor of the action taken.

Committees

Section 12. The Board of Directors may create one (1) or more committees of the Board. A committee may consist of one (1) natural person. Members of committees may be members of the Board of Directors or other natural persons, and they shall serve at the pleasure of the Board of Directors. The creation of a committee and appointment of members to it must be approved by the greater of: (1) a majority of all the Directors in office when the action is taken; or (2) a majority of the Directors present at a meeting at which a quorum is present. To the extent specified by the Board of Directors, in the Charter or in these By-Laws, each committee of the Board may exercise the Board's authority under the laws of the State of Tennessee. However, a committee may not (1) authorize distributions; (2) approve or recommend to the members dissolution, merger or the sale, pledge or transfer of all

or substantially all of the Corporation's assets; (3) elect, appoint or remove Directors or fill vacancies on the Board or on any of its committees; or (4) adopt, amend or repeal the Charter or By-Laws. Further, no committee may approve any transaction wherein there is a Director or officer conflict of interest unless such committee consists entirely of members of the Board of Directors. The provisions of the Tennessee Nonprofit Corporation Act, as now in effect or hereafter amended, the Charter, and these By-Laws which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors shall apply to committees and their members as well.

Discharge of Duties

Section 13. A Director shall discharge his duties as a Director, including his duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the best interests of the Corporation. In discharging his duties, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (i) one (1) or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of Directors of which he is not a member, as to matters within its jurisdiction, if the Director reasonably believes the committee merits confidence. However, a Director is not acting in good faith if he has knowledge concerning the matter in question that makes reliance otherwise permitted by this By-Law unwarranted. A Director shall not be liable for any action taken as a Director, or any failure to take any action, if he has performed the duties of his office in compliance with this By-Law or if he is immune from suit pursuant to the provisions of Section 48-58-601 of the Tennessee Nonprofit Corporation Act, as now in effect or as may be hereafter amended. A Director shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation, including without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

ARTICLE III

PROVISIONS RELATING TO OFFICERS

Officers

Section 1. This Corporation shall have a President and a Secretary. The Board of Directors, or a duly appointed officer if authorized by the Board of Directors, may also appoint a Vice President, Treasurer, Assistant Treasurer and Assistant Secretary. The same individual may simultaneously hold more than one (1) office in the Corporation, except the offices of President and Secretary. Officers shall be appointed at the first meeting of the Board of Directors and shall hold office for a term of one (1) year. Despite the expiration of an officer's term, he shall continue to serve until his successor is appointed and qualified. An officer may resign at any time by delivering notice to the Corporation. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor shall not take office until the effective date. The Board of Directors may remove any officer at any time with or without cause, and any officer or assistant officer, if appointed by another officer, may likewise be removed by such officer. The appointment of an officer does not itself create contract rights, and an officer's removal shall not affect the officer's contract rights, if any, with the Corporation. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

Duties of President

Section 2. The President shall preside at all meetings of the members and Board of Directors; he shall sign and execute all contracts in the name of the Corporation, when authorized to do so by the Board of Directors; appoint and discharge agents and employees subject to approval of the Board of Directors; and he shall have the authority to generally manage the business and affairs of the Corporation and perform all the duties incidental to his office.

Duties of Vice President

Section 3. The Vice President shall, in any absence or incapacity of the President, perform the duties of that office and shall also perform those other duties prescribed by the Board of Directors.

Duties of The Treasurer

Section 4. The Treasurer shall have the care and custody of all of the funds and securities of the Corporation and deposit the same in the name of the Corporation in such bank or banks as the Directors may elect; he shall have the authority delegated to him by the Board of Directors to sign checks, drafts, notes and orders for the payment of money.

Duties of the Secretary

Section 5. The Secretary shall keep the minutes of the meetings of members and of the Board of Directors and shall send copies of such minutes to those Directors and members who attended the meeting; he shall authenticate records of the Corporation; he shall attend to the giving and serving of all notices of the Corporation as required by him; he shall have charge of the minute book and such other records of the Corporation as the Board may direct; he shall attend to such correspondence as may be assigned to him and perform all duties incidental to his office.

Discharge of Duties

Section 6. An officer with discretionary authority shall discharge his duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the best interest of the Corporation. In discharging his duties, an officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one (1) or more officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence. However, an officer is not acting in good faith if he has knowledge concerning the matter in question that makes reliance otherwise permitted by this By-Law unwarranted. An officer shall not be liable for any action taken as an officer, or any failure to take any action, if he has performed the duties of his office in compliance with this By-Law.

