

**BY-LAWS
OF
THE VILLAGE - MEADOWS HOMEOWNER'S ASSOCIATION**

**ARTICLE I
PURPOSE AND APPLICATION**

1.01. Purpose and Application. The following are the By-Laws of The Village – Meadows Homeowners' Association, hereinafter referred to as the "Association," a for profit corporation, organized pursuant to the Mississippi Corporation Act, formed for the purpose of managing and operating a certain development located in Forrest County, Mississippi, known as The Meadows and The Village at The Meadows, a development hereinafter referred to as the "Property."

The provisions of the By-Laws are applicable to the entirety of the Property.

All present or future owners, tenants and their employees, and any other persons or entities that might use the facilities of The Meadows and The Village at The Meadows, a development, in any manner, are subject to the regulations and provisions set forth in these By-Laws and to the Rules and Regulations established and promulgated by the Association of Owners pursuant to the By-Laws and the Declaration.

The mere acquisition of a Lot, Improvement or Residence, or rental of an Improvement or Residence of The Meadows or The Village at The Meadows or the mere act of occupancy of any Improvement or Residence will signify that these By-Laws and the provisions of the Declaration and any Rules and Regulations, as they each may be amended from time to time, are accepted, ratified and will be complied with.

ARTICLE II

PRINCIPAL OFFICE AND AGENT

2.01. Principal Office. The principal office of the Association shall be located at 607 Corinne Street, Suite A-2, Hattiesburg, MS 39401, or at such other place as may be designated subsequently by the Board of Directors or as the business of the corporation may require. All books and records of the Association shall be kept at its principal office. The mailing address of the Association shall be PO Box 307, Hattiesburg, MS 39403.

2.02. Principal Agent. The initial registered agent of the Association at such office shall be Thomas E. Schwartz.

ARTICLE III

DEFINITIONS

3.01. Declaration Defines. “Declaration” shall mean that certain Declaration of The Meadows and The Village at The Meadows, a development located in Forest County, Mississippi, and filed in the Chancery Clerk office in the county of Forrest, State of Mississippi, as the same may be amended from time to time in accordance with the terms thereof.

3.02. Other Terms Defined. Other terms used herein shall have the meaning given to them in the Declaration and are hereby incorporated by reference and made a part hereof.

ARTICLES IV

MEMBERSHIP

4.01. Qualifications. The sole qualification for membership shall be ownership of a Lot in the Property. No membership may be separated from the Lot to which it is appurtenant. The sum of \$250 shall be due the HOA upon ownership of Property.

4.02. No Additional Qualifications. No initiation fees, cost or dues shall be assessed against any person as a condition of the exercise of the rights of membership except such assessments, levies, and charges as are specifically authorized by the Declaration.

4.03. Succession. The membership of each Owner shall automatically terminate on the conveyance, transfer, or other disposition of an Owner's interest in the Lot. The Owner's membership shall automatically be transferred to the new Owner succeeding to such ownership interest. On the conveyance, transfer, or other disposition of a portion of an Owner's interest in a Lot, the transferring Owner and the transferee shall each be members of the Association in accordance with the ownership interest of each following such conveyance of transfer.

4.04. Certificates of Membership. The Association shall issue no shares of stock of any kind or nature whatsoever.

ARTICLE V

MEETINGS OF MEMBERS

5.01. Annual Meeting. The annual meeting of the Members shall be held on the

date, at the place, and at the time, as determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and not later than thirteen months after the last preceding annual meeting. The purpose of the annual meeting shall be to elect Directors, and to transact any other business authorized to be transacted by the Members or stated in the notice of the meeting sent to the Members in advance thereof.

5.02.Special Meeting. Special meetings of the Members may be called at any time upon the Board's receipt of a written request for a special meeting from Members representing at least thirty-three percent (33%) of the votes of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

5.03. Notice of Meeting. Notice of all meetings of Members shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or By-Laws, any budget changes, and any proposal to remove an officer or a member of the Board. Notices shall be prepared and delivered by or at the direction of the Secretary, and may be delivered either personally or by mail to a Member at the address given to the Board. Notice of the annual meeting and special meetings shall be mailed or delivered to each Member not less than ten (10) days prior to the meeting. No notices of annual or special meetings shall be mailed or delivered more than fifty (50) days prior to such meeting. A copy of the notice of any meeting of Members shall also be posted in a conspicuous place on the Property at least seven (7) days prior to the meeting. Proof of such notice shall be given by the affidavit of the person giving the notice.

