

**MULTIPLE LISTING SERVICE
OF
CHATTANOOGA, INC.**

BYLAWS

Approved by NAR
(August 1, 2008)

BYLAWS
OF
MULTIPLE LISTING SERVICE OF CHATTANOOGA, INC.

A for profit corporation organized and existing under
the laws of the State of Tennessee

ARTICLE I

JURISDICTION

The area within which the corporation shall function shall at all times be coextensive with or within the territorial jurisdiction of the Chattanooga Association of REALTORS®, Inc. The MLS of Chattanooga is a wholly owned subsidiary of the Chattanooga Association of REALTORS®. All of the stock is owned by the association. Therefore, the Directors of the Chattanooga Association of REALTORS® are the voting shareholders.

ARTICLE II

OFFICES

The corporation may have such offices, either within or without the State of Tennessee, as the board of directors may designate or as the business of the corporation may require from time to time.

ARTICLE III

SHAREHOLDERS
(CAR DIRECTORS)

Section 1. Annual Meeting. The annual meeting of the shareholders for any purpose or purposes may be held at any time at the call of the board of directors, the President or by the holders of not less than one-tenth (1/10th) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting if such holders sign, date and deliver to the corporation's Secretary one (1) or more written demands for the meeting describing the purpose or purposes for which it is to be held.

Section 2. Special Meetings. Special meetings of the shareholders for any purpose or purposes may be held at any time at the call of the board of directors, the President or by the holders of not less than one-tenth (1/10th) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting if such holders sign, date and deliver to the corporation's Secretary one (1) or more written demands for the meeting describing the purpose or purposes for which it is to be held.

Section 3. Place of Meeting. All meetings of shareholders shall be held at such place, whether within or without the State of Tennessee, as shall be stated in the notice of the meeting or in a duly executed waiver of notice of such meeting. If no designation is made, the place of the meeting shall be the principal office of the corporation.

Section 4. Action Without Meeting. Action required or permitted by the Tennessee Business Corporation Act to be taken at a shareholders' meeting may be taken without a meeting. If all shareholders entitled to vote on the action consent to taking such action without a meeting, the affirmative vote of the number of shares that would be necessary to authorize or take such action at a meeting is the act of the shareholders. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each shareholder entitled to vote on the action in one (1) or more counterparts, indicating each signing shareholder's vote or abstention on the action, and delivered to the corporate records. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

Section 5. Notice of Meeting. Written notice stating the place, date, and time of the meeting, and in case of a special meeting the purpose or purposes for which the meeting is called and the person or persons calling the meeting shall be delivered to all shareholders entitled to vote at the meeting either personally (written or oral) or by mail, by or at the direction of the person or persons calling the meeting. The business transacted at any special meeting shall be limited to the purposes stated in such notice. Such notice shall be delivered not less than ten (10) days nor more than two (2) months before the meeting date, and shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

Section 6. Notice of Right to Dissent. If shareholders are to vote at a meeting on a corporate action which would give rise to a dissenting shareholder's right to payment for his shares under Section 48-23-102 of the Tennessee Business Corporation Act, the meeting notice must state that shareholders are or may be entitled to assert dissenter's rights and such notice must be accompanied by a copy of Chapter 23 of the Tennessee Business Corporation Act. If the corporate action creating dissenter's rights under Section 48-23-102 is taken without a vote of shareholders, the corporation shall notify in writing all shareholders entitled to assert dissenter's rights that the action was taken and send them the dissenter's notice described in Section 48-23-203 of the Tennessee Business Corporation Act.

Section 7. Record Date. For the purpose of determining the shareholders entitled to notice of a meeting of shareholders, to demand a special meeting, to vote or to take any other action, the board of directors may fix, in advance, a date as the record date for one or more voting groups. Such date shall be not more than seventy (70) days before the date of any such meeting or action requiring a determination of shareholders. A determination of shareholders entitled to notice of or vote at a shareholders' meeting is effective for any adjournment of the meeting unless the board of directors fixes a new record date, which it must if the meeting is adjourned to a date more than four (4) months after the date fixed for the original meeting. If no record date is fixed, the record date for determining the shareholders entitled to notice of or to vote at a meeting shall be at the close of business on the date before the first notice is delivered to shareholders,

or, in the case of a distribution to shareholders, the date on which the board of directors authorized the distribution.

