

Note: The following is an unrecorded, unofficial document which summarizes the Covenants and Restrictions and their Amendments for Certain Lots at Clifftops Resort and Provisions for Clifftops Property Owners Association and into a single document for ease of reference.

**SUMMARY
OF THE
SECOND RESTATED SUPPLEMENTAL DECLARATION
AND THE THIRD AMENDMENT TO COVENANTS AND RESTRICTION
FOR CERTAIN LOTS AT CLIFFTOPS RESORT
AND
PROVISIONS FOR CLIFFTOPS PROPERTY OWNERS ASSOCIATION**

Rogers Group, Inc., an Indiana corporation qualified to do business in Tennessee, herein referred to as the “Declarant” , the owner of the property described in Article 3 hereof (the Property) hereby declares the following covenants and restrictions to be covenants running with said property and binding thereon, along with such additions thereto as may hereafter be made pursuant to Article 3 hereof, and that all of such property is and shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations and liens (sometimes referred to herein as the “covenants”) hereinafter set forth. This Declaration supplements the Declaration of Restrictions recorded in Misc. Book 2, Page 425, Register s Office for Marion County, Tennessee, and Deed Book 183, Page 323, Register s Office for Franklin County, Tennessee, and incorporates amendments to the Supplemental Declaration of Covenants and Restrictions for Clifftops Resort and Provisions for Clifftops Recreational Association contained in Misc. Book 9, Page 1, Register s Office for Marion County, Tennessee, and in Deed Book 188, Page 673, Register s Office for Franklin County, Tennessee, and to the Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association contained in Misc. Book 9, Page 220, Register s Office for Marion County, Tennessee, and in Deed Book 190, Page 103, Register s Office in Franklin County, Tennessee, all necessary procedures for amendments contained therein having been complied with.

These covenants (and their predecessor covenants referred to above and/or previously recorded) shall be binding on all persons who are or become owners of any part of the property in any capacity whatever (except as otherwise set out herein) on or after the date of filing these covenants (or any such predecessor covenants) and upon any present owners whose property or lot is subjected to these covenants (or such predecessor covenants) by adoption agreement or otherwise, until the first day of January in the year 2000; but such restrictions shall be automatically extended thereafter in intervals of ten years, unless rescinded prior to the beginning of any such ten year period by a vote of 75% of the then owners of residential lots bound by these covenants, each owner to have one vote for each residential lot owned by him, but provided that where the property is co-owned, the co-owners shall be entitled to only one vote. Notwithstanding anything contained herein to the contrary, the Declarant, its successors and assigns shall have the right at any time, without obtaining the consent of any other person or owner, by an instrument in writing, signed by the Declarant and recorded in the

same office where these restrictions are recorded, to amend these restrictions to correct any scrivener s error therein or to substitute for any scale model or other drawing the actual site plan or plans as recorded, showing the metes and bounds of property or properties so long as such site plan or plans do not materially alter the location of any lots or other properties reflected on any such proposed plan. Notwithstanding the foregoing, these covenants shall be deemed amended by the recording of any such site plan or plans, to include all residential lots reflected therein, without further action of the Declarant or any other person. This provision shall not in any way limit the property subject to these covenants, as defined in Article 3, hereof.

ARTICLE 1

RECITALS

Section 1.01. The Declarant is the developer of the real property described in Article 3 of this Declaration and has created and is creating a planned unit development community known as Clifftops which includes and will include improved roadways, security gates and other security facilities, playgrounds, open spaces, a swimming pool, tennis courts, Clubhouse, a lake, a marina, and other social and recreational amenities for the common use and benefit of those residents of the community who choose to use them. The foregoing roadways, security facilities and recreational facilities and amenities as herein described, and others which may be constructed in the future, will be sometimes referred to collectively herein as the “Recreational Amenities” or the “Recreational Facilities.” *Amended 2016*

Section 1.02. The Declarant desires to provide for the preservation and maintenance of these recreational facilities for the use and pleasure and recreation of residents of the Clifftops community and for the benefit of those residents desires to subject the real property described in Article 3, together with such additions as may hereafter be made as provided therein, to the covenants, restrictions, easements, charges and liens herein set forth.

Section 1.03. Toward this end, the Declarant has created or will create an association (the “Club”) for the pleasure and recreation of Clifftops residents and owners, and for the acquisition, construction, repair, maintenance and improvement of the Recreational Facilities (as that term is defined herein).