ARTICLE IV

MISCELLANEOUS

Notice

Section 1.

(a) Any notice required or permitted to be given shall be in writing, except that oral notice is effective if it is reasonable under the circumstances and not prohibited by the Charter or By-Laws.

(b) Notice may be communicated in person; by telephone, telegraph, teletype or other form of wire or wireless communication; or by mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television, or other form of public broadcast communication.

(c) Written notice by the Corporation to a member, if in a comprehensible form, is effective when mailed, if mailed first class, postpaid and correctly addressed to the member's address shown in the Corporation's current record of members.

(d) A written notice or report delivered as part of a newsletter, magazine or other publication regularly sent to members shall constitute a written notice or report if addressed or delivered to the member's address shown in the Corporation's current record of members, or in the case of members who are residents of the same household and who have the same address in the Corporation's current record of members, if addressed or delivered to one (1) of such members, at the address appearing on the current list of members.

(e) Written notice to a domestic or foreign corporation (authorized to transact business in this state) may be addressed to its registered agent at its registered office or to the corporation or its Secretary at its principal office shown in its Charter or Application for a Certificate of Authority, as most recently amended.

(f) Except as provided in subsection (c), written notice, if in a comprehensible form, is effective at the earliest of the following:

- (1) When received;
 - (2) Five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first class postage affixed thereon;
 - (3) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
 - (4) Twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first class, registered or certified postage affixed.
- (g) Oral notice is effective when communicated if communicated in a comprehensible manner.
- (h) If the laws of the State of Tennessee prescribe notice requirements for particular circumstances, those requirements govern. If the Charter or any By-Law prescribes additional notice requirements, not inconsistent with the laws of the State of Tennessee, those requirements govern.

Indemnification of Directors and Officers

Section 2. Subject to any limitations set forth in the Charter of the Corporation, the Corporation shall indemnify and advance expenses to each present and future Director or officer of the Corporation, or any person who may serve at its request as a Director or officer of another company (and, in either case, his heirs, estate, executors or administrators) to the full extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted. The Corporation may indemnify and advance expenses to any employee or agent of the Corporation who is not a Director or officer (and his heirs, estate, executors or administrators) to the same extent as to a Director or officer, if the Board of Directors determines that it is in the best interests of the Corporation to do so. The Corporation shall also have the power to contract with any individual Director, officer, employee, or agent for whatever additional indemnification the Board of Directors shall deem appropriate. The Corporation shall have the power to purchase and maintain insurance on behalf of an individual who is or was a Director, officer, employee, or agent of the Corporation, or who, while a Director, officer, employee, or agent of the Corporation, is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a Director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify him against the same liability under this By-Law.

Records

Section 3. The Corporation shall keep as permanent records minutes of all meetings of its members and Board of Directors, a record of all actions taken by the members and the Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of its members in a form that permits preparation of a list of the names and addresses of all members, in alphabetical order by class showing the number of votes each member is entitled to vote. The Corporation shall maintain its records in written form or in other form capable of conversion into written form within a reasonable time. The Corporation shall keep at its principal office a copy of its Charter or Restated Charter and all amendments thereto currently in effect; its By-Laws or Restated By-Laws and all amendments to them currently in effect; resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of members or any class or category of members; the minutes of all meetings of members and records of all actions approved by the members for the past three (3) years; all written communications to members generally within the past three (3) years, including the financial statements furnished for the last three (3) years under Section 48-66-201 of the Tennessee Nonprofit Corporation Act; a list of the names and business or home addresses of its current Directors and officers; and its most recent annual report delivered to the Secretary of State.

Reports

Section 4. The Corporation shall prepare annual financial statements that include a balance sheet as of the end of the fiscal year and an income statement for that year. If financial statements are prepared for the Corporation on the basis of generally accepted accounting principles, the annual financial statement must also be prepared on that basis. If the annual financial statements are reported upon by a public accountant, his report must accompany them. If not, the statements must be accompanied by a statement of the President or the person responsible for the Corporation's accounting records stating his reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of

preparation, and describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

Seal

Section 5. The Corporation shall have the power to have a corporate seal, which may be altered at will, and to use it, or a facsimile of it, by impressing or affixing it, or in any other manner reproducing it; provided, however, that the Corporation shall not be required to have a seal and the absence of such seal on any document shall not affect its validity.