Section 8. List of Shareholders at Meeting. An alphabetical list of shareholders as of the record date shall be open for inspection by any shareholder, beginning two (2) days after the notice of the meeting is given and continuing through the meeting, at the principal office of the corporation or at a place identified in the meeting notice in the city where the meeting will be held. If the right to vote at any meeting is challenged, the person presiding thereat may rely on such list as evidence of the right of the persons challenged to vote at such meeting. Failure to comply with this Section 8 shall not affect the validity of any action taken at a meeting.

Section 9. Quorum. A quorum for action on a matter shall consist of ten percent (10%) of all votes entitled to be cast on the matter by the shareholders, represented in person or by proxy. Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting. A meeting may be adjourned despite

Section 10. Voting. If a quorum exists, action on a matter (other than the election of directors) by the shareholders is approved if the votes cast by the shareholders favoring the action exceed the votes cast opposing the action, the absence of a quorum, unless otherwise provided by statute. The election of directors shall be by plurality vote of the shares entitled to vote in the election at a meeting at which a quorum is present. At each meeting of the shareholders, and upon each proposal presented at such meetings, every shareholder of record shall be entitled to one (1) vote per each share of stock standing in the name of the shareholder on the books of the corporation, unless otherwise provided in the charter.

ARTICLE IV MLS BOARD OF DIRECTORS

Section 1. Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of its board of directors, except for the organizational directors (which shall consist of six (6) directors), the number of directors shall be ten (10), of which a majority of voting members must be Participants including the President, President-Elect and Secretary/Treasurer of the corporation. The number of directors may be fixed, increased or decreased by the shareholders. No decrease in the number of directors shall shorten the term of any incumbent director. Directors need not be residents of the State of Tennessee or shareholders of the corporation. The board of directors shall be comprised of the President, President-Elect, Secretary/Treasurer and six (6) other directors, to be elected from among the Participants in the corporation's service. In 1997, there will be seven (7) directors from the CAR Board of Directors and five (5) directors at large plus the past president of MLS and current President of CAR. In 1998, there will be seven (7) directors from the CAR Board and four (4) members at large plus the past president of MLS and current president of CAR. In 1999, there will be six (6) directors

from the CAR Board and three (3) members at large plus the past president of MLS and current president of CAR and to allow no more than three (3) directors from the same company to serve on the Board of Directors during the same year and in 1999 to coincide with CAR. A REALTOR® other than a Participant may serve with the consent of the Participant with whom he is affiliated. In addition to the elected directors, the immediate past president of the MLS Board of Directors and the current president of the Chattanooga Association of REALTORS®, Inc., shall serve as appointed members of the MLS Board of Directors, with full voting privileges. The President-Elect of CAR will attend the MLS Board of Directors meetings in an observing capacity.

Section 2. Election and Tenure. Except for the initial directors, the directors shall be elected at annual meetings of the shareholders. The terms of the initial directors of the corporation shall expire at the first shareholders' meeting at which directors are elected.

Section 3. Newly Created Directorships and Vacancies. Each newly created directorship resulting from an increase in the number of directors and any vacancy occurring in the board of directors for any reason may be filled by a vote of the shareholders. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office or, if there is no predecessor, then until the next annual meeting of the shareholders.

Section 4. Regular Meetings. A regular meeting of the board of directors shall be held without notice other than this Bylaw immediately after, and in the same place as, the annual meeting of shareholders. The board of directors may provide, by action taken at a meeting, or consent as provided in Section 6, below, the time and place, either within or without the State of Tennessee, for the holding of additional regular meetings without notice other than such action.

