

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

IN RE:)	
)	
APPLICATION LIMESTONE WATER)	
UTILITY OPERATING COMPANY,)	
LLC FOR AUTHORITY TO PURCHASE)	
TITLE TO THE ASSETS, PROPERTY)	DOCKET NO. 21-00059
AND REAL ESTATE OF A WATER)	
SYSTEM, AND FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND)	
NECESSITY)	
)	

**CONSUMER ADVOCATE’S FIRST SET OF SUPPLEMENTAL
DISCOVERY REQUESTS TO CANDLEWOOD LAKES POA**

Pursuant to Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-01-02-.11, and by agreement of the parties, the Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney (the “Consumer Advocate”), by and through counsel, propounds the following discovery requests to Candlewood Lakes Property Owners Association, Inc. and Candlewood Lakes POA Water Works, Inc. (together, “Candlewood Lakes POA” or the “Company”).

The Company shall serve full and complete responses in accordance with the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Financial Division, Consumer Advocate Unit, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o James P. Urban, on or before 2:00pm (Central Time), June 28, 2022, or on a date and time mutually agreed upon. The Preliminary Matters and Definitions set forth in the Consumer Advocate’s First Set of Discovery Requests are hereby integrated as if fully restated herein.

FIRST SUPPLEMENTAL DISCOVERY REQUESTS

1-12. Refer to the attached document marked Attachment 1, which is titled "Restrictive Covenants and Reservations" for Candlewood Lakes Subdivision. Admit that Candlewood Lakes, through counsel, provided this document to the Consumer Advocate by email on June 16, 2022, and that it is a true and correct copy of the restrictive covenants and reservations for Candlewood Lakes Subdivision that were or are effective. If you are unable to respond "admit" to this request, please describe the document marked as Attachment 1.

RESPONSE:

1-13. Refer to the attached document marked Attachment 2, which is titled "By-Laws of Candlewood Lakes Property Owners Association" and marked "Revised November, 1983." Admit that Candlewood Lakes, through counsel, provided this document to the Consumer Advocate by email on June 16, 2022, and that it reflects bylaws relative to the Candlewood Lakes Property Owners Association. If you are unable to respond "admit" to this request, please describe the document marked as Attachment 2

RESPONSE:

1-14. Refer to the document marked Attachment 3, which is on letterhead for the Candlewood Lakes Property Owners Association, Inc. and Candlewood Lakes POA Water Works, Inc. and is titled "Notice of Special Called Member Meeting." Admit that Candlewood Lakes, through counsel, provided this document to the Consumer Advocate by email on June 16, 2022,

and that it reflects a meeting notice for a September 26, 2020, meeting of the members of Candlewood Lakes. If you are unable to respond "admit" to this request, please describe the document marked as Attachment 3.

RESPONSE:

1-15. Refer to the document marked Attachment 4, which is on letterhead for the Candlewood Lakes Property Owners Association, Inc. and Candlewood Lakes POA Water Works, Inc. and is titled "Important Member Meeting Notice." Admit that Candlewood Lakes, through counsel, provided this document to the Consumer Advocate by email on June 16, 2022, and that it reflects a meeting notice for an October 17, 2020, meeting of the members of Candlewood Lakes. If you are unable to respond "admit" to this request, please describe the document marked as Attachment 4.

RESPONSE:

1-16. Refer to the document marked Attachment 5. Admit that Candlewood Lakes, through counsel, provided this document to the Consumer Advocate by email on June 16, 2022, and that it (1) reflects meeting minutes for Candlewood Lakes member meetings that took place on September 26, 2020, and October 17, 2020, and (2) includes a listing of attendance and member votes regarding the sale of Candlewood Lakes POA Water Works, Inc. to CSWR. If you are unable to respond "admit" to this request, please describe the document marked as Attachment 5.

RESPONSE:

1-17. Refer to the attached document marked Attachment 6, which is a December 1, 2011, "amendment of charter" for Candlewood Lakes POA Water Works, Inc. retrieved by the Consumer Advocate from the Tennessee Secretary of State. Respond to the following:

- a. Define "earnings in excess of reasonable needs" as used in the document.
- b. Define "proportion of amount of business done with the organization."
- c. Provide the records created as described in subsection b of this document.
- d. Define the term "member" as used in this document.
- e. Define how "equitable interest in the corporation" is determined.
- f. Define "appreciated asset" as used in this document.
- g. Define "proportion of amount of business done by such member during that period."

RESPONSE:

RESPECTFULLY SUBMITTED,

/s/ James P. Urban

JAMES P. URBAN (BPR No. 033599)

Deputy Attorney General

KAREN H. STACHOWSKI (BPR No. 019607)

Senior Assistant Attorney General

Office of the Tennessee Attorney General

Financial Division, Consumer Advocate Unit

P.O. Box 20207

Nashville, Tennessee 37202-0207

Phone: (615) 741-3739

Fax: (615) 741-1026

Email: james.urban@ag.tn.gov

Email: karen.stachowski@ag.tn.gov

In re: Limestone / Candlewood Lakes

TPUC Docket No. 21-00059

Consumer Advocate's First Supplemental Discovery Requests to Candlewood Lakes POA

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

Charles B. Welch, Jr., Esq.
Tyler Cosby, Esq.
Farris Bobango PLC
414 Union Street, Suite 1105
Nashville, TN 37219
Telephone: (614) 726-1200
Email: cwelch@farris-law.com
Email: tcosby@farris-law.com

On this the 21st day of June 2022.

/s/ James P. Urban
JAMES P. URBAN
Deputy Attorney General

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pg. 200

RESTRICTIVE COVENANTS AND RESERVATIONS

CANDLEWOOD LAKES SUBDIVISION - HARDEMAN COUNTY, TENNESSEE

This Agreement and the Warranty Deed from CANDLEWOOD LAKES, INC. (Grantee) shall be subject to the following restrictive covenants which shall run with the land:

1. USE: Said lots shall be used exclusively for single family residential purposes except those lots that may be designated on the recorded plats of CANDLEWOOD LAKES Subdivision, hereinafter referred to as SUBDIVISION, as recreational areas, commercial lots, mobile home lots or camping lots.