Section 1.04. The Declarant has caused to be incorporated, under the General Corporation Laws of the State of Tennessee, the Clifftops Recreational Association (now renamed the “Clifftops Property Owners Association”) hereinafter referred to as the “Club”, for the purpose of administering and maintaining such facilities for the use, pleasure and recreation of its members.

Section 1.05. On June 4, 1981, the Declarant caused to be recorded in Misc. Book 9, Page 1, of the Register s Office for Marion County, Tennessee, a “Supplemental Declaration of Covenants and Restrictions for Clifftops Resort and Provisions for Clifftops Recreational Association”. On June 6, 1981 the same instrument was recorded in Deed Book 188, Page 673, of the Register s Office for Franklin County, Tennessee.

Section 1.06. Through subsequent discussions and negotiations with a committee representing present owners of lots in Clifftops Resort, other than the Declarant, it was agreed and determined that certain amendments and modifications to such instrument should be made.

Section 1.07. The “Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association” referred to above, was recorded to make such amendments and modifications.

Section 1.08. On December 6, 1982 and December 19, 1987 amendments to the “Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association” were adopted. In addition, the corporate name of the “Clifftops Recreational Association” has been changed to the “Clifftops Property Owners Association.” This “Second Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Property Owners Association” is recorded to incorporate such amendments into a single document.

ARTICLE 2

DEFINITIONS

The following words and terms, when used in this Declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

Section 2.01. “Club” shall mean or refer to the Clifftops Property Owners Association, a Tennessee corporation.

Section 2.02. The “Property” or “Properties” shall mean or refer to the property described in Article 3 hereof, and any additions thereto which are subject to this Declaration or any other Declarations supplemental hereto.

Section 2.03. “Recreational Facilities” as used in the Covenants and Bylaws shall mean or refer to (a) those areas of land (or water) , with any improvements thereon, which are deeded or leased to the Club or which are used for the pleasure and recreation of the Club s members, (b) all road rights-of-way within Clifftops Resort which are now or hereafter designated for the common use and benefit of the residents of Clifftops Resort, and all roadway improvements located thereon, and (c) existing and future gate house (subject to the other provisions hereof), security gates and other security devices and facilities for the common use and benefit of the residents of Clifftops Resort and any replacements thereof. Specifically, but not in limitation of the foregoing, Recreational Facilities shall include those areas on Exhibit “B” hereto, or any recorded plat describing any of such property, which are identified as road rights-of-way and all roadway improvements, culverts and bridges located thereon, the swimming pool, open spaces, tennis courts, Clubhouse, picnic areas, buffer-green areas, lake, beach and dock area, marina and the open spaces surrounding such facilities and on which such facilities are located, and all other present or future roads, trails, social and recreational amenities within the bounds of the property (other than the Lots) now or formerly owned by the Declarant comprising Clifftops Resort. The term shall also include any other roads or amenities not described above which are hereafter conveyed to, or built by, the Club, provided that the addition of any such amenities not described above shall be considered a capital improvement for the purposes of the voting requirements set out in section 6.04 hereof. For purposes of the Declaration, the provision of security for Clifftops residences, including the maintenance of the gatehouse and gate at the entrance to the property, and any other security desired by members of the Club, shall be included in the term “Recreational Facilities.” The Recreational Facilities, other than the roads, road rights-of-way and related improvements and the security facilities

and services, shall not be used except for the social pleasure and recreation of owners and residents of the Clifftops community who are members of the Club and their guests. The Recreational Facilities, other than roads, road rights- of- way and related improvements, the gatehouse and adjoining land area, shall remain permanently as such and there shall be no subdivision of the same nor other or alternate use thereof. Notwithstanding any other provision hereof, the Declarant shall retain the sole discretion as to how and when Lots shall be developed and any roads and road rights-of-way shall be built and the Club shall assume the maintenance of such roads and road rights-of-way in accordance with the provisions of the Bylaws. Notwithstanding anything to the contrary contained herein, while the Declarant continues to own any lots in Clifftops, the Declarant shall have the unrestricted right to use the gate house referred to herein for its sales efforts relating to sales of Lots in Clifftops, provided that it shall pay a pro rata share of the maintenance and upkeep of said gate house, such share to be agreed upon between the Declarant and the Association. *Amended 2016*

Section 2.04. Lot shall mean or refer to any improved or unimproved plat of land which is numbered and/or designated as private residential property on Exhibit "B" hereto, or upon any recorded final plat or subdivision of any part of the Properties. The term "lot" shall also include the area designated on Exhibit "B" as proposed Condominium Site. If a Condominium is constructed on such site, each unit therein shall be considered a "lot." Any recorded plat, whether presently or hereafter recorded, shall control the location of such residential lots, and these covenants shall apply to such residential lots as so recorded without further action of the Declarant or any other party, and any person or entity purchasing or otherwise taking title to any such lot shall be deemed to consent that such lot, as so recorded, shall be subject to these covenants and that the covenants shall run with the land in accordance with the terms hereof.