Section 5. Special Meetings. Special meetings of the board of directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the board of directors may select any place, either within or without the State of Tennessee, as a place for holding any special meeting of the board of directors called by such person or persons.

Section 6. Action Without Meeting. Action required or permitted by the Tennessee Business Corporation Act to be taken at a board of directors' meeting may be taken without a meeting. If all directors consent to taking such action without a meeting, the affirmative vote of the number of directors that would be necessary to authorize or take such action at a meeting is the act of the board of directors. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each director in one (1) or more counterparts, indicating each signing director's vote or abstention on the action, and shall be included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this Section has the effect of a meeting vote and may be described as such in any document.

Section 7. Notice. Notice of the date, time and place of any special meeting, and any regular meeting if such notice is not provided for as set forth in Section 4, above, shall be given at least seven (7) days before the date of such meeting by written notice delivered

personally, by mail, facsimile, telegraph or other similar means to each director at either his or her business or residence address as shown by the records of the Secretary of the corporation. The attendance of a director at any regular or special meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at nor the purpose of any special or regular meeting of the board of directors needs to be specified in the notice or waiver of notice of such meeting.

Section 8. Conference Meetings. The board of directors, or any committee designated by such board of directors, may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting may simultaneously hear each other during the meeting, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting. The directors shall be promptly furnished a copy of the minutes of such conference meeting.

Section 9. Quorum and Voting. A quorum of the board of directors consists of: (i) a majority of the fixed number of directors if the corporation has a fixed board size; or (ii) a majority of the number of directors prescribed, or if no number is prescribed, the number in office immediately before the meeting begins, if the corporation has a variable-ranged size board of directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board of directors unless these Bylaws require the vote of a greater number of directors. A director who is present at a meeting of the board of directors when corporate action is taken is deemed to have assented to the action taken unless: (i) the director objects at the meeting to the holding of the meeting or the transaction of business at the meeting; (ii) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (iii) the director delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment or to the corporation immediately after adjournment of the meeting.

Section 10. Compensation. No compensation shall be paid to any director.

Section 11. Resignations. Any director may resign at any time by delivering written notice to the corporation, the board of directors, or the President. Such resignation shall take effect at the time specified therein, if any, or if no time is specified therein, then upon delivery of such notice; and, unless otherwise provided therein, the acceptance of such resignation shall not be necessary to make it effective. The Board of Directors shall designate a regular time and meeting place of meetings. Absence from two regular meetings without an excuse deemed valid by the Board of Directors shall be construed as resignation.

ARTICLE V

NOTICES

Section 1. Form. Notice shall be in writing, except that oral notice is effective if it is reasonable under the circumstances and not prohibited by these Bylaws.

Section 2. Effective Time. Written notice by the corporation to the shareholders, if in a comprehensible form, is effective when mailed, if mailed postage-paid and correctly addressed to the address of the shareholder shown in the corporation's current record of shareholders. Written notice by the corporation to the directors, if in a comprehensible form, is effective when mailed, if mailed postage-paid and correctly addressed to the address of the director at either his or her business address or residence address, as shown by the records of the Secretary of the corporation. If mailed, such notice shall be deemed to be delivered when deposited, so addressed and with postage prepaid, in the United States mail. If such notice is given by telegram, such notice shall be deemed to be delivered when the telegram, so addressed, is delivered to the telegraph company. In all other cases, written notice, if in a comprehensible form, is effective at the earliest of (a) when received, (b) five (5) days after deposit in the United States mail, if mailed correctly addressed with first class postage affixed thereon, © on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee, or (d) twenty (20) days after is deposit in the United States mail, as evidenced by the postmark if mailed correctly addressed, and with other than first class, registered or certified postage affixed. Oral notice is effective when communicated, if communicated in a comprehensible manner.