2. RESIDENTIAL LOTS:

A. Not more than one single family dwelling house may be erected or constructed on any one residential lot, nor more than one building for garage or storage purposes, and provided further that no building or structure of any kind shall be erected prior to the erection of a dwelling house. No accessory or temporary building shall be used or occupied as living quarters. No structure shall have tar paper, roll brick siding or similar material on outside walls. No house trailers, commercially produced recreational vehicles, mobile homes, campers, tents, utility or storage building, canopies, or similar structures shall be erected, moved to or placed upon said residential lot. All building exteriors must be completed within six months from the date the construction commences.

B. No residence shall have less than 800 sq. ft. of living space on the ground floor, or first floor, exclusive of porch area. No porch or projection of any building shall extend nearer than thirty (30) feet to any road rights of way, nor nearer than ten (10) feet to the property line of any abutting property owner, nor, unless otherwise provided on the recorded plats, nearer than fifty (50) feet (horizontally) to the normal water elevation of any lake located within SUBDIVISION as shown on recorded plats, and in no event shall any dwelling be erected below an elevation of ten (10) feet above normal water elevation of any lake located within SUBDIVISION.

C. Plans and specifications must be submitted to ASSOCIATION'S Environmental Control Committee, hereinafter referred to as COMMITTEE, for any structure or improvement to be erected on or moved upon any lot, the proposed location thereof on said lot or lots, the construction material to be used, the roof and exterior color schemes, as well as all remodeling, reconstruction, alteration or additions thereto on any lot shall be subject to and shall require the approval in writing of COMMITTEE or its duly authorized agent before any such work is commenced. COMMITTEE shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with all of the provisions of these Restrictions or the rules and regulations of COMMITTEE or when (1) the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such lots or with the adjacent buildings or structures, (2) the plans and specifications submitted are incomplete, or (3) CO-

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I see deed Book 114 pg 28 for the Revised
By Laws of this Restriction
John J. Kee-ly
By John B. Bann-ell



MITTEE deems the plans, specifications or details or any part thereof, to be contrary to the interest, welfare or rights of all or any part of the real property in SUBDIVISION, or the owners thereof. The decisions of COMMITTEE shall be final. Neither ASSOCIATION, its agents nor GRANTOR, its successors or assigns, shall be responsible for structural deficiencies, or any other defects in plans or specifications submitted, revised or approved in accordance with the foregoing provisions.

COMMITTEE may allow reasonable variances or adjustments of Restrictions 2B and 2C where literal application thereof would result in unnecessary hardship. Provided, however, that any such variance or adjustment is granted in conformity with the general intent and purposes of these Restrictions; and, that the granting of a variance of adjustment will not be materially detrimental or injurious to other lots in SUBDIVISION.

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3. CAMPING LOTS:

A. Camping lots are those lots designated as such on the Recorded Plats and are to be used exclusively for single family temporary camping purposes and for placement thereon of commercially produced travel trailers, recreational vehicles, pick-up truck campers, motor homes, tents and all other vehicles commercially produced to be used for camping. All vehicles and tents as herein described must be inspected and approved by ASSOCIATION prior to placement on any Camping Lot within SUBDIVISION.

B. No Camping lot shall be used as a residence nor, without the written permission of ASSOCIATION, be continuously occupied for a period in excess of sixty (60) days. Camping lots and use thereof shall be inspected weekly or at the discretion of ASSOCIATION to insure strict compliance with all Restrictions set forth herein.

C. No structures, including, but not limited to, dwellings, mobile homes (trailers exceeding forty (40) feet in length and eight (8) feet in width, not commercially produced to be used for camping), garages, sheds, "A-frames", boat houses, waste-receptacle bins or houses and television or radio antennas above ground level, shall be constructed or be permitted to remain on camping lots. This Restriction, however, does not extend to prohibiting hard-stands, approximately level with the surrounding ground, constructed or maintained as carrying vehicle parking spaces or tent floors; nor does it include vegetation planted or trimmed for landscaping purposes; nor does it prohibit the use of tent or awning frames, platforms, canopies, antennas, lines, poles and similar temporary forms provided the same are removed when the camping lot is not occupied. Storage buildings of a type and size approved by ASSOCIATION may be permitted. Said buildings must be located on the lot at the direction of ASSOCIATION. No vehicle or tent as hereintofore described shall be placed nearer than thirty (30) feet to any road right of ways, nor nearer than ten (10) feet to the property line of any abutting property owner.

D. No outside toilet shall be allowed on the premises. No untreated waste from any lot shall be permitted to enter any lake within SUBDIVISION. No sewage, garbage, liquid or solid waste disposal systems, pits, "post holes", buried metal drums, or other similar structures or operations shall be permitted on any Camping lot. All commercially produced travel trailers, tent trailers, recreational vehicles, pick-up truck campers, motor homes and all other vehicles commercially produced to be used for camping shall have sewage drains sealed for the duration of their stay on any Camping lot. All sewage, solid wastes and trash must be disposed of at dumping or trash stations or other places specified therefor off of Camping lots. Any person using camping equipment without septic tanks must use comfort centers provided for the disposal of all wastes, both liquid and solid, as required.

4. COMMERCIAL LOTS: Commercial lots are those lots designated as such on the recorded plats and are to be used exclusively for general business, commerce and/or multi-family residential purposes.

5. RECREATIONAL AREAS: Recreational areas are those areas designated as such on the recorded plats to be owned by ASSOCIATION, such as, but not limited to, green ways, picnic areas, boat docks, bridle paths, leaches, comfort centers and lakes. Said areas are for the exclusive

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recreational use of ASSOCIATION members and their invitees. Camping will not be permitted on recreational areas.

6. MAINTENANCE FEES, LIMITATIONS ON SALE: Each GRANTEE, for himself, his heirs, executors, administrators and assigns shall be subject to an annual dues charge of \$48.00 which he agrees to pay to Candlewood Lakes Property Owners Association, Inc., its successors and assigns, as provided in the Code of Regulations of ASSOCIATION, annually, on the 1st day of April commencing in the year following the date of purchase, for the improvement, maintenance, operation and upkeep of all properties and facilities owned or acquired by ASSOCIATION including, without way of limitation, all roads, lake basin, dams; boat dock and recreation areas irrespective of whether the privileges of using such areas are exercised or not and shall further, upon applying for membership in ASSOCIATION, pay the initiation fee as is then established by ASSOCIATION pursuant to its Code of Regulations. GRANTEE, for himself, his heirs, executors, administrators and assigns, further agrees that the charges herein set forth shall be and constitute a debt which may be collected by suit in any court of competent jurisdiction or otherwise; and that upon the conveyance of any part of the land described herein, the purchaser thereof and each and every successive purchaser and/or purchasers shall from the time of acquiring such land covenant and agree, as aforesaid, to pay to ASSOCIATION, its successors and assigns, all charges past and/or future as provided herein, and in strict accordance with the terms and provisions hereof.