Section 2.05. A "dwelling unit" shall mean any portion of any building situated upon a lot designated and intended for use and occupancy by a single family. "Dwelling unit" and "lot" may be used interchangeably in these covenants but, where so used, shall refer to only one improved or unimproved tract of land, and the term "dwelling unit" shall be construed to include the lot upon which such "dwelling unit" is constructed and the term "lot" shall include a lot improved with a dwelling unit. "Dwelling unit" or "lot" shall include, without limiting the term, each apartment in any multi-family structure, each town house (if two or more are located on a single lot), each unit in a residential condominium, and any "lodge" type facility constructed on any lot.

Section 2.06. "Owner" shall mean or refer to the record owner, whether one or more persons, firms, associations, corporations, or other legal entities, of the fee simple title to any lot or dwelling unit situated on the Properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee, unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "owner" mean or refer to any lessee or tenant of an owner. The Declarant may be an "owner."

Section 2.07. "Member" shall mean or refer to all those owners who are members of the Club as provided in Article 4 hereof.

Section 2.08. "Declarant" or "Company" shall mean Rogers Group, Inc., and/or its successors and assigns.

ARTICLE 3

PROPERTIES

Section 3.01. Existing Properties. The Property which is and shall be held, transferred, sold, conveyed, leased and occupied subject to these covenants are all of those portions of the property described in Exhibit "A" to the "Supplemental Declaration of Covenants and Restrictions for Clifftops Resort and Provisions for Clifftops Recreational Association", referred to in Section 1.05 hereof (which Exhibit is incorporated herein by reference as fully as if copied verbatim), which are designated in Exhibit "B" to such Supplemental Declaration, (which Exhibit is also incorporated herein by reference), as "Private Residential Property" or "Proposed Condominium Site." Exhibit "B" is a scale drawing of the proposed Master Site Plan for the property described in Exhibit "A" and, notwithstanding anything to the contrary contained herein the Declarant may, without obtaining the consent of any other person or owner, by an instrument in writing signed by the Declarant and recorded in the same office where these restrictions are recorded, amend these restrictions to substitute for Exhibit "B" the actual site plan or plans as recorded, showing the metes and bounds of such property or properties, so long as such site plan or plans, as recorded, do not substantially alter the location of the lots or other properties reflected on Exhibit "B" hereto. Any lots heretofore sold, and thus not presently owned by the Declarant, shall not be included within these covenants, unless the owner thereof elects for such lot to be included herein by executing and recording an "Adoption Agreement" making these covenants applicable to such lot. The recording of an actual site plan or plans with the Register's Office of the county in which the land subject hereto lies, shall be considered to amend these restrictions to include such site plan or plans as recorded, along with any subsequent amendments thereto, without further action by the Declarant or any other party. Any area shown or indicated on any such plan or amended plan to be a residential lot shall be subject to these covenants. The site plans of portions of the Property, which have been recorded in the Register's Office of Marion County as of this date and which are incorporated herein by reference, are as follows:

<u>Plat Number</u>	<u>Book #</u>	<u>Page #</u>	<u>Date Recorded</u>
Phase 1-B	4	83	4/23/78
Phase 1-C	4	56	5/10/78
Phase 1-D	4	53	5/10/78
Phase 1-E	4	54	5/10/78
Phase 1-F	4	112	4/29/80
Phase 1-G	4	86	6/04/79
Phase 1-H	4	111	4/29/80
Phase 2	4	55	5/10/78

The Declarant, its successors or assigns, shall be free to develop such portions or sections of the Property as, in the reasonable exercise of its discretion, it deems to be in the best interests of the entire development, without regard to the relative location of such portions or sections within the overall plat; and it shall not be required to follow any predetermined sequence or order of improvements and

development, and it may bring within the plan of these covenants the additional lands and develop the same before completing the development of the existing Property; provided that, any such development or plan of development shall have the prior approval of the Marion or Franklin County Planning Commissions, if necessary.

