

COPY

BY-LAWS

OF

WHITE CREEK ACRES PROPERTY OWNERS ASSOCIATION

ARTICLE I

LOT OWNERS

1. Annual Meeting. The annual meeting of the lot owners shall be held at such time and place, either within or without this state, as may be designated from time to time by the directors. At the annual meeting, the lot owners shall elect Directors whose terms have expired, receive reports on the activities and financial condition of the Property Owners Association and transact such other business as may properly come before the meeting.

2. Special Meetings. Special meetings of the lot owners may be called by the President, a majority of the Board of Directors, or the holders of not less than ten percent (10%) of all the entitled to vote at such meeting. The place of said meeting shall be designated by the Directors.

3. Notice of Lot Owners Meetings. Written or printed notice stating the place, date, and time 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, or person calling the meeting to each lot owner entitled to vote at the meeting. Such notice shall be delivered not less than ten (10) days nor more than two (2) months before the date of the meeting, and shall be deemed to be delivered when deposited in the United States mail addressed to the lot owner at the address as it appears on the books of the Property Owners Association, with postage thereon prepaid (if mailed) or upon actual receipt (if delivered personally). The person giving such notice shall certify that the notice required by this paragraph has been given.

4. Quorum Requirements. The presence of a majority of the lot owners entitled to vote based on the number the votes present at a meeting shall constitute a quorum for the transaction of business. Once a lot owner is represented for any purpose at a

meeting, the lot owner shall be deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

5. Voting and Proxies. If a quorum exists, action on a matter shall be approved if the votes favoring the action exceed the votes opposing the action. Every lot owner is entitled to one vote per lot owned at a meeting and may vote his or her lot either in person or by written proxy. The proxy is effective when received by the secretary of the meeting or other person authorized to tabulate votes before being voted. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy.

Article II

BOARD OF DIRECTORS

1. Qualification and Election. Directors must be of legal age, a lot owner and a resident or nonresident of this state. They shall be elected by the lot owners with a majority of the votes cast at the annual meeting at which a quorum is present. Each Director shall hold office until the expiration of the term for which he is elected, and thereafter until his successor has been elected and qualified.

2. Number. The number of Directors shall be three (3) to five (5) members and shall be fixed from time to time by the lot owners, or by a majority of the entire Board of Directors.

3. Meetings. The Board of Directors may hold such regular and special meetings as it from time to time decides. These meetings may be either in person or by conference call. Special meetings may be called at any time by the Chairman of the Board, President, or any two (2) directors.

4. Notice of Directors' Meetings. All regularly scheduled Board meetings for conduct of routine business may be held without notice. Special meetings shall be preceded by at least seven (7) days notice of the date, time and place of the meeting. Notice of an adjourned meeting need not be given if the time and place to which the meeting 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 adjournment.

5. Quorum and Vote. The presence of a majority of the Directors shall constitute a quorum for the transaction of business. 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.

6. Board Committees. The Board of Directors, by a resolution adopted by a majority of its members, may designate one or more committees, consisting of one or more directors and may delegate to such committee or committees any and all such authority as is permitted by law.

7. Indemnification. With respect to claims or liabilities arising out of service as a Director of the Property Owners Association, the Association shall indemnify and advance expenses to each present and future Director (and his or her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended. All immunities available under Tennessee law for service as a director to a nonprofit association shall fully protect such directors.

8. Duties. (a) To administer the Property Owners Association (POA), maintain and collect fees and annual assessments from lot owners and enforce compliance with the Declarations of Reservations, Restrictions and Covenants of the White Creek Acres, all Phases and all Units, and as Amended, being of record in the Register of Deeds for Morgan County, Tennessee, incorporated herein. (b) To maintain financial records of the Property Owners Association (POA) for White Creek Acres. (c) To administer the maintenance, repairs and upkeep of the private roadways, scenic easements, common areas and improvements of White Creek Acres.