Amendment of By-Laws

Section 6.

(a) During such time that Duntreath Partners is solely obligated for maintenance obligations relative to Phases of Wellington Farms Subdivision that are subject to the provisions of the Declaration, as provided in the Declaration, the said Duntreath Partners shall have the right to amend these Bylaws to conform to any amendment it makes to the Declaration.

(b) The Corporation's Board of Directors may amend or repeal the Corporation's By-Laws unless the Charter or the laws of the State of Tennessee reserve this power exclusively to the members in whole or in part, or the members in amending or repealing a particular By-Law provide expressly that the Board of Directors may not amend or repeal that By-Law. The Corporation's members may amend or repeal the Corporation's By-Laws even though the By-Laws may also be amended or repealed by its Board of Directors. An amendment to the By-Laws shall be approved by members by two thirds (2/3) of the votes cast or a majority of the voting power, whichever is less. Provided, however, an amendment to the By-Laws which relates solely to the dues, if any, required for membership and which establishes or changes a specific amount for dues, shall be approved by a majority of the members present and voting unless the By-Laws or Charter specifies a higher voting percentage.

Declaration of Covenants and Restrictionsfor

Wellington Farms Subdivision

Section 7. The terms, conditions and provisions of the Declaration of Covenants and Restrictions for Wellington Farms Subdivision, Phases 4 Through 7 and, Subject to Certain Conditions, for the Property Described on Exhibit B Hereto, as they now exist and as they may be amended or superseded from time to time, including, but not limited to, the imposition of, requirement to pay, and all other provisions relating to, assessments, are incorporated herein by reference as if recited herein verbatim. Notwithstanding any provision of these By-Laws to the contrary, whenever any provision of said Declaration conflicts with any provision of these By-Laws, as they now exist or as they may be amended from time to time, the provision of the Declaration shall control.

Administrative Fees

Section 8. Homeowners will be responsible for returned checks at the bank charge plus \$10. Processing of closing letters will be charged at \$5. Copies of the Declaration and By-Laws for closing will be charged at \$5.

[Added by Amendment 11/18/02]

Prepared by and Return to:
C. Thomas Cox
Jurch, Porter & Johnson
120 North Court
Memphis, TN 38103

FL 2617

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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WELLINGTON FARMS SUBDIVISION, PHASES 4 THROUGH 7 AND,
SUBJECT TO CERTAIN CONDITIONS, FOR THE PROPERTY
DESCRIBED ON EXHIBIT B HERETO

This Declaration ("Declaration") is made and executed on behalf of Duntreuth Partners, a Tennessee general partnership composed of G. Benjamin Clark and Nicholas G. Clark and formerly known as Duntreuth Partnership (hereinafter sometimes called "Declarant").

ARTICLE I

RECITALS

1.1 Effect of this Instrument. Declarant is the owner in fee simple of the parcel of real estate situated in the Town of Collierville, Shelby County, Tennessee, described on Exhibit A hereto. Declarant may become the owner in fee simple of the parcel of real estate situated in the Town of Collierville described on Exhibit B hereto. Portions of the property described on Exhibit A will be developed and designated, respectively, on plats which will be officially recorded with respect thereto as Phases 4, 5, 6 and 7 of Wellington Farms Subdivision. Portions of the property described on Exhibit B hereto may be purchased by Declarant and developed and subjected to the terms hereof, and, if so, will be designated, respectively, on plats which will be officially recorded with respect thereto as Phases 8, 9 and 10 of Wellington Farms Subdivision. All of the property described on Exhibit A is sometimes referred to as Tract 1 and all of the property described on Exhibit B is sometimes referred to herein as Tract 2. The effect of this instrument is to subject Tract 1 to the terms hereof and to provide a mechanism by which Tract 2, or portions thereof, may also be subjected to the terms hereof if the Declarant should later so elect. Declarant shall indicate its decision to subject portions of Tract 2 to the provisions of this Declaration by filing a notice thereof in the Register's Office of Shelby County, Tennessee. It is expressly provided that until Declarant files the aforesaid notice to subject hereto Phases 8, 9 and 10, the provisions hereof shall not in manner affect said Tract 2. Upon the recording of this Declaration in the Register's Office of Shelby County, Tennessee, this instrument shall subject Tract 1 to all of the terms, conditions and provisions hereof and each purchaser of any Lot in Tract 1 shall take same subject to the terms hereof. If governmental authorities require Tract 2, or portions thereof, to be designated on official plats of subdivision by some other nomenclature than Phases 8, 9 and 10 of Wellington Farms Subdivision, then, for the purposes hereof, whenever the term "Phases 8, 9 and 10" is used herein, same shall refer to the same land required by governmental authorities to be designated in another manner.