Section 3.02. Additions to Existing Property. The Declarant, its successors or assigns, shall have the right, without further consent of the Club, to bring within the plan and operation of this Declaration additional properties in future stages of development; provided that, the addition of any property which is not included within the boundaries described on Exhibit "A" hereto shall require a majority vote of the members owning Class A Lots and a majority of the Class B Lots.

The additions authorized under this subsection shall be made by filing of record an additional supplementary declaration of covenants and restrictions with respect to the additional property which shall extend the operation and effect of the covenants of this Declaration to such additional property.

ARTICLE 4

MEMBERSHIP AND VOTING RIGHTS IN THE CLUB

Section 4.01. Membership. The Declarant and every person or entity who is or becomes the record owner of a fee simple or undivided fee simple interest in any lot or dwelling unit which is subject, by these covenants or by Adoption Agreement adopting these covenants as applicable to such lot, to assessment by the Club shall be a member of the Club, and subject to and bound by the Club's Charter of Incorporation, Bylaws, Rules and Regulations, as amended from time to time, all of which are incorporated herein by reference and are available at the office of the Club, and by these covenants, provided that any such person or entity who holds such title or interest merely as security for the performance of an obligation shall not be a member of the Club. Membership shall be automatically transferred to the new owner on conveyance of any lot or dwelling unit and recording of the deed of conveyance in the applicable public office. Membership shall be appurtenant to and may not be separated from ownership of any lot.

Section 4.02. Voting Rights. Until all lots with the Properties have been sold, and/or title is no longer held by the Declarant, the Club shall have two classes of lots with respect to voting rights:

Class A Lots shall consist of those lots owned by members other than the Declarant, and each owner of a Class A Lot shall be entitled to one vote for each lot in which they hold the interest required for membership by Section 4.01. When more than one person holds such interest or interests in any lot, all such persons shall be members, and the vote for such lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such lot by any such member or members. When one or more co-owners purport to vote for his or her co-owner, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote. If co-owners are unable to agree as to the vote, then no vote for such lot shall be counted.

Class B Lots shall consist of all Lots owned by the Declarant, and until all Lots within the development are sold or otherwise transferred, or until January 1, 1990, whichever first occurs, the Declarant shall have three (3) votes for each Lot owned by it, it being understood that the Declarant will pay the monthly or annual dues or assessments for Lots owned by it, in the same manner as other members. After the first to occur of the events mentioned above, the Declarant shall have one vote for

each Lot owned by it. Such Lots shall continue to be designated as Class B Lots, however, until the Declarant no longer owns any Lots subject to the covenants.

Section 4.03. Designation of Entity Representative. Any corporation, association, partnership or other entity which is the record owner of a lot or dwelling unit shall designate one individual (and his or her family, as applicable) which must be an officer, director, partner, or managing agent of such entity, to enjoy the rights, privileges, and benefits of membership in the Club, including but not limited to the right to use the Club's facilities and the right to vote at meetings thereof. Such designation shall be made in writing to the Secretary of the Club and shall be kept at all times with the Club's records. It shall be signed by an officer, director, partner or managing agent of the entity owning the lot and may be revoked only in writing. Such entity shall have no right to vote at the Club's meetings unless such designation has been made and, once made, the individual so named shall be the only representative of such entity which shall have the right to vote at the Club meetings or to enjoy the rights, privileges and benefits of membership in the Club, and to be elected a director of the Club, notwithstanding anything to the contrary contained in Section 3.02 of the Club's Bylaws. All persons making use of the Club's facilities by reason of the entity's ownership of a lot in Clifftops shall thereafter do so as guests of the designated individual.

ARTICLE 5

RIGHTS OF MEMBERS

Section 5.01 Right of Use of Recreational Facilities. Subject to the provisions of these covenants and the Charter, Bylaws and the rules and regulations of the Club, every member and his or her immediate family shall have a right to use and enjoy the recreational facilities, and such rights shall be appurtenant to and shall pass with the title to each lot. Any owner may delegate, in accordance with the rules or Bylaws, his right of enjoyment to the Club properties and facilities to his tenants or his contract purchasers who reside on the Property.

Section 5.02. Title to the Club Properties. The Declarant shall convey to the Club the legal title to the recreational facilities (other than the roads and the road rights-of-way), and the land upon which they are located, except that any such property encumbered by a mortgage for which the Declarant is liable may, at Declarant's option, (a) be leased to the Club for an amount not in excess of the mortgage payments, taxes and insurance upon such property, with an option to purchase such property upon the satisfaction of the mortgage, or (b) be conveyed to the Club subject to the mortgage, in which event the Club shall, unless otherwise provided in the instrument of conveyance, assume the mortgage and agree to timely make all payments of principal and interest thereon, and to hold the Declarant harmless therefor.