GRANTEE, for himself, his heirs, executors, administrators or assigns, shall not sell, assign or convey any lot to any person, or persons, without notice to and approval for membership in ASSOCIATION, and all persons owning lots in SUBDIVISION shall be members of ASSOCIATION.

7. BOAT DOCKS: No boat docks, floats or other structures extending into a lake shall be constructed or placed into or on any lake within SUBDIVISION without prior written approval of GRANTOR, its successors or assigns. Use of the lakes shall be in compliance with the rules and regulations of ASSOCIATION.

8. EASEMENT RESERVATIONS: GRANTOR, for itself, its successors, assigns and licensees reserves an easement on, over and under all road rights of way, reserves a fifteen (15) foot wide easement along all road rights of way, a fifteen (15) foot wide easement along the rear lines of each and every lot and a five (5) foot wide easement along the side lines of each and every lot for the purpose of installing, operating and maintaining television cables, utility lines and mains thereon, ingress and egress of mobile homes if applicable, together with the right to trim and/or cut or remove any trees and/or brush and the right to locate cur wires, braces and anchors wherever necessary for said installations, operations or maintenance; together with the right to install, operate and maintain gas and water mains, sewer lines, culverts and drainage ditches and other services and appurtenances thereto, for the convenience of the property owners, reserving also the rights of ingress to and egress to such areas for any of the purposes mentioned above. If and when the Sewer Authority established by the Hardeman County Commissioners determines it feasible to install a central sewer system, such Authority shall have, and it hereby is granted the right, along with other author-

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ized utilities, to use the herein reserved easements to install and maintain such central sewer systems. Exceptions: (1) where an owner of two or more adjoining lots constructs a building which shall cross over or through a common lot line, said common lot line shall not be subject to the aforementioned five (5) foot easement unless it is shown on recorded plats; (2) no easement shall exist on that portion of any water front lot running along or abutting the shoreline of any lake within SUBDIVISION unless shown on the recorded plats, except, however, GRANTOR, for itself, its successors, assigns and licensees reserves the right to cause or permit drainage of surface water over and/or through said lots. No owner of property within the SUBDIVISION shall have a cause of action against GRANTOR, its successors or assigns, or licensees either at law or in equity excepting in case of any damages caused to his property, by reason of willful negligence in installing, operating, removing or maintaining the above mentioned installation. GRANTOR, its successors or assigns, reserves the rights for the installation of television cables.

9. NUISANCES: No noxious, offensive, immoral or illegal trade or activity shall be permitted on any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No animals or fowl shall be kept or maintained on any lot except customary household pets. No signs of any kind shall be displayed on any vacant lot. A community bulletin board shall be provided by GRANTOR and/or ASSOCIATION in a designated area for the posting of solicitations, sales notices, etc. No garbage or trash shall be burned on any lot. Other refuse, such as, but not specifically limited to small trees, tree limbs and underbrush may be burned upon securing a burning permit from ASSOCIATION or the appropriate legal authority. No garbage, trash or other refuse as described herein may be placed in any drainage ditch, on any road rights of way or common area within SUBDIVISION.

All lots must be kept cleaned, mowed and in a tidy manner including that area from the front lot line to the edge of the road pavement, as determined by ASSOCIATION and/or GRANTOR, their successors or assigns. Failure to do so will result in maintenance of said lot by ASSOCIATION and/or GRANTOR, their agents, successors or assigns, in which event a proper charge for the same will be assessed and collected.

10. WATER AVAILABILITY, CONNECTION AND FEES:

GRANTEE, for himself, his heirs, executors, successors, and assigns, agrees as follows: That as a consideration of sale, in further consideration of the incorporation of identical covenants in the deeds to all lots in SUBDIVISION, and as a condition precedent to the installation of water mains adjacent to the lot(s) herein described, which said mains are to be located and installed by GRANTOR or its successors or assigns, the GRANTEE will pay to GRANTOR or its successors or assigns the sum of forty-eight dollars (\$48.00) per year, payable in advance, for each year during which water utility service is available to the said lot(s) on application made and payment of the connection fee as hereinafter provided, whether or not GRANTEE has made a connection to said mains or uses such water utility service. This charge shall be known as the "water availability fee" and shall be payable as follows: for the year in which water utility service is first made available, four dollars (\$4.00) for each month following

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the month in which such service becomes available and through March 31, to be paid in advance on the first day of the month following the month in which such service becomes available; for subsequent years, forty-eight dollars (\$48.00) on April first, providing such service was available on March thirty-first of that same year.

The water availability fee is not a contribution in aid of construction, and is hereby incorporated in and expressly made a part of these Restrictions.

On receipt of a written request therefor and a connection fee of One Hundred Ninety-Five Dollars (\$195.00) paid to the Utility Water Company serving the SUBDIVISION, hereinafter referred to as "UTILITY", UTILITY will install a water service connection from the mains to the GRANTEE'S lot line. After the installation of such connection, the GRANTEE will no longer pay the water availability fee to GRANTOR providing for in the preceding paragraphs but will pay a water service to UTILITY, whether or not he actually draws water from the main. The amount of the water service fee is subject to the jurisdiction of the Public Utilities Commission of Tennessee, and until such amount is changed by such Commission the amount shall be an unmetered rate of four dollars (\$4.00) per month, payable on the same terms and conditions as those fixed for the water availability fee.

Fees for water service or for the availability of water service which are not paid within twenty (20) days of the first day of the month in which they are due shall be increased by a ten per cent (10%) overdue charge.

Unpaid water service or water availability fees shall constitute a lien encumbrance on or against the lot, parcel, or tract of land for which they are charged, which lien may be recorded against such land in the mortgage records of Hardeman County, Tennessee and participate with other liens against such land as provided by law. UTILITY and GRANTOR, their successors or assigns, may additionally, pursue such other remedies for non-payment as may be available by law.