ARTICLE III

OFFICERS

1. Number. The Property Owners Association shall have a President and a Secretary/Treasurer, and such other officers as the Board of Directors shall from time to time deem necessary. Any two or more offices may be held by the same person, except the offices of President and Secretary/Treasurer.

2. Election and Term. The officers shall be elected by the Board of Directors by a majority vote of those Directors present, provided a quorum exists. Each officer shall serve at the pleasure of the Board until such officer's resignation or removal.

3. Duties. All officers shall have such authority and perform such duties in the management of the Property Owners Association as are normally incident to their offices and as the Board of Directors may from time to time provide.

4. Indemnification. With respect to claims or liabilities arising out of service as an officer of the Property Owners Association, the Association shall indemnify and advance expenses to each present and future officer (and his or her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended. All immunities available under Tennessee law for service as an officer to a nonprofit association shall fully protect such officers.

ARTICLE IV

RESIGNATION, REMOVALS AND VACANCIES

1. Resignations. Any officer or director may resign at any time by giving written notice to the Chairman of the Board, the President, or the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time is specified, then upon its delivery.

2. Removal of Directors. Any or all of the directors may be removed either with or without cause by a proper vote of the lot owners.

3. Removal of Officers. Any officer may be removed by the Board with or without cause.

4. Vacancies. Newly created directorship resulting from an increase in the number of Directors, and vacancies occurring in any office or directorship for any reason, including removal of an officer or director, may be filled by the vote of a majority of the directors then in office, even if less than a quorum exists.

ARTICLE V

ACTION BY CONSENT; WAIVER OF NOTICE

1. Action without Meeting. Whenever the lot owners or directors are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all persons or entities entitled to vote thereon. The affirmative vote of the majority number of lot owners or directors that would be necessary to take such action at a meeting shall be the act of the lot owners or directors, as the case may be.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute, or of the Restrictive Covenants of White Creek Acres or these Bylaws a waiver thereof in writing signed by the person entitled to such notice, whether before or after the date stated thereon, and delivered to the Secretary of the Property Owners Association and included in the minutes or Property Owners Association records, shall be deemed equivalent thereto.

ARTICLE VI

AMENDMENT OF BY-LAWS

These By-Laws may be amended, added to, or repealed either by:
(1) a majority vote of the lot owners represented at any duly constituted lot owners meeting, or (2) a majority vote of the entire Board of Directors. Any change in the By-Laws made by the Board of Directors, however, may be amended or repealed by the lot owners.

CERTIFICATION

I certify that these By-Laws were duly adopted at the meeting
of the Property Owners Association _____ held on the _____
day of _____, 2006.

COPY

THOMAS M. WHITE
CHAIRMAN, BOARD OF DIRECTORS

COPY

JOHN L. TWEEDALL
SECRETARY/TREASURER,
BOARD OF DIRECTORS

WHITE CREEK ACRES

COPY

NOTICE FOR ANNUAL ASSESSMENT FEES
2006

DATE: 4/20/06

Notice is hereby given that by majority vote taken at the Initial Board of Directors meeting duly called on February 28, 2006, the annual assessment for the White Creek Acres lot owners is set at \$250.00 per lot for the next calendar year. In accordance with the Section 1B (b), (c) and (d) of the Declaration of Reservations, Restrictions and Covenants of White Creek Acres, the \$250.00 per lot assessment is due thirty (30) days from the date of this Notice. The initial \$250.00 lot assessment shall be payable to White Creek Acres Property Owners Association and mailed to Thomas M. White, 8015 Cortland Drive, Knoxville, Tennessee, 37909. Said funds shall be utilized by the initial Board of Directors pursuant to the said Declaration until further elections.

Thomas M. White
THOMAS M. WHITE,
CHAIRMAN
BOARD OF DIRECTORS

John L. Tweedall
JOHN L. TWEEDALL,
SECRETARY/TREASURER
BOARD OF DIRECTORS