Every owner shall have such undivided interest in all of the Club's property as is represented by the ratio which the number of lots in which the owner holds the interest required for membership hereunder bears to the total number of lots within the property whose owners have become members of the Club; provided that, this provision shall not in any way modify, alter, amend or limit the provisions of the Club's Charter or Bylaws, as they may be amended from time to time, with respect to the dedication or disposition of the Club's assets on dissolution.

Section 5.03. Limitations on Right of Use. The members' rights of use created hereby shall be subject to the following:

(a) the right of the Club in accordance with its Bylaws to borrow money for the purpose of improving the Club's properties and/or for the other uses permitted herein and therein and in aid thereof to mortgage said properties;

(b) the rights of the Club to take such steps as are reasonably necessary to protect its properties against foreclosure;

(c) The right of the Club, as provided in its Bylaws or rules, to suspend the rights (whether voting rights or rights of enjoyment of the Club's facilities, or both, except for the roads and road rights-of-way, the right of use of which may not be suspended or limited for any reason) of any member for any period during which any dues or assessments remain unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of dues or assessments or a breach of rules and regulations of the Club shall not constitute a waiver or discharge of the member's obligation to pay such dues or assessments; and

(d) The right of the Club to charge reasonable admission and other fees for the use of its properties or facilities (other than the roads or road rights-of-way, the use of which may not be limited or suspended in any way or for any reason, nor may admission or other fees be charged for the use thereof) therein and to dedicate or transfer to any public or private utility company utility easements on any part of the Club's properties; and

(e) An easement, which is hereby reserved, for the use of the lake (but not the marina or dock facilities) by all present and future owners of lots abutting the lake, whether or not they are members of the Club and/or bound by these covenants.

ARTICLE 6

COVENANT FOR DUES AND ASSESSMENTS

Section 6.01. Creation of Lien and Personal Obligation for Dues and Assessments. The Declarant, for each lot owned by it within the Properties, hereby covenants and each owner of every lot or dwelling unit shall, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of these covenants and to pay to the Club.

(a) monthly, quarterly, or annual dues and/or assessments as determined by the Club;

(b) special assessments for the purposes set forth in Section 6.04 of this Article, such assessments to be fixed, established and collected from time to time by the Club as hereinafter provided.

The dues and assessments, together with such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the land and all the improvements thereon against which each such assessment is made. There shall, however, be no personal liability for the payment of such dues, assessments, interest and costs of collection on the part of any person, it being intended that payment of such dues, assessments, interests or costs of collection may be enforced

only against the land and improvements thereon against which such assessment was made and that no person or entity shall be personally liable for such dues or assessments.

Section 6.02. Purposes of Dues and Assessments. Subject to the provisions of the Bylaws of the Club, the dues paid to the Club shall be used as determined by its Board of Directors to promote the pleasure and recreational opportunities of its members and for payment of the costs of ownership, provision, operation, improvement, repair, maintenance and replacement of (a) the Club and its properties (including any properties leased by the Club), and (b) the Recreational Facilities. Any special assessment shall be used for the purpose set forth in Section 6.04.

Section 6.03. Basis and Maximum of Annual Dues. The Budget and dues shall be determined by the Club's Board of Directors as set out in the Bylaws. The Bylaws of the Club (as amended) provide that the various lots within the Property shall be divided into two (2) categories for purposes of assessing such dues, one such category to include "Undeveloped Lots", and the other to include "Developed Lots" (as such terms are hereinafter defined). Dues for Developed Lots shall be assessed at a rate two (2) times the rate so assessed for Undeveloped Lots and the amount of such dues and the allocation among the two (2) categories of Lots shall be determined in accordance with the Bylaws, as amended. Such ratios may be changed only by an amendment to the Bylaws adopted in the manner provided in the Bylaws. The Assessment must at all times be the same for all Lots within the same category, and must at all times be lowest for Undeveloped Lots and highest for Developed Lots. As used herein the term "Developed Lot" shall refer to a Lot which fronts on an existing improved road and to which water has been made available at the boundary line thereof. All other lots shall be considered "Undeveloped Lots."