No individual water wells shall be allowed on any lot, and each lot occupant shall use the water supply from UTILITY or its successors or assigns.

11. MOBILE HOME LOTS:

A. Mobile Home Lots are those lots designated as such on the recorded plats and are to be used exclusively for the placement thereon of single family commercially produced mobile homes and single family commercially produced double wide mobile homes consisting of two sections combined horizontally at the site while still retaining their individual chassis. No mobile home may be over five (5) years of age at the time of placement on any lot. All mobile homes must be inspected and approved by ASSOCIATION prior to placement on any Mobile Home lot.

B. No porch or projection of any structure shall extend nearer than thirty (30) feet to any road rights of way, not nearer than ten (10) feet to the property line of any abutting lot. No additional rooms will be allowed to be attached to any mobile home.

Plans and specifications for concrete foundations, concrete pads, canopies, garages, carports, driveways, sidewalks, patios, parking areas, tie downs, porches, awnings, entrance and exit steps or any other structure must be submitted to the ASSOCIATION for their approval

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in writing before any construction can commence. No concrete block construction will be allowed on any Mobile Home lot. All accessory buildings are to be of a commercially produced type as designated by ASSOCIATION.

Installation of the tie downs must be completed within thirty (30) days from the date the mobile home is placed on the lot.

Fences on Mobile Home lots shall be permitted in the back yards only after prior approval in writing of construction plans by ASSOCIATION.

All mobile homes must be completely skirted within thirty (30) days after placement on the lot. Skirting must be of a type material and size approved in advance by ASSOCIATION and must be consistent with skirting used on other mobile homes in the section. All wheels and tires must be removed and stored under the mobile home before skirting. The hitch must be removed or bordered with skirting or shrubbery.

C. No mobile home shall be placed on any Mobile Home lot except as directed in writing by ASSOCIATION or as designated on the record-plats of SUBDIVISION.

12. COVENANTS RUNNING WITH THE LAND, DURATION OF RESTRICTIONS:

These restrictions shall be considered as covenants running with the land, and shall bind the GRANTEES, their heirs, executors, administrators, successors and assigns, and if said GRANTEES, their heirs, executors, administrators, successors or assigns shall violate, or attempt to violate, any of the covenants or restrictions herein contained, it shall be lawful for any person, persons or legal entity owning any land in the SUBDIVISION to prosecute by proceeding at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions either to prevent him or them from doing so, or to recover damages for such violation. The reservation of easement rights contained in paragraph eight (8) shall be in perpetuity, retained by GRANTOR, for itself, its successors or assigns in fee simple absolute.

All other restrictions, conditions, covenants or agreements contained herein shall continue until January 1, 1985 A.D., and thereafter may be changed, altered, amended or revoked in whole or in part by the owners of the lots in the SUBDIVISION whenever the owners of at least two-thirds of the said lots so agree in writing, or by action of the Candlewood Lakes Property Owners Association, Inc., at a meeting duly called for said purpose by a vote of at least a majority of the members of ASSOCIATION. Any invalidation of any one of these restrictive covenants or reservations shall in no way affect any other of the provisions thereof which shall thereafter remain in full force and effect.

Randolph E. Ebert
President
Candlewood Lakes Inc.

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The foregoing instrument was filed for record 3-21-74 at,
9:05 AM and noted in Note Book No. 33, Page 2
and compared.

Jane Jernigan
RHC

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REGISTERED

BY-LAWS of CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION
Revised November, 1983ARTICLE I: NAME

The name of the Association shall be The Candlewood Lakes Property Owners Association, Inc., and may be referred to herein as the Association.

ARTICLE II: MEMBERSHIP

SECTION 1. (a) Active membership shall consist of all owners of dues-paying lots in Candlewood Lakes Subdivision, Hardeman County, Tennessee, who have applied for membership, paid the required dues and any other Candlewood assessments, plus the costs for collection. Inactive members shall be all other property owners.

(b) Active membership shall include use of facilities, including clubhouse, swimming pools, tennis courts, lakes, and all other Candlewood Lakes facilities and amenities, by members, their families and guests, as governed by Rules and Regulations. Inactive membership shall not include the use of facilities and/or amenities by members, their families and guests, but shall not prohibit any property owner from having access to his property and enjoying the use and maintenance of it.

SECTION 2. (a) When any member shall be in default in payment of dues for a period of 30 days from April First each year, or period for which such dues become payable, active membership shall be terminated. Active membership will be reinstated upon payment of all dues and assessments, plus costs for collecting same.

(b) Each property owner shall be entitled to one Membership Certificate. When a lot is owned by two or more parties, each partial owner may pay regular dues to use member facilities.

SECTION 3. The membership may, by resolution, create such other classes of membership as they see fit.

SECTION 4. Except as otherwise provided by statute, the Articles of Incorporation, and these By-Laws, the number, qualifications, rights, privileges, responsibilities, terms of membership, and provisions governing members of any class shall be established by resolution of the Directors to be set forth in the Rules and Regulations of the Association.

SECTION 5. Membership shall terminate by death or sale of the lot for which Membership Certificate was issued.

ARTICLE III: CERTIFICATES OF MEMBERSHIP

The Directors may from time to time prescribe the form and content of any Certificates of Membership which the Association may decide to issue.

ARTICLE IV: DUES

SECTION 1. (a) Each member shall be subject to an annual dues charge of \$48.00, due and payable on April First, commencing in the year following the date the member was accepted into membership of the Association. These monies will be used for the improvement, maintenance and upkeep of all roads and facilities, for the promotion of and protection of the Association, and any other expenses deemed necessary by the Directors, irrespective of whether the privilege of using said areas and facilities is exercised or not.

(b) Each applicant for membership in the Association shall, within ten (10) days following purchase of a lot or lots, pay \$4.00 dues for each full month for said lot(s) until the next April First.

See deed book P-5 pg 200 in reference of this instrument.