Section 3. Waiver of Notice. Whenever a notice is required to be given by statute or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to such notice. In addition, (a) a shareholder's attendance at a meeting waives: (1) objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting; and (2) objection to the consideration of a particular matter that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented; and (b) a director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

ARTICLE VI

OFFICERS

Section 1. Officers. The corporation shall have a President, a President-elect, and a Secretary/Treasurer, and such other officers as may be named by the board of directors. The officers of the corporation shall also be directors of MLS of Chattanooga, Inc. Effective March 31, 1996, the persons holding the offices of President, President-elect and Secretary/Treasurer must all be from different firms, partnerships or corporations, and one (1) or more persons from the same firm, partnership or corporation may serve as the President, President-elect or Secretary/Treasurer simultaneously.

Section 2. Election and Term of Office. The officers of the corporation shall be elected by the board of directors by November 1st of each year. Each officer shall hold office until the expiration of the term for which he or she is appointed and until his or her successor has been duly elected or appointed and qualified except that the term of office or any officer who dies, resigns or is removed shall end immediately upon such event. Appointment of an officer or agent shall not of itself create contract rights. No officer may serve in his respective capacity for more than two (2) consecutive terms.

Section 3. Removal. Any officer may be removed by the board of directors, and any officer appointed by another officer may be removed by the appointing officer, at any time, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. President. Beginning in 1998, the President shall have served on the MLS Board of Directors two (2) years prior to becoming President and shall be the chief executive officer of the corporation and, subject to the control of the board of directors, shall in general supervise and control all of the business affairs of the corporation and see that all orders and actions of the board of directors are carried into effect. The President shall, when present, preside at all meetings of the board of directors. The President may sign with the Secretary/Treasurer, or any other proper officer of the corporation, any deeds, mortgages, bonds, or other instruments and any contracts or documents made, executed and delivered in the ordinary course of business or which the board of directors has authorized to be executed, except in cases where the signing and the execution thereof shall be expressly delegated by the board of directors or by these Bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise sign or executed; and in general shall perform all duties as may be prescribed by the board of directors from time to time.

Effective January 1, 1997, the President of the Corporation and the President of the Chattanooga Association of REALTORS®, Inc. must be from different firms, partnerships or corporations, and one (1) or more persons from the same firm, partnership or corporation may not serve as the President of the Corporation and the President of the Chattanooga Association of REALTORS®, Inc. simultaneously.

In the event that member's transfer results in the presidents of CAR and MLS being from the same company, the MLS President shall resign. If a president-elect is in place and is

willing to serve, then the president-elect will assume the position of the president for the remaining term, and the Board of Directors will elect a president-elect. In the event that the president-elect is unable to succeed as president for the remainder of the resigning president's term, the MLS Board of Directors will convene to elect a new president to serve the remaining term of the resigning president. Should these events occur, the MLS Board of Directors will elect officer positions at the next annual meeting.

Section 5. President. If the president-elect is willing and able to serve as president in the ensuing year, the president-elect shall succeed the president, and the CAR Board of Directors shall only elect eight (8) directors for the following term.

Section 5. President-Elect . Beginning in 1998, the President-Elect shall have served one (1) year on the MLS Board of Directors and shall have such powers and perform such duties as the board of directors may prescribe or as the President may delegate to him. At the request of the President, the President-Elect may, in the case of the President's absence or inability to act, temporarily act in his or her place. In the case of the death of the President, or in the case of his or her absence or inability to act without having designated the President-Elect to act temporarily in his or her place, the board of directors shall designate the President-Elect to perform the duties of the President.

Section 6. Secretary/Treasurer. Beginning in 1999, the Secretary/Treasurer shall have served for one (1) year on the MLS Board of Directors and shall keep the minutes of the shareholders' meetings and of the board of directors' meetings, in one or more books provided for that purpose; shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; shall be custodian of the corporate records and of the seal of the corporation and shall see that the seal, if any, of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; shall keep a register of the post office address of each shareholder, which shall be furnished to the Secretary/Treasurer by such shareholder; shall sign with the President certificates for shares of the corporation, the issuance of which shall have been authorized by action of the board of directors; shall have charge of the stock transfer books of the corporation; shall in general perform all duties incident to the office of Secretary/Treasurer and such other duties as may from time to time be prescribed by the President or by the board of directors.

