

PROPOSED AMENDMENT

That Section 1 (“Duration”) of Article XVII (“Miscellaneous Provisions”) of the Declaration of Covenants and Restrictions of the Tellico Village Property Owners Association, Inc., be amended by deleting said section in its entirety and substituting the following section in lieu thereof:

ARTICLE XVII -- Miscellaneous Provisions

Section 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association or the Owners subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of 26 years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of 10 years each, subject to any amendments duly effected in accordance with the provisions of this section. After the initial term of 26 years, amendments to the covenants and restrictions of this Declaration may be approved at any time by a two-thirds approval of the total number of qualified votes in the Association (i) obtained by written ballot administered in accordance with the requirements of state law for nonprofit corporations, the Association’s bylaws and the provisions of this section or (ii) signified by their signature on an instrument containing such amendment in accordance with the requirements of the Association’s bylaws and the provisions of this section . No such amendment shall be effective unless so approved and recorded at least one (1) year in advance of the effective date of such change and unless written notice of the proposed amendment is sent to every Owner at least 90 days in advance of any vote by the Owners thereon or approval of a written instrument as provided in this section. The text of any approved amendment will be recorded together with a certification executed by the president of the association and attested by its secretary, both of whose signatures will be notarized, affirming that the amendment was duly and validly approved by the requisite number of votes in accordance with the requirements of this section and reciting the date of the amendment’s approval and its effective date.

-END OF AMENDMENT-