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- SECTION 2. In the event that any member owns more than one lot, said member shall be assessed an annual dues charge of \$48.00 plus any assessments for each lot, except in the event such member owns adjoining lots for the purpose of one dwelling. In this case such member shall be charged annual dues of only \$48.00 plus assessments for such tract.
- SECTION 3. From time to time, the Board of Directors may determine a different annual dues, or may assess fees to the membership to cover a specific and extraordinary expenditure; however, such changes will require approval by two-thirds vote of the Directors and a simple majority of the active membership voting in a duly called meeting.
- SECTION 4. No dues shall be assessed against lots or property owned or held by the Association, including any lots held by the said Candlewood Lakes Corporation for resale or other purposes, or against any unsold lots or property deeded by Candlewood Lakes Corporation to its successors or assigns at the conclusion of the development.

ARTICLE V: FISCAL YEAR

The fiscal year of the Association shall begin on October First in each year and end on September Thirtieth next following, unless otherwise determined by the Directors.

ARTICLE VI: DIRECTORS

- SECTION 1. The property and business of the Association shall be managed by its Board of Directors, which shall consist of nine (9) members, all of whom shall be of legal age, active Candlewood Lakes property owners, active members, and citizens of the United States, and at least three of whom shall have their principal residence in the State of Tennessee.
- SECTION 2. The terms of Directors shall not exceed three years, and Directors shall serve until their respective successors are elected.
- SECTION 3. Each May, three Directors shall be elected to replace those Directors whose terms expire. Elections shall be held at the general meeting in May.
- SECTION 4. Should the number of Directors be changed by amendment to the By-Laws voted by the membership, any additional Directors shall be elected by a majority of the active members present at a duly called meeting.
- SECTION 5. All Directors shall take office on the date of their election. Each Director must be an active member of the Association throughout his term.
- SECTION 6. A majority of the Directors shall constitute a quorum for transaction of business. If fewer than a quorum be present, a majority of those present may adjourn the meeting without further notice until a quorum be obtained.
- SECTION 7. If a quorum cannot be obtained by reason of absence, illness, or other inability of one or more Directors, a majority of the remaining directors may appoint one or more active members to fill such vacancy or vacancies to serve until return of Director(s) or until the next annual election of Directors.
- SECTION 8. In case one or more vacancies shall occur in the Board of Directors by reason of death, resignation, or otherwise, except as provided in the case of vacancy or vacancies occurring by reason of removal by active members, a majority of the remaining Directors, although fewer than a quorum, may elect a successor or successors for any unexpired term(s). A vacancy shall be deemed to exist whenever the membership shall increase the number of Directors by amendment to the By-Laws, or whenever the active members shall fail to elect Directors.

ARTICLE VII: OFFICERS

- SECTION 1. The Board of Directors, as soon as may be after the election thereof, shall elect from among the Directors a President, one or more Vice-Presidents, a Secretary and a Treasurer, and from time to time, such other agents and employees as may be deemed proper. The offices of Secretary and Treasurer may be held by the same person.
- SECTION 2. Any Director may be removed from office, either with or without cause, at any time, by affirmative vote of the majority of Directors then in office. A vacancy in any office arising from any cause may be filled for the unexpired portion of the term by the Directors. The person so designated may serve until the next annual election of Directors.
- SECTION 3. The Officers of the Association shall have such powers and duties as generally pertain to the respective offices, as well as such powers and duties as from time to time may be conferred by the Directors. The Vice-President(s), Secretary or Assistant Secretary, and the Treasurer or Assistant Treasurer, in order of their respective seniorities, in the absence or disability of the President, Secretary or Treasurer, respectively, shall perform the duties of such office, and shall generally assist the President, Secretary or Treasurer, respectively.
- SECTION 4. The President shall preside at all meetings, and shall be an ex-officio member of each committee.

ARTICLE VIII: COMMITTEES

Committees may be appointed by the Board or elected by the membership at any time.

ARTICLE IX: MEETINGS

- SECTION 1. There shall be two stated general meetings of the membership each year: one in May and the other in November.
- SECTION 2. No less than ten days, nor more than forty days notice in writing must be given to the membership prior to the date of a regular general meeting.
- SECTION 3. Notice of general meetings shall be in writing, specifying time and place of such meetings, signed by the President, a Vice-President, Secretary, Treasurer, or other person or persons announcing such meetings. Said notice shall be delivered to each active member entitled to vote, and may be delivered in person or by regular mail postmarked not less than ten days, nor more than forty days before the meeting. Mailing by United States Postal Service to the last known address will meet requirements of notice. Further or additional notice shall be given as required by law or deemed advisable. Members may at any time waive, in writing, notice of the time, place and purpose of any meeting, either in person or by legally authorized Attorney in Fact.
- SECTION 4. General meetings shall be held at the Candlewood Lakes Clubhouse unless otherwise designated by the Directors, and such change shall be stated in the notice of the meeting.
- SECTION 5. A quorum shall be present and verified for each general membership meeting in order to conduct business of the Association. A quorum shall consist of twenty-five voting members.
- SECTION 6. Called general membership meetings may be called by the President with the approval of the majority of the Directors. No fewer than ten days, nor more than forty days notice in writing specifying time and place must be given to the membership prior to the date of such called meeting, and the reason for the meeting must be stated in the notice.
- SECTION 7. The Board of Directors shall meet at least once each calendar quarter, at a date and time to be set by the Directors.

- SECTION 8. A meeting of the Directors may be held without notice immediately following the annual meeting at the same place, provided a quorum is present.
- SECTION 9. Committees shall meet at least twice each year, at a date and time set by each Committee. A quorum for committees shall be a majority of its members.
- SECTION 10. The President, or in his absence the Vice-President, shall preside over all meetings. The Secretary or, in his/her absence, an Assistant Secretary, shall act as Secretary at all meetings. If such persons are absent, the members shall choose a pro tem official.