The Secretary/Treasurer of the corporation shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; and shall in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be prescribed by the President or by the board of directions.

Section 7. Duties. In addition to the authority and duties set forth in these Bylaws, each officer shall have the authority and shall perform the duties, to the extent consistent with these Bylaws, prescribed by the board of directors or by direction of an officer authorized by the board of directors to prescribe the duties of other officers.

Section 8. Resignation. An officer may resign at any time by delivering notice to the corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. An officer's resignation does not affect the corporation's contract rights, if any, with the officer.

Section 9. Compensation. No officer shall receive compensation for his or her services.

Section 10. Officers of the Chattanooga Association of REALTORS®, Inc. Effective January 1, 1997, no officer of the corporation may simultaneously serve as an officer of the Chattanooga Association of REALTORS®, Inc.

ARTICLE VII

PARTICIPATION

Section 1. Participation Defined. Participation in the corporation's service is available to the firm, partnership, or corporation of any REALTOR® Principal member of this or any other association, without further qualification except payment of required dues and fees and agreement to abide by these bylaws and the rules and regulations of the corporation's service will be entitled to become an MLS participant. However, under no circumstances is any individual or firm, regardless of membership status, entitled to "Membership" or "Participation" in the corporation's service unless they hold a current, valid real estate broker's license and are capable of accepting and offering cooperation and compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by the corporation's service is strictly limited to the activities authorized under a Participant's Licensor or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by the corporation where access to such information is prohibited by law. The REALTOR® Principal of any firm, partnership or corporation, or the branch office manager designated by such firm, partnership or corporation shall be termed the "participant" in the corporation's service and shall have all rights, benefits, and privileges of the corporation's service and shall accept all obligations to the corporation for the participant's firm, partnership, or corporation and for compliance with these bylaws and the rules and regulations of the corporation's service by all persons affiliated with participant who utilize the service.

Section 2. Application for Participation. Application for participation shall be made in such manner and form as may be prescribed by the board of directors of the corporation and made available to any REALTOR® Principal member of this or any other association requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable rules and regulations of the corporation as are from time to time adopted or amended.

Section 3. Discontinuance of Service. Participants in the corporation's service may discontinue the service by giving ten (10) days written notice and may reapply to the service after two (2) months by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid.

Section 4. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.

Section 5. Service Charges. The charges made for participation in the corporation's service shall be as determined, and as amended from time to time by the board of directors of the corporation, and specified in the rules and regulations of the corporation's services.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract and to execute and deliver any instrument, except certificates for shares of the corporation, in the name of and on behalf of the corporation; and such authority may be general or confined to specific instances.

Section 2. Loans. No loan shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authority is specifically given by action of the board of directors. Such authority may be general or confined to specific instances. The corporation shall not, however, lend any of its assets to or guarantee or otherwise secure any obligation of any officer or director of the corporation. If any such loan or guarantee be made, the corporation shall not take as security for any debt a lien upon its shares.

Section 3. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by action of the board of directors.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

ARTICLE IX

CERTIFICATES REPRESENTING SHARES AND TRANSFER OF SHARES

The name and address Section 1. Certificates for Shares. Shares of the corporation may but need not be represented by certificates. Certificates representing shares of the

corporation shall be in such form as shall be determined by the board of directors and shall include on the face thereof,

- (a) the name of the corporation;
- (b) that the corporation is organized under the laws of this state;
- (c) the name of the person to whom issued; and
- (d) the number and class of shares, and the designation of the series, if any, which such certificate represents.

If the corporation is authorized to issue different classes of shares or different series within a class, the designations, relative rights, preferences and limitations applicable to each class and the variations in rights, preferences, and limitations determined for each class (and the authority of the board of directors to determine variations for future series) must be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the corporation will furnish a shareholder this information on request in writing and without charge.

Also, any restriction on the transfer or registration of transfer of shares shall be noted conspicuously on the front or back of the certificate or shall be contained in the information statement required by Section 48-16-207(b) of the Tennessee Business Corporation Act.