Section 6.04. Special Assessments for Improvements and Additions. In addition to the annual dues authorized by Section 6.01 hereof, the Club may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair, replacement, or purchase of any capital improvement upon or for the Club's properties (which shall include all properties leased or owned by the Club and all other Recreational Facilities) including the necessary fixtures and personal property related thereto, or for any other purpose determined by the Club's Board of Directors and consistent with the Club's Bylaws and Charter; provided that, any such special assessment for capital repairs, improvements, or replacement shall require:

(a) The affirmative vote of a majority of the members of the Board of Directors who are "Non-Declarant Related Directors" (as defined in the Bylaws, as amended) and the affirmative vote of a majority of the members of the Board of Directors who are "Declarant Related Directors" (as defined in the Bylaws, as amended); or

(b) After termination of the two classes of Directors in accordance with the Bylaws, as amended, the affirmative vote of a majority of the Directors voting at a meeting at which a quorum is present.

Section 6.05. Quorum for Any Authorized Action. Unless otherwise specifically provided for herein, at any meeting called for the purpose of taking any action authorized under this Article 6, the presence at the meeting of members or proxies entitled to cast 26% of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting, another meeting may be called, subject to any notice requirements set out in the Charter and Bylaws of the Club, and any amendments thereto, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty

(60) days following the preceding meeting, or if it is so held, the quorum required shall again be twenty-six (26%) percent.

Section 6.06. Date of Commencement of Annual Dues. The annual dues provided for herein shall commence on the first day of June, 1981. The Declarant shall maintain all recreational facilities until date such dues commence. The annual dues shall be paid in equal monthly installments on or before the 5th day of each calendar month, unless the Club's Board of Directors determines otherwise, in which event the decision of the Board of Directors shall control. The due date of any special assessment under Section 6.04 hereof shall be fixed in the resolution authorizing such assessment.

Section 6.07. Duties of the Board of Directors. The Club's Board of Directors shall fix the date of commencement and the amount of dues payable with respect to each lot or dwelling unit for each year after 1981 and shall at that time prepare a roster of the properties and dues payments applicable thereto, which shall be open to inspection by any owner or the Declarant.

Each owner shall be notified of the dues for the coming year within three months of the commencement date, and shall pay such assessment in arrears if necessary. If the Board of Directors elects not to fix dues for the coming year, then the amount of the prior years' annual assessment shall be the fixed amount. The Club shall upon demand furnish any member liable for such dues a certificate in writing signed by an officer of the Club setting forth whether any such dues or special assessments have been paid. Such certificate shall be conclusive evidence of the payment of any dues or assessments therein stated to have been paid.

Section 6.08. Effect of Non-Payment of Dues or Assessments and Remedies of the Club. If the dues or assessments are not paid on the date when due, as above set out, then such dues and assessments shall become delinquent and shall, together with a late charge (which shall be set by the Board of Directors in an amount not less than \$5.00 per default nor greater than \$30.00 per default) plus interest thereon at the rate of 12% per annum (or the maximum rate allowed by law, whichever is less) from the due date and costs of collection thereof as hereinafter provided, thereupon become a charge and continuing lien on the land and the improvements thereon against which each such assessment of dues or special assessment is made in the hands of the then owner, his heirs, devisees, personal representatives and assigns. There shall be no recourse, however, against any member of the club for the payment of such dues. If such dues or assessments are not paid within thirty (30) days after the due date, however, the Club may foreclose the lien against the Lot or Lots to which the assessment relates and interest, cost and reasonable attorney's fees for such action or foreclosure shall be added to the extent permitted by law.

Section 6.09. Subordination of Lien to Mortgages. The lien of the dues and assessments provided for herein shall be subordinate to the lien of any first and second mortgages for purchase of lots or construction of dwelling units thereon, now or hereafter placed on the properties subject to assessment, provided, however, that such subordination shall apply only to the dues and assessments which have become payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any dues or assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 6.10. Enforcement of Lien. In addition to any and all other remedies provided for by law or herein, and for and in consideration of the privileges, protections, mutual enjoyment and use of the recreational facilities, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of the dues and assessments, principal, interest and attorney's fees, a lien is expressly retained by the Club on each and every affected lot and membership interest in the Club.