ARTICLE X: ELECTIONS

- SECTION 1. Each active member shall have one vote. In elections for Directors, any member entitled to more than one vote may cast them cumulatively. When a Certificate of Membership is held in the name of more than one person or in the name of an association, partnership or corporation, only one vote may be cast by virtue thereof in any election or upon any issue.
- SECTION 2. Sole voting power is vested in the active members. Each voting member shall vote in person.
- SECTION 3. In elections for Directors, voting may be either by ballot or voice vote. Where more than one person is seeking election as Director, voting must be by secret ballot.
- SECTION 4. Unless otherwise provided by statute, the Articles of Incorporation, or these By-Laws, a quorum must be present. In event there is no quorum present, a majority of those members may adjourn from time to time without further notice until a quorum be obtained.
- SECTION 5. The President shall appoint a Nominating Committee at least thirty days prior to the November general meeting. The Committee shall submit a slate of nominees to the membership at the November general meeting. Additionally, any active member desiring to place a name in nomination and to be included in the annual May general meeting notice, may petition the Secretary at least forty days prior to said meeting. Such petition must contain the signatures of at least ten active members.
- SECTION 6. At every election for Directors, the Chairman shall appoint at least two Tellers of Election, who shall take and subscribe an Oath to execute their duties as such in a satisfactory manner, impartially and to the best of their abilities. Thereupon, they shall take charge of the polls and ballots, if any, and after the vote has been taken, shall certify the results thereof.
- SECTION 7. If there be a failure to appoint Tellers, or if any Teller appointed be absent or refuse to act, or if his office becomes vacant, the members present may, by majority vote, choose Tellers of Election. No Officer, Director, or candidate for office shall be appointed or serve as a Teller of Election.
- SECTION 8. Unless otherwise provided by statute, the Articles of Incorporation, or these By-Laws, the right of voting members to vote, and the right, title and interest of members of any class in or to the Association and its properties and franchises shall be divested upon termination of active membership.
- SECTION 9. Any candidate for election may protest the results at the meeting and may demand a recount and be present for such recount. Any protest not voiced at the meeting must be presented to any Director within ten days, after which time ballots will be destroyed.

ARTICLE XI: AMENDMENTS

- SECTION 1. The By-Laws of the Candlewood Lakes Property Owners Association, Inc., may be amended, added to, rescinded or repealed at any meeting of the Directors and put into effect, subject to approval of the membership at the next general meeting, and either approved or rescinded by them. Notice of proposed change(s) must be given in the announcement of the general meeting.
- SECTION 2. Amendments to By-Laws may be proposed to membership by any of these additional methods:
(a) By petition signed by twenty members of the Association.
(b) By proposal during a regular meeting of the membership.
- SECTION 3. Amendments may be voted on at any general meeting of the membership, provided notice of proposed changes has been given in the announcement of the general meeting.
- SECTION 4. These By-Laws may be amended or repealed only by a two-thirds vote of active members at any regular or called general meeting of the membership.

ARTICLE XII: AUTHORITY

- SECTION 1. GUIDE, Robert's Rules of Order, newly revised, shall be the order of business at all meetings of the Association.
- SECTION 2. The President shall appoint a Parliamentarian who shall be responsible for Parliamentary Interpretations at all meetings. He shall advise the President concerning Parliamentary procedures on all matters requested by the President.

THE FOREGOING INSTRUMENT WAS FILED FOR RECORDING

MAR 29 1984

9:50 am

AND NOTED IN NOTEBOOK 38; PAGE

C

AND COMPARED.

Paul J. M. [Signature]

REGISTER

00102



CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.
CANDLEWOOD LAKES POA WATER WORKS, INC.
389 CANDLEWOOD DR., SAULSBURY, TN., 38067
Ph: 731-433-9708
Email: candlewoodlakespoa@gmail.com

September 9, 2021

NOTICE OF SPECIAL CALLED MEMBER MEETING

Dear Active Candlewood Lakes POA Member;

There will be a Special Called General Meeting of all **Active** members of the Candlewood Lakes Property Owners Association to discuss and VOTE on the sale of Candlewood Lakes POA Water Works, Inc. to Central States Water Resources (CSWR).

(Active members are defined in the By-Laws as all members who are current on all dues and fees)

MEETING DATE: Saturday, September 26, 2020 at 11:00 AM

Candlewood Clubhouse on the tennis court

ALL ACTIVE Members are encouraged to attend and should bring a chair, wear a mask and practice social distancing.

As most members are aware, the State of Tennessee is requiring a backup well for Candlewood Lakes POA Water Works, Inc. We have extinguished all available avenues of funding available to cover the cost, which is **estimated** at \$180,000.00 - \$220,000.00 for the backup well alone. Because the Candlewood Lakes POA will be unable to secure financing, cost of the back-up well project would be divided among water customers/property owners through a special assessment. Property owners will then continue to bear the cost of any and all future system repairs and upgrades, including, but not limited to, metering, line repairs and replacements, tank rehab and painting, pump repairs and replacements, etc...

After many meetings with the State, and seeking legal opinions from attorneys, Candlewood Lakes POA board members have voted to approve the sale of the water company to CSWR. We believe this will be the most financially beneficial long term decision for our community, allowing us, as we move forward, to begin focusing on POA improvements that are much needed.

We are aware that several rumors have been spread among the community members by people who are attempting to use scare tactics, have their own agenda or are uninformed regarding the sale. To address some of the rumors, we are including a few answers to the most common questions. We want to keep discussion brief and keep the meeting to one hour or less.

If, because of Covid, you do not wish to stay for the meeting, you may sign in, retrieve your ballot (Active members only) and cast your vote and leave. Please have all the correct facts before you make your decision.

We encourage you to join us as we work together to make Candlewood better.

Sincerely,



David Kennamore
President

ANSWERS TO QUESTIONS WE HAVE HEARD

(these answers are based on current information which may change and are in **no way** legally binding)

1. **How long will I continue to pay Candlewood Water Works for my water?** Until the Closing Date on the sale (if approved). Approximately 10 – 12 months
2. **Will my monthly payment still be the same?** Yes, for a time it will remain \$40.00 per month, due by the 1st of each month. (explained further in 5)
3. **What happens to the money in the Water Works account when the sale closes?** The balance of the Water Works account as of the date of closing will be transferred to the POA.
4. **Will water availability fees go away?** **NO**, water availability fees are mandated by the Covenants and Resolutions. Water availability fees will be added to your POA account in 2021. If a water tap is placed on a lot, that lot will no longer be charged a water availability fee and you will become a CSWR water customer for that lot. Any remaining additional lots will continue to be charged availability fees.
5. **Can CSWR raise my water rates?** Yes and No
 - a. **Any increases would likely be a year or more in the future AFTER the purchase is approved by the State**
 - b. Our current water rate is in line with surrounding communities (actually cheaper)
 - c. If CSWR feels they need to raise the water rate, a community study will need to be completed and submitted to the State, showing the need for the increase and community demographics. Community members are allowed to appeal these requests. The State can choose to approve or deny rate increases.



CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.
CANDLEWOOD LAKES POA WATER WORKS, INC.
389 CANDLEWOOD DR., SAULSBURY, TN., 38067
Ph: 731-433-9708
Email: candlewoodlakespoa@gmail.com

October 14, 2020

IMPORTANT MEMBER MEETING NOTICE

Dear Candlewood Lakes POA Member;

We will hold a 2nd Special Called General Meeting of all **Active** members of the Candlewood Lakes Property Owners Association to discuss and **VOTE** on the sale of the Candlewood Lakes POA Water Works, Inc. to Central States Water Resources (CSWR). If you voted at the previous meeting, that vote will **NOT** be counted. You must be present at this meeting to have a vote in this decision.

MEETING DATE: Saturday, October 17, 2020 at 11:00 AM
Candlewood Clubhouse (Masks are required)

ALL ACTIVE Members are encouraged to attend

Representative Sandy Neal from CSWR will be here to answer any questions you may have after the previous meeting.

As most members are aware, the State of Tennessee is requiring a backup well be installed in Candlewood. Their deadline for installation of the well is November 2020. We have extinguished all available avenues of funding that were available to cover the cost, which our engineer **estimated** at \$150,000.00 in our application for a State Revolving Fund loan, which was denied.

Because the Candlewood Lakes POA will be unable to secure financing, actual cost of the completed project would be divided among water customers/property owners and will be due immediately. Property owners would then continue to bear the cost of any future system upgrades, including but not limited to metering, line repairs and replacements, tank rehab and painting, pump repairs and replacements, etc...

We encourage you to join us as we work together to make Candlewood better.

Sincerely,

David Kennamore
President

Candlewood Lakes POA, Inc.
Special Called Meeting – Water Works Sale
Minutes
9/26/2020 11:00 AM

I. CALL TO ORDER

1. President David Kennamore called the meeting to order at 11:32 AM .
2. A quorum was established with 39 legal members present.

II. ROLL CALL

1. Board Members Present:
 David Kennamore __X__, Stan Forester __X__, John Keller __X__, Bill Perrine __X__,
 Larry Harber __X__, Lorene Rowland __X__, Mike Watkins __X__ Vacant, Vacant
2. Others Present: Serving as Secretary for the meeting Julie Perrine
3. Approximate number of Homeowners in attendance: 39

**III. FINANCIAL REPORT –
POA**

1. Balance Sheets as of 9/26/20
 Balance \$11,177.61 Outstanding Payables = \$3,554.00 (\$7,623.61)

WATER WORKS

- A. Balance Sheet as of 9/26/2020
 Balance \$45,444.16 Outstanding Payables = \$.00

Motion to Accept the financials as presented made by George Gregory and 2nd by Larry Harber.

IV. NEW BUSINESS

1. Nominations for 2021 Board Members will be starting. Anyone interested in being on the board should contact the office. 9 seats are open to fill.

V. OLD BUSINESS

1. SALE OF CANDLEWOOD LAKES POA WATER WORKS, INC TO CENTRAL STATE WATER RESOURCES (CSWR)
 - a. REVIEW OF EVENTS REGARDING STATE REVOLVING FUND LOAN (SRF)
 - b. DISCUSSION WITH STATE OF NOVEMBER DEADLINE FOR BACKUP WELL
 - c. DISCUSSION AND SALE AGREEMENT WITH CSWR

MOTION : To Delay final vote until CSWR Representative, Sandy Neal, can attend to answer questions directly. 1st: George Gregory 2nd: Larry Harber approved unanimously

Secretary will contact Sandy Neal for a date and it will be posted on the community bulletin board.

VI. ADJOURNMENT

1. There being no further business the meeting was adjourned.

BOARD CERTIFICATION & APPROVAL OF MINUTES:

"This is to certify that the Candlewood Lakes POA, Inc. & Candlewood Lakes POA Water Works, Inc. is a Tennessee Nonprofit Mutual Benefit Corporation; that the Board is duly constituted; has made all decisions based on reasonable investigation, in good faith and with regard to the best interests of the community and its members; has exercised discretion within the scope of its authority under relevant statutes, covenants and restrictions in discharging its obligations; and hereby approve the authenticity of actions reported in minutes of this meeting."

**Candlewood Lakes POA, Inc.
Special Called Meeting – Water Works Sale
Minutes
10/17/2020**

VII. CALL TO ORDER

1. President David Kennamore called the meeting to order at 11:30 AM .
2. A quorum was established with 43 legal members present.

VIII. ROLL CALL

1. Board Members Present:
David Kennamore __X__, Stan Forester __X__, John Keller __X__, Bill Perrine __X__,
Larry Harber __X__, Lorene Rowland __X__, Mike Watkins __X__ Vacant, Vacant
2. Others Present: Serving as Secretary for the meeting Julie Perrine
3. Approximate number of Homeowners in attendance: 47

IX. NEW BUSINESS

1. Community Announcement regarding abuse of animals in Candlewood

X. OLD BUSINESS

1. SALE OF CANDLEWOOD LAKES POA WATER WORKS, INC TO CENTRAL STATE WATER RESOURCES (CSWR)
 - a. Introduction of Sandy Neal, With CSWR:
 - (a) Operating in Mo, La, Ky, Ar, Tn, Tx, NC
 - (b) focus on small distressed privately owned utilities
 - b. DISCUSSED TIMELINE OF SALE AGREEMENT
 - (a) Will close on sale when approved by TPUC
 - c. DISCUSSED AT LENGTH THE PROCESS FOR RATE INCREASE

MEMBERS VOTED UNANIMOUSLY TO ALLOW CURRENT MEMBER VOTES FROM THE PREVIOUS MEETING TO STAND IF THEY ARE NOT PRESENT TO VOTE TODAY. (SHOW OF HANDS)

MEMBERS VOTED TO NOT ALLOW PAST DUE (NON-ACTIVE) MEMBERS TO VOTE (SHOW OF HANDS)

***MOTION TO CALL FOR A VOTE BY LOREN AGEE, 2ND BY MARY LEAVINS
Members received and cast their ballots. After everyone said they had voted, votes were tallied by
Larry Webb, Tammy Maccarino & Gay Ulrich with Julie Perrine observing.***

Final vote results are as follows: Abstained: 13, YES to Sell: 42, NO to Sell: 19

Procedures will begin to sell Candlewood Lakes POA Water Works, Inc to CSWR. Sandy Neal thanked everyone for taking the time to come.