1.2 Covenants. The Lots shall be sold and conveyed subject to the covenants, conditions, and restrictions set forth herein.

1.3 Declaration. Declarant does hereby declare, covenant, establish and confirm for the purpose of protecting the value and desirability of the Subdivision that all Lots subject to this Declaration shall be held, sold and conveyed subject to the restrictions, covenants, conditions and provisions hereof which shall run with the land, and shall be binding upon and inure to the benefit of all parties having any right, title or interest in any of the said Lots.

ARTICLE II

FL 2617

DEFINITIONS

As used herein, the terms set forth below shall have the meanings also set forth below:

2.1 Association. "Association" shall mean and refer to the Wellington Farms Homeowners Association, Inc., a not-for-profit corporation organized and existing under the laws of the State of Tennessee, its successors and assigns. The Charter of the Association will be recorded in the Register's Office of Shelby County, Tennessee, immediately following the recording of this Declaration. A copy of the Bylaws of the Association shall be attached to and filed with said Charter. Every Owner of a Lot shall be a member of the Association by right of ownership of such Lot.

2.2 Bylaws. "Bylaws" shall mean the Bylaws of the Association.

2.3 Declaration. "Declaration" means this instrument.

2.4 Owner. "Owner" shall mean and refer to a person or any other legal entity, or any combination thereof, which is the record owner of a Lot. Tenants in common, joint tenants by the entirety, or other joint owners shall constitute together the Owner with respect to any Lot in which they have or possess an interest. The term "Owner" shall include and embrace the term "Member" as such term may be used hereinafter. Each Owner shall be a Member of the Association and such membership shall cease upon cessation of ownership of a Lot.

2.5 Lot. "Lot" shall mean and refer to any one of the lots as shown on the recorded plats for Wellington Farms Subdivision, Phases 4 through 7; and, if Declarant shall later subject the property described on Exhibit B, or a portion thereof, to this Declaration, shall also mean any one of the lots as shown on the recorded plats for Phases 8 through 10 of the Subdivision. The plural shall encompass all of such lots which are subject to this Declaration.

2.6 Subdivision. "Subdivision" shall mean and refer to the phases, in the aggregate, of Wellington Farms Subdivision which are or become subject to the terms of this Declaration.

2.7 Landscape Easement. "Landscape Easement" shall mean those easement areas labelled "Landscape Easement" on the respective plats officially recorded for each Phase of the Subdivision.

2.8 Natural Area. "Natural Area" shall mean that portion of any Lot labelled as "Natural Area" on the respective plats officially recorded for each Phase of the Subdivision.

2.9 Phase. "Phase" means a tract of land as shown on an officially recorded plat of subdivision and which is designated on such plat as a Phase of Wellington Farms Subdivision.

ARTICLE III

RIGHTS AND OBLIGATIONS OF THE DECLARANT

3.1 Improvements Constructed Upon Landscape Easement Area. Declarant covenants that it shall construct or cause to be constructed (to the extent not heretofore completed), at its own expense, within the relevant Landscape Easement, (i) a decorative brick entranceway at each public road leading into Phases of the Subdivision which are subject to this Declaration, and related landscaping, plantings and irrigation and illumination systems, and (ii) a wooden fence with or without brick columns within the Landscape Easement for such Phases. Any such improvements shall be situated, designed, and such design executed, by Declarant in its sole discretion. When the Association commences to have the obligation to maintain said improvements, or to share in such obligation, the Association shall be deemed to have accepted such obligation with respect to said improvements in their then existing condition.

3.2 **Maintenance Obligation.** Prior to the Association undertaking such responsibility as provided for herein, Declarant shall, at its expense, maintain the Landscape Easements relative to the Phases of the Subdivision which are then subject hereto and all improvements thereon and therein, and shall have all rights of necessary ingress and egress in, to and over the Landscape Easements that are necessary or appropriate to accomplish the purposes of this Declaration.