5.04. Waiver of Notice. Any Member or Mortgagee may waive the right to receive notice of the annual meeting by sending a written waiver to the Board of Directors. Notice of specific meetings may be waived before or after the meeting, orally or in writing. Attendance by a Member at an annual or special meeting, either in person or by proxy, shall constitute waiver of notice of such meeting.

5.05. Quorum. The attendance (in person or by proxy) of a majority of Members is required to constitute a quorum.

5.06. Adjournment for Lack of Quorum. In the absence of a quorum at any meeting of Members, a majority of those members entitled to vote thereat, present in person or by proxy, shall have the power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until the requisite number of members, present in person or by proxy shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed.

5.07. Action Without Meeting. Any action which may be taken at a meeting of the Members may also be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by the number of members required to take such action at a meeting, and is filed with the Secretary of the Association.

5.08. Order of Business. The order of business at annual meetings of Members and, as far as practical, at all other meetings of Members, shall be:

Call to Order

Calling of the roll and certifying of proxies

Proof of notice of meeting or waiver of notice

Reading and disposal of any unapproved minutes

Reports of officers
Reports of committees
Election of Directors
Unfinished business
New business
Adjournment

5.09. Minutes of Meeting. The minutes of all meetings of Members shall be kept in a book available for inspection by Owners or their authorized representatives.

ARTICLE VI

MEMBER'S VOTING RIGHTS

6.01. Number of Votes. The Homeowner's Association shall have two (2) classes of voting memberships. The number of votes to which each Lot is entitled for Class A membership is one (1) vote, as provided in the Declaration of Covenants, Conditions and Restrictions. The votes of a Lot shall not be divisible. The number of votes to which each lot is entitled for Class B membership is four (4) votes as provided in the Declaration of Covenants, Conditions and Restrictions.

6.02. Vote Required to Transact Business. When a quorum is present, the holders of a majority of the voting rights present, in person or by proxy, shall decide any question brought before the meeting, unless the question is one on which, by express provision of the Declaration, a different number or manner of voting is required, in which case the express provision shall govern and control the decision in question.

6.03. Designation of Voting Member. If a Lot is owned by more than one (1)

person, the person entitled to cast the vote for the Lot may be designated by a certificate signed by all of the record owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a corporation, partnership, trust, or other legal entity, the person entitled to cast the vote for the Lot may be designated by a certificate of appointment signed by a duly authorized representative of the entity and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot involved. A certificate may be revoked by any Owner of an interest in the Lot.

6.04. Conditional Proxy. The granting of a mortgage on a Lot by its Owner(s) shall be construed as conferring upon the mortgagee a conditional proxy to cast the vote attributable to such Lot at any regular or special meeting of the Association. The condition of such proxy shall be notice by such mortgagee to the Association, in writing, of its intent to exercise the conditional proxy rights granted to it, as mortgagee, by the terms of this subparagraph. In the absence of such written notice, the Association shall be entitled to recognize the Lot Owner(s) vote attributable to their Lot. However, once such written notice is received by the Association, the mortgagee's right to cast the vote attributable to that Lot shall be recognized by the Association until the mortgagee withdraws its intent to cast such votes, in writing, or until the mortgage is paid in full and satisfied of record, whichever first occurs.

ARTICLE VII

BOARD OF DIRECTORS

7.01. Number. The affairs of this Association shall be managed by a Board of Directors, consisting of no less than three (3) persons nor more than five (5) persons.

7.02. Qualifications. A Director need not be a Lot Owner if elected by the Members.

7.03. Term. Two (2) of the initial positions on the Board, seats one and two, shall be elected for a two (2) year term. The other positions on the Board, seats three, and seats four and five if seated, shall serve one (1) year terms for the first term only. Seats one and two shall serve two (2) year terms for the duration of the Association. Seats three, and seats four and five if seated, shall serve two (2) year terms after serving the initial term. Thus, the Association shall have annual elections with staggered terms for the Board Members.

ARTICLE VIII MEETING OF DIRECTORS

8.01. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place, and at such time and date as the Board shall designate. Notice of the regular meetings shall be given to each Director, personally or by mail, telephone, or telegraph, and shall be transmitted at least fourteen (14) days prior to the meeting. The Board, in its discretion, may conduct an additional meeting in order to discuss, promulgate and decide upon a proposed budget. A regular meeting of the Board of Directors shall be held on the same day as, and prior to the Annual Meeting of the Members.