XI. ADJOURNMENT

1. There being no further business the meeting was adjourned.

BOARD CERTIFICATION & APPROVAL OF MINUTES:

"This is to certify that the Candlewood Lakes POA, Inc. & Candlewood Lakes POA Water Works, Inc. is a Tennessee Nonprofit Mutual Benefit Corporation; that the Board is duly constituted; has made all decisions based on reasonable investigation, in good faith and with regard to the best interests of the community and its members; has exercised discretion within the scope of its authority under relevant statutes, covenants and restrictions in discharging its obligations; and hereby approve the authenticity of actions reported in minutes of this meeting."

ORIGINAL SIGN-IN SHEETS ARE ON FILE FOR THE 9/26/2020 & 10/17/2020 MEETING

Attendance & Vote to sell Candlewood Lakes POA Water Works, Inc. to CSWR

Member Name	Current	Present 9/26	Present 10/17	Abstained	Yes to Sell	No to Sell
Agee, Loren	Yes	X	X			X
Akins, Linda	Yes	X	X			X
Akins, Linda	Yes					X
Akins, Linda	Yes					X
Allen, Linda	Yes		X		X	
Allen, Bart	Yes		X	X		
Bass, Will	No	X				
Campbell, Harriet J	Yes		X		X	
Callari, Robert & Tonia	Yes	X		X		
Conway, Phillip & Teresa	No	X	X			
Crocker, James & Holly	Yes	X		X		
Crocker, James & Holly	Yes			X		
Dean, Freddy	Yes	X	X		X	
Edgeston, Quolisha	Yes	X		X		
Edgeston, Quolisha	Yes			X		
Edmondson, Daniel	Yes	X			X	
Ellison, Denise	Yes	X	X		X	
Forester, Stan	Yes	X	X		X	
Glidewell, Derrick	Yes		X	X		
Glidewell, Durel	Yes	X	X	X		
Graham, Wanda	Yes	X		X		
Gregory, George	Yes	X	X		X	
Harber, Julie	Yes	X	X		X	
Harber, Larry	Yes	X	X		X	
Hartman, John & Nancy	Yes	X	X		X	
Haslwanter, Joe & Claire	Yes	X	X		X	
Haslwanter, Joe & Claire	Yes				X	
Hopper, Roger	Yes		X	X		
James, Daniel	No	X				
Jenkins, Gloria	Yes	X			X	
Jenkins, Gloria	Yes		X		X	
Johnson, Stephen & Delaine	Yes	X	X		X	
Jones, Glenn	Yes	X			X	
Keller, John	Yes	X				X
Kennamore, David	Yes	X	X		X	
Kennamore, David	Yes				X	
Kennamore, David	Yes				X	
Lake, James & Sharon	Yes		X		X	
Leavins, Mary	Yes	X	X		X	
Maccarino, Tammy	Yes	X	X			X
Matthews-Jackson, Sharrilyn	Yes		X		X	
Montgomery, Joyce	Yes		X		X	
Murphy, Richard	Yes		X		X	
Newton, Steve	Yes		X		X	
Perkins, Barbara J	Yes	X	X		X	
Perrine, Julie	Yes	X	X		X	

Perrine, Julie	Yes				X	
Perrine, Julie	Yes				X	
Perrine, Julie	Yes				X	
Perrine, William	Yes	X	X		X	
Powers, Gloria	Yes	X	X	X		
Price, Thomas & Tiffany	Yes	X		X		
Rice, Elizabeth	Yes	X	X	X		
Rice, Kathy	Yes		X			X
Rogers, Barbara	Yes	X				X
Rogers, Barbara	Yes					X
Rowland, Floyd & Lorene	Yes	X	X		X	
Rowland, Jeffery	Yes		X		X	
Sanders, Bob	Yes		X		X	
Sanders, Bob	Yes				X	
Sanders, Bob	Yes				X	
Spicer, James	Yes	X	X			X
Turner, Scotty	Yes	X	X		X	
Ulrich, Gay	Yes	X	X		X	
Walker, Jamie	Yes		X		X	
Warren, Ken	Yes		X		X	
Watkins, Dennis M	Yes	X	X		X	
Webb, Larry	Yes	X	X			X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Wilson, David	Yes	X	X		X	
Total				13	42	19

Special Notes:

- Members are considered active when ALL fees and dues are CURRENT. Non-current members may not vote.
- Members receive one vote for each \$48.00 maintenance fee paid. Members names are listed individually for each vote they cast.
- All original sign-in sheets and ballots will be maintained for historical purposes until the sale is final.

6965.1429

AMENDMENT OF CHARTER:

In accordance with section 1.501c (12) -1(a) of Income Tax Regulations and Revenue Ruling 72-36 , the following amendment to the existing charter of Candlewood Lakes POA Water Works, Inc., is adopted.

- a) Funds in excess of those needed to meet current losses and operating expenses shall be retained only to the extent of the corporation's reasonable needs for normal business purposes, such as retiring indebtedness, expansion, or maintaining reserves for necessary purposes. Earnings in excess of reasonable needs will be returned to the members in proportion to the amount of business done with the organization.
- b) The corporation will keep records that show the amount of business done by each member on the basis of its annual accounting period and of each member's rights and interest in the assets of the corporation.
- c) If a person's membership is withdrawn or terminated, his equitable interest in the corporation will not be forfeited.
- d) Upon dissolution, if the corporation has gains from the sale of an appreciated asset, it much be distributed, to the extent practicable, the gains, as well as other funds, to all persons who were members during the period which the asset was owned by the corporation in proportion to the amount of business done by such members during that period.

This amendment is hereby adopted December 1, 2011 to become effective when filed by the Tennessee Secretary of State.

RECEIVED
STATE OF TENNESSEE
2011 DEC 13 PM 12:00
TRE HANCOCK
SECRETARY OF STATE

x David Kennamore
David Kennamore
President