ARTICLE IV

RIGHTS, OBLIGATIONS AND ORGANIZATION OF THE ASSOCIATION

4.1 Items to be Maintained.

(a) The items and things to be maintained for the benefit of the Phases of the Subdivision which are or become subject to the terms of this Declaration are as follows:

- (i) The structures and all related systems constructed in the Landscape Easement at the entranceways into the Subdivision, including the irrigation and illumination systems and the payment for water and electricity to operate same.
- (ii) The wood fence with or without brick columns within the Landscape Easement, the natural area, and the area lying between such fence and public roads or streets.

(b) Additionally, certain Lots in Phases 1, 2 and 3 of Wellington Farms Subdivision, plats for which have been previously officially recorded, are subject to respective easements for entranceway structures. If the Declarant, or the Association, is able to have the owners of such Lots convey an easement to the Association so that the Association will have the right and obligation to maintain the improvements, and related systems, within such easements, then, upon the official recording of such easement agreement, the Declarant or the Association will thereafter, in accordance with the terms hereof, maintain such improvements and related systems.

4.2 Timing of Maintenance Obligations.

(a) Phases 4 and 5. Plats for Phases 4 and 5 of the Subdivision will hereafter be recorded in the Register's Office of Shelby County, Tennessee. For a period of two (2) years commencing with the date of official recording of the respective plats for Phases 4 and 5 of the Subdivision, the Declarant shall be solely responsible for the maintenance obligations set forth in §4.1 hereof relative to property within, respectively, Phase 4 and Phase 5; and the owners of the Lots in Phases 4 and 5 shall bear an expense relative thereto until the expiration of the two (2) year period relating to their Phase of the Subdivision; and for the succeeding one (1) year period, i.e., the third (3rd) year after the official recording of the respective plats for Phases 4 and 5, the owners of such Lots shall not be assessed more than the annual sum of Fifty & No/100 Dollars (\$50.00) for the purpose of defraying such maintenance obligations. In such third (3rd) year, if an annual assessment of Fifty & No/100 Dollars (\$50.00) on each relevant Lot is not sufficient to defray such maintenance obligations, the Declarant shall pay the shortfall.

(b) The foregoing provisions only apply to Phases 4 and 5 of the Subdivision. As to all other Phases of the Subdivision which become subject hereto, the owners of Lots therein shall be responsible for assessments for maintenance as determined by the Association following official recording of a plat relating to such Phase. Except for the special provisions for Phases 4 and 5 set out in Section 4.2(c) above, the respective Lots in each Phase of the Subdivision which is then subject to the terms of this Declaration shall each bear the same assessment.

(c) The Declarant shall be responsible for paying any maintenance assessment on any Lot which it owns in a Phase of the Subdivision in the same manner as any other Lot owner who is responsible for such an assessment.

4.3 **Organization of Association and Right to Elect Directors.** During the period ending two (2) years from the date of official recording of the plat for Phase 4 of the Subdivision, Declarant shall have the right to elect all of the members of the Board of Directors of the Association, as Declarant, during such period of time, shall be solely responsible for the maintenance obligations as set forth in Section 4.1 hereof. At any time thereafter the Declarant, at its option, may continue to bear such maintenance obligations or it may relinquish its right to elect all of the members of the Board of Directors of the Association and call a special meeting of the members of the Association for the purpose of electing persons to replace those persons then serving as members of the Board of Directors of the Association. If, and when, Declarant elects to relinquish said right, it will deliver written notice thereof (the "Option Notice") to the Owners (mailed or otherwise delivered to their addresses in the Subdivision or their other addresses). Declarant shall be deemed to have exercised its option effective on the date that such Option Notice is deposited in the U.S. Mail. First Class postage prepaid, and correctly addressed as aforesaid or otherwise delivered to the Owner(s). Such Option Notice shall also specify a place and time for a meeting of the Members for the purpose of electing a Board of Directors to take charge of and manage the Association. After the Owners elect persons to comprise the Board of Directors (hereinafter the "Board"), the Board shall thereafter, not less frequently than annually, call a meeting of the Members of the Association for the purpose of electing directors. The Board shall elect its own Chairman. The Board shall have the power, from time to time, to assess each Lot a pro rata share of the anticipated or incurred expenses of the Association. The Board may call a meeting of the Association at any time by appropriate notice to the Members. Members of the Board need not be members of the Association if elected to such positions solely by Declarant as provided for herein; but, after the Declarant relinquishes its right to elect the members of the Board, same must be a Lot Owner.