All certificates for shares shall be consecutively numbered or lettered. of the person to whom the certificate is issued with the number of shares and the date of issue shall be entered on the stock transfer books of the corporation. The President and the Secretary, or such other officer or officers as may be designated by the board of directors, shall sign, either manually or in facsimile, all certificates for shares of the corporation.

The board of directors may authorize the issuance of some or all of the shares of the corporation without certificates. If so authorized, within a reasonable time after the issuance or transfer of shares without certificates, the corporation shall send the shareholder a written statement of the information set forth above, together with any restrictions, if applicable, on the transfer of such shares.

Section 2. Transfer of Shares. Shares of the corporation shall be transferred on its stock transfer books only upon delivery to the corporation (or transfer agent) of proper evidence of succession, assignment or authority to transfer and, if the shares are represented by certificates, upon the surrender to the corporation of the share certificates duly endorsed by the holder of record thereof or duly endorsed by his legal representative. Upon delivery of such proper evidence and the share certificates, if any, the surrendered certificates shall be canceled, new certificates shall be issued to the person entitled to them, and the transaction shall be recorded on the books of the corporation. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

Section 3. Lost, Stolen or Destroyed Certificates. The corporation shall issue a new share certificate in the place of any certificate previously issued where the holder of record of that certificate:

- (a) makes proof in affidavit form that it has been lost, destroyed, or wrongfully taken;

(b) requests the issue of a new certificate before the corporation has notice that the certificate has been acquired by a purchaser for value in good faith and before the corporation has notice of any adverse claim;

(c) gives a bond in such form, and with such surety or sureties, with fixed or open penalty, as the corporation may direct, to indemnify the corporation against any claim that may be made on account of the alleged loss, destruction, or theft of the certificate, and

(d) satisfies any other reasonable requirements imposed by the corporation.

When a certificate has been lost, destroyed, or wrongfully taken and the holder of record fails to notify the corporation registers a transfer of the shares represented by this certificate before receiving such notification, the holder of record is precluded from making any claim against the corporation for the transfer or for a new certificate.

ARTICLE X

DISTRIBUTIONS

Section 1. Declaration and Payment of Distributions. The board of directors may authorize and the corporation may make distributions to its shareholders subject to any restriction contained in the charter; provided, however, that no distribution may be made if, after giving it effect: (1) the corporation would not be able to pay its debts as they become due in the usual course of business; or (2) the corporation's total assets would be less than the sum of its total liabilities plus (unless the charter permits otherwise) the amount that would be needed, if the corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the distribution.

Section 2. Reserve Funds. Before payment of any distribution, the board of directors may set aside out of any funds of the corporation which are available for the payment of such distribution such sum or sums as the board of directors may, from time to time and in its absolute discretion, deem best as a reserve fund to meet any contingent obligations either by contract or otherwise or to repair or mend any property of the corporation, or for such other purposes as shall serve the best interests of the corporation.

ARTICLE XI

INDEMNIFICATION

Section 1. Mandatory Indemnification. The corporation shall indemnify, and advance expenses to, any person who is or was a director, officer or employee of the corporation or who is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted. The indemnification required by this Article shall include without limitation, mandatory indemnification of a director, officer or employee if the corporation could indemnify such person under T.C.A. Sections 48-18-502, 48-18-507 or 48-18-509, or under any successor statute.

Section 2. Nonexclusiveness; Heirs. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law or under the charter, these Bylaws, any agreement, any insurance purchased by the corporation, or otherwise and shall continue as to a person who has ceased to be a director, officer, employee or agent of the corporation and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 3. Purchase of Insurance. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him or her and endured by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article or of the Tennessee Business Corporation Act.

ARTICLE XII

VOTING OF SECURITIES OF OTHER CORPORATIONS

Unless otherwise directed by the board of directors, the President shall have full power and authority on behalf of the corporation to attend and to act and to vote, or in the name of the corporation, to execute proxies to vote, at any meetings of shareholders of any corporation in which the corporation may hold stock, and at any such meeting shall possess and may exercise, in person or by proxy, any and all rights, powers and privileges incident to the ownership of such stock. The board of directors may from time to time, confer like powers upon any other person or persons.