For the purpose of better and more effectually securing the payment of the lien indebtedness, rendering unnecessary court proceedings for the enforcement of the lien in the event of the non-payment of the indebtedness and payments thereof, as they become due, and for the consideration of one dollar paid in cash, receipt of which is acknowledged, the said lot owners and members, their heirs, administrators, and assigns, hereinafter referred to as "trustors", hereby transfer and convey unto W. Lee Corbett, Trustee, his successors and assigns, the property herein before described, with the appurtenances, estate, title and interest thereto belonging upon the following uses and trusts:

Trustors agree to pay their pro rata share of common expenses, dues and assessments, when due, and further agree to pay all taxes and assessments thereon, general or special, and to pay them when due, and, upon demand of said Trustee or the lawful owner and holder of said indebtedness, to pay, discharge, or remove, any and all liens (except a first or second mortgage or Deed of Trust as allowed herein) which may be hereafter placed against said property and which shall adversely affect the lien of this instrument or enforcement of the terms or provisions hereof, to keep the improvements on said property in good repair and preservation, and in case the Trustee or his successors and the lawful owner and holder of said indebtedness shall hereafter be required to appear in any court or tribunal to enforce, or defend the title to, or possession of, said property, or the lien of this instrument, or appear in any court to prove the above indebtedness, all of the costs and expenses of such appearance or proceedings, together with a reasonable attorney's fee, shall be allowed, and be payable by trustors upon demand by the Trustee or lawful owner or holder of said indebtedness, and, upon failure to do any of these things, then said Trustee, or the lawful owner or holder of said indebtedness may do any or all of these things and the amounts so paid shall bear twelve (12%) percent interest from the date of payment and shall be and become a part of the indebtedness secured hereby.

Now if the trustors shall pay their pro rata share of dues and assessments aforesaid when due, and pay any and all sums when due, as aforesaid, then this trust conveyance shall be of no further force or effect. But if said indebtedness, or any payment thereof, or interest thereon, is not paid promptly when due, or if, failing to pay said other sums when due, as herein provided, trustors fail to reimburse the Trustee, or lawful owner and holder of said indebtedness for all sums with interest, so expended by said Trustee, or lawful owner and holder of said indebtedness, within thirty days from date of such payment, this trust conveyance shall remain in full force and effect, and the said Trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty-one (21) days' notice by three publications in any newspaper, daily or weekly, published in Marion or Franklin Counties, Tennessee, to sell said property at the front door of the courthouse in said County to the highest bidder for cash, at public outcry, free from the equity of redemption, homestead, dower and all other exemptions of every kind, which are hereby expressly waived; and the said Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Club or the Developer may bid at any sale under this trust conveyance. The Trustee may, at any time after default in the payment of any of said indebtedness, enter and take possession of said property, and shall only account for the net rents actually received by him. It is further agreed that, in the event the Trustee fails,

before selling said property, as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a Trustee's deed as to the lot and any unit thereon and a bill of sale as to the affected owner's membership in the Association. In case of sale hereunder, the proceeds will be applied by the Trustee as follows:

1st. To the payment of all costs, charges and expenses of executing this conveyance and enforcing said lien as herein provided; also reasonable attorney's fees for advice in the premises, or for instituting or defending any litigation which may arise on account of the execution of this conveyance, or the enforcement of said lien; also the expense of any such litigation.

2nd. To the payment of all taxes which may be unpaid on said premises.

3rd. To the payment of all unpaid indebtedness herein secured, and any and all sums expended in the protection of said property, as herein authorized.

4th. The residue, if any, will be paid to the affected trustors, their successors, representatives or assigns.

In case of the death, absence, inability, or refusal to act of said Trustee at any time when action under the foregoing power and trusts may be required or for any other reasons, the lawful owner and holder of said lien is hereby authorized and empowered to name and appoint a successor to execute this trust by an instrument in writing to be recorded in the Register's Office for Marion and Franklin Counties, Tennessee, and the title herein conveyed to the above named Trustee shall be vested in said successor.

The word "trustors" when used herein shall apply to parties both singular and plural.

ARTICLE 7

GENERAL PROVISIONS

Section 7.01. Duration and Amendments.

(a) The covenant and restrictions contained in this Declaration shall run with and bind the land according to its terms.