4.4 **Voting.** The Association shall be governed by its Board of Directors. When the members are entitled to elect the members of the Board, the Members may vote in person or by proxy at any meeting of the Members of the Association. Ten percent (10%) of the Members may call a meeting at any time by mailing or causing to be delivered to the Members at their Lots a notice of the meeting. A quorum at any Meeting shall consist of persons owning, or representing the Owner of, at least fifteen (15) Lots. When a quorum exists, action(s) taken at the meeting by a majority of those present shall constitute the act(s) of the Association. Ownership of a Lot shall entitle such Owner to one vote as a Member of the Association. If a party owns more than one Lot, such party shall be entitled to one vote for each Lot owned. If any Lot is owned jointly, the joint owners shall only have one vote as to each Lot and if they are unable to determine between or among themselves as to how to cast such vote, they shall not be entitled to vote. The members of the Board elected by Declarant may only be removed by Declarant. The Board elected by the Members, or any of the members of the Board, may be removed from office by the Members of the Association at a meeting. Vacancies in the Board shall be filled by the remaining member(s) of the Board.

ARTICLE V

ASSESSMENTS

5.1 **Agreement to Pay Assessments.** Each Owner, by the acceptance of a deed to his Lot, whether or not it be expressed in the deed, shall be deemed a Member of the Association, and shall be deemed to covenant and agree with all other Owners, and with the Association, to pay an equal share of any assessments levied by the Association. Such assessments may be for the purpose of fulfilling the maintenance obligations contained in Section 4.1 hereof or, if required, for the purpose of capital improvements, or for the purpose of acquiring and maintaining any insurance deemed appropriate by the Board, all in such amounts and at such times as shall be determined by the Board. Provided, however, that nothing contained herein shall relieve the Declarant from its obligation to pay the maintenance expenses as set out in Section 4.1 hereof during the periods provided herein.

5.2 **Limit for Unpaid Assessments.** All sums assessed to any Lot, together with interest thereon at a rate equal to the lesser of (i) the highest rate then allowed by applicable law, or (ii) 10% per annum, shall be secured by lien on such Lot in favor of the Association. The Board may file a notice of such lien in the Register's Office of Shelby County, Tennessee and enforce same by appropriate action.

5.3 Mortgage Protection. No mortgage of a Lot shall be or become liable, in any manner, for the payment of any assessment on any such Lot except during periods of time that it may be the actual beneficial owner of the Lot following foreclosure of its mortgage or deed of trust or following a conveyance of the Lot in lieu of foreclosure.

ARTICLE VI

NATURAL AREA(S)

6.1 Obligations with Respect to Natural Area(s). On certain of the plots which will be officially recorded as to the respective Phases of the Subdivision certain areas within the Subdivision will be designated on Lots as "Natural Area." Declarant shall have the right to build a fence within the Natural Area either before or after the sale and conveyance of the Lot(s) upon which the Natural Area is situated and Declarant shall also have the right, until relinquished to the Association, to take such action as Declarant desires to beautify and keep maintained that portion of the Natural Area which lies outside any fence thereon. No Owner of a Lot upon which a Natural Area is located will disturb such Natural Area in any way, and without limiting the generality of the foregoing, it is provided that no such Lot Owner will now within the Natural Area, remove trees or vegetation therein, or place any structures therein of any type, including, without limitation, swimming pools and related improvements, storage buildings, playhouses and/or tree houses.

ARTICLE VII

AMENDMENT

7.1 General Provisions. Until such time as Duntreath Partners has delivered the Option Notice pursuant to Section 4.3 hereof, Duntreath Partners, its successors or assigns, may amend this Declaration in its sole discretion; provided, however, that no such amendment shall relieve Declarant from its maintenance obligations during the period(s) of time that it solely is charged therewith. Thereafter, this Declaration may be amended only by an instrument in writing signed and acknowledged by Owners of not less than seventy-five percent (75%) of all Lots in Phases of the Subdivision which are then subject hereto. Any such amendment shall be effective upon recording of same in the Register's Office of Shelby County, Tennessee.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Severability. The provisions of this Declaration shall be deemed independent and severable and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

8.2 Captions. The captions to this Declaration are provided only as a matter of convenience. Such captions in no way define, limit or describe the scope of this Declaration or the provisions to which any such caption is attached, nor does any caption state the intent of any provision thereof.