ARTICLE XIII

FISCAL YEAR

The fiscal year of the corporation shall be the calendar year.

ARTICLE XIV

SEAL

The board of directors may provide a corporate seal which shall be circular in form and which shall have inscribed thereon the name of the corporation, the state of incorporation, and the words "corporate seal".

ARTICLE XV

AMENDMENTS

Section 1. Amendment to Bylaws. Amendments to these Bylaws shall be by the board of directors of the corporation or by the shareholders, and shall be determined at an annual meeting or special meeting of the shareholders in accordance with the provisions of Article III. Amendments to the Bylaws of the corporation approved by the board of directors shall further be subject to approval of the board of directors of the shareholders.

When amendments to the Bylaws of the corporation have been approved by the board of directors of the shareholder, said amendments shall be effective immediately or as stated in the amending resolution. If the proposed amendments to the Bylaws of the corporation fail to gain approval of the board of directors of the shareholder, the board of directors of the corporation shall be informed, and advised that the proposed amendment or amendments to the Bylaws be further considered and resubmitted to the shareholder.

Section 2. Amendments to Rules and Regulations. Amendments to the Rules and Regulations of the corporation shall be by consideration and approval of the board of directors of the corporation and approval of the board of directors of the corporation in accordance with the provisions of Article IV, Sections 4 and 5, concerning meetings of the board of directors, subject to final approval by the board of directors of the shareholder.

When approved by the board of directors of the shareholder as described, the amendments to the Rules and Regulations of the corporation shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the corporation's Rules and Regulations fail to gain approval by the board of directors of the shareholder, the board of directors of the corporation shall be informed, and advised that the proposed amendment or amendments must be further considered and resubmitted to the shareholder as approved by the board of directors of the corporation.

ARTICLE XVI

COMMITTEES

The board of directors may create one (1) or more committees. A committee may consist of one (1) member. All members of committees of the board of directors which

exercise powers of the board of directors must be members of the board of directors and serve at the pleasure of the board of directors. The creation of a committee and appointment of a member or members to it must be approved by the greater of: (1) a majority of all the directors in office when the action is taken; or (2) the number of directors required to take action by Section 9 of Article IV. Sections 48-18-201--48-18-205 of the Tennessee Business Corporation Act which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors, apply to committees and their members as well. To the extent specified by the board of directors or in the charter or these Bylaws, each committee may exercise the authority of the board of directors under Section 48-18-101. A committee may not, however:

- (a) Authorize distributions, except according to a formula or method prescribed by the board of directors;
- (b) Approve or propose to shareholders actions that the Tennessee Business Corporation Act requires to be approved by shareholders;
- (c) Fill vacancies on the board of directors or on any of its committees;
- (d) Amend the charter pursuant to Section 48-20-102 of the Tennessee Business Corporation Act;
- (e) Adopt, amend, or repeal bylaws;
- (f) Approve a plan of merger not requiring shareholder approval;
- (g) Authorize or approve reacquisition of shares, except according to a formula or method prescribed by the board of directors; or
- (h) Authorize or approve the issuance or sale or contract for sale of shares or determine the designation and relative rights, preferences, and limitations of a class or series of shares,
except that the board of directors may authorize committee (or senior executive officer of
the corporation) to do so within limits specifically prescribed by the board of directors.

The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a director with the standards of conduct described in Section 48-18-301 of the Tennessee Business Corporation Act.

XVII

DISSOLUTION

In the event the corporation's service shall at any time terminate its activities, the board of directors of the corporation shall consider and adopt a plan of liquidation and dissolution with the approval of the participants thereof and of the board of directors of the shareholder. Said plan shall provide for the collection of all assets, the payment of all liabilities, and assignment of the remaining portions thereof to the shareholder.