(b) This Declaration may be amended by a written instrument signed by owners representing not less than sixty-seven percent (67%) of the Lots then subject to this Declaration (where more than one person owns a Lot, only one such owner need sign), and recorded in the proper public office; provided that, any proposal to amend this Declaration must first have received the approval of the Association's Board of Directors, by the affirmative vote of a majority of the Directors then entitled to vote thereon, and no such amendment shall be effective until an instrument evidencing such approval, and signed by a majority of such Directors, has been recorded in the same public office in which the amendment or amended Declaration is properly recorded; and provided further that, until all Lots in the Development are sold and none of such Lots is owned by the Declarant, any such amendment must also be approved by a majority of the Declarant Related Directors (as defined in the Bylaws, as amended). In addition to the foregoing, any proposal to amend any of the provisions of this Declaration must first have received (1) the affirmative vote of a majority of the members of the Board of Directors who are Non-Declarant Related Directors, and the affirmative vote of a majority of the members of the Board of

Directors who are Declarant Related Directors, or (2) after termination of the two classes of Directors in accordance with the Bylaws, as amended, the affirmative vote of a majority of the Directors voting at a meeting at which a quorum is present.

(c) No amendment shall be made at any time which is in any manner inconsistent with the uses and purposes of the property or recreational facilities set out herein, nor shall any amendment affecting the recreational facilities be made without the prior approval of the Marion or Franklin County Planning Commissions, where required.

Section 7.02 Notices. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent and notice thereby given, when mailed, postpaid, to the last address of the person who appears as member or owner on the records of the club at the time of such mailing.

Notice to one of two or more co-owners of a lot or a dwelling unit shall constitute notice to all co-owners. It shall be the obligation of every member to immediately notify the Secretary of the Club in writing of any change of address.

Section 7.03. Enforcement. These covenants may be enforced by the Club or, prior to the time all lots within the development are sold, by the Declarant.

Section 7.04. Binding Effect. Each grantee of the Declarant, and each grantee of a joining member or lot owner, by the acceptance of a deed of conveyance accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges herein contained. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of these covenants were recited and stipulated at length in each and every deed of conveyance or contract for conveyance. All present and future members, lot owners, tenants and occupants of a dwelling unit shall be subject to, and shall comply with, the provisions of the Bylaws appended hereto and recorded herewith, as they may be amended from time to time.

Section 7.05. Severability. Should any covenant or restriction herein contained, or any article, section, subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any Court or other tribunal having jurisdiction over the parties hereto and subject matter hereof, such judgment shall in no wise affect the other provisions hereof, which are hereby declared to be severable, and which shall remain in full force and effect.

SUMMARY OF RECORDING REFERENCES

- Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreation Association, entered into on June 2, 1981, and recorded in Book 9, page 1 of the Register's Office of Marion County, Tennessee and in Book 188, page 673 of the Register's Office of Franklin County, Tennessee (the "**Supplemental Declaration**")
- Restated Supplemental Declaration of Covenants and Restrictions or Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association, entered into on September 23, 1981, and recorded in Book 9, page 220 of the Register's Office of Marion County, Tennessee and in Book 190, page 103 of the Register's Office of Franklin County, Tennessee (the "**Restated Supplemental Declaration**")
- Amendment to Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association, entered into on March 21, 1983, and recorded in Misc. Book 12, page 131 of the Register's Office of Marion County, Tennessee and in Book 196, page 113 of the Register's Office of Franklin County, Tennessee (the "**First Amendment to Restated Supplemental Declaration**")
- Second Amendment to Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Recreational Association, entered into December 19, 1987, and recorded in Book 115, page 134 of the Register's Office of Marion County, Tennessee and in Book 221, page 374 of the Register's Office of Franklin County, Tennessee (the "**Second Amendment to Restated Supplemental Declaration**")
- The Second Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Property Owners Association, entered into on May 11, 1988 and recorded in Book 117, page 854 of the Register's Office of Marion County, Tennessee and in Book 223, page 227 of the Register's Office of Franklin County, Tennessee (the "**Second Restated Supplemental Declaration**"). The Second Restated Supplemental Declaration is a reproduction of the Restated Supplemental Declaration together with the First and Second Amendments to the Restated Supplemental Declaration and by its own terms is not an official record of amendments to the Restated Supplemental Declaration and was recorded to create a single document for ease of reference.
- The Third Amendment to Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Property Owners Association adopted October 12, 2016 as recorded in Book 484, page 1, Register's Office of Marion County, Tennessee on October 12, 2016 and in Book D415, page 134, Register's Office of Franklin County, Tennessee on October 12, 2016 (the "**Third Amendment to Restated Supplemental Declaration**"). This Third Amendment deletes the term "riding stables" from Section 1.01 and 2.03 of the Second Restated Supplemental Declaration of Covenants and Restrictions for Certain Lots at Clifftops Resort and Provisions for Clifftops Property Owners Association.