8.3 Enforcement. Each Owner shall strictly comply with the provisions of the Declaration and such reasonable rules and regulations which the Board may adopt. Failure to so comply shall be grounds for an action to recover sums due for damages or for injunctive relief or both. Such actions shall be maintainable by the Association or its designee on behalf of the Owners or in an appropriate case by an aggrieved Owner.

WITNESS the due execution hereof, this the 2nd day of May, 1995, on behalf of Duntreath Partners by G. Benjamin Clark and Nicholas G. Clark, being all of its partners.

DUNTREATH PARTNERS, a Tennessee General Partnership

By: G. Benjamin Clark
G. Benjamin Clark, General Partner

By: Nicholas G. Clark
Nicholas G. Clark, General Partner

Notary Public

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, David T. Burgess, Notary Public of the state and county aforesaid, personally appeared G. Benjamin Clark and Nicholas G. Clark, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged themselves to be all of the partners of Duntreath Partners, the within named bargainer, a partnership, and that they as such authorized partners, executed the foregoing instrument for the purpose therein contained, by signing the name of the partnership by themselves as partners.

WITNESS MY HAND AND SEAL, this 2nd day of May, 1995.

David T. Burgess
Notary Public

My Commission Expires:

By Commission Expires July 20, 1999



EXHIBIT A TRACT 1

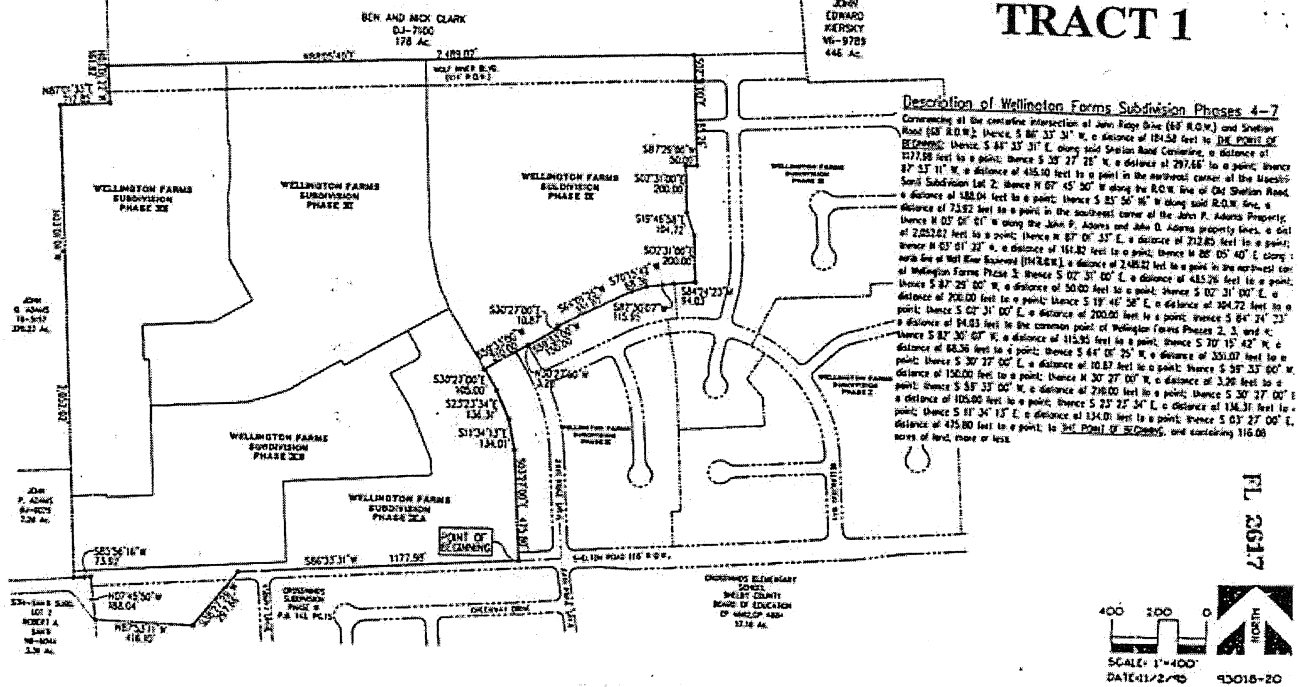


EXHIBIT B TRACT 2