8.02. Waiver of Notice. Any Director may waive notice of a meeting either before or after the meeting, or may consent to the holding of a meeting without notice. Attendance by any Director at a meeting shall constitute waiver of notice of that meeting,

except when attendance is for the purpose of objecting at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called.

8.03. Action Without Meeting. Any action permitted or required to be taken at a meeting of the Directors may be taken without a meeting if written consent setting forth the action so taken shall be signed by all the Directors, and filed with the minutes of the proceeding of the Board.

8.04. Presiding Officer. The presiding officer of the Directors' meeting shall be the President. In absence of the President, the Directors present shall designate one of their number to preside.

8.05. Minutes of Meetings. The minutes of all meetings shall be kept by the Secretary and shall be available to the public at the registered office of the Association.

8.10. Order of Business. The order of business at Directors' meetings shall be:

Call of Roll

Proof of due notice of meeting

Reading and disposal of unapproved minutes

Reports of Officers and Committees

Election of Officers

Unfinished business

New business

Adjournment

ARTICLE IX

POWERS AND DUTIES OF THE DIRECTORS

9.01. Specific Powers. The Board of Directors shall have the power to exercise all powers, duties, and authority vested in the Association by the Declaration, or these By-Laws, except for such powers and duties reserved thereby to the Members or the

Developer. The powers and duties of the Board shall include, but shall not be limited to the following:

- (1) To elect and remove officers of the Association as hereinafter provided.
- (2) To administer the affairs of the Association.
- (3) To maintain bank accounts on behalf of the Association and to designate signatories required therefor.
- (4) To sell, lease, mortgage or otherwise deal with Lots acquired by the Association.
- (5) To pay the cost of all taxes and utilities assessed against the Association that are not assessed and billed to the Owners of individual Lots.
- (6) To borrow money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common areas, provided, however, that the consent of at least two-thirds (2/3) of the votes of the Members obtained at a meeting duly called and held for such purpose in accordance with the provision of these By-Laws, shall be required for the borrowing of such money.
- (7) To estimate the amount of the annual budget and to make, levy, enforce, and collect Assessments against Lot Owners to defray the costs, expenses, and losses for the Association, and to provide adequate remedies for failure to pay such assessments.

- (8) To use the proceeds of Assessments in the exercise of its powers and duties.
- (9) To maintain, repair, replace, and operate the Common Areas, including the reasonable right of entry upon any Lot to make emergency repairs and do other work reasonably necessary for the proper maintenance and operation of the Property and the right to grant permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Property.
- (10) To purchase insurance on the Improvements or Elements of the Common Areas of the Property, and to purchase insurance for the protection of the Association and its Members, and the members of the Board of Directors and officers of the Association.
- (11) To reconstruct Common Areas and Improvements after casualty and to further improve the Property.
- (12) To make and amend reasonable Rules and Regulations respecting the use of the Property and the operation of The Meadows Common Areas and Improvements.
- (13) To enforce by legal means the provisions of the Declaration, the Articles of Incorporation, and these By-Laws for the use of the Property.
- (14) To contract for the management of the Property and to delegate to such managing agent(s) all powers and duties of the Association except

such as are specifically required by the Declaration to have approval of the Board of Directors or the membership of the Association.

- (15) To contract for the management or operation of portions of the Common Areas of the Property susceptible to separate management or operation, and to lease such portions.
- (16) To retain attorneys and accountants.
- (17) To employ or contract personnel to perform the services required for proper operation of the Property.
- (18) Except as prohibited in the Declaration, to purchase a Lot of the Property for the purposes authorized in the Declaration.
- (19) To procure such fidelity bonds, as the Board deems advisable, covering officers and employees of the Association handling and responsible for the Association's funds and personal property, and to procure Directors' and Officers' liability insurance, if the Board deems it advisable, and the premiums of such bonds and insurance shall be paid by the Association as common expenses.

ARTICLE X

OFFICERS

10.01. Election. The executive officers of the Association shall be President, Secretary and Treasurer. The Board of Directors shall elect the officers annually. Any two (2) or more offices may be held by the same person, except the President shall not also be the Secretary.

10.02. Term. Each officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified, provided that any officer may succeed himself.

10.03. Duties of the President. The President, who shall be a Director, is the Chief Executive Officer of the Association, and shall have all of the powers and duties that are usually vested in the office of President of a Homeowners' Association, including but not limited to the following:

- (1) To preside over all meetings of the Members and of the Board.
- (2) To sign as President all deeds, contracts, and other instruments that have been duly approved by the Board.
- (3) To call meetings of the Board whenever he deems it necessary in accordance with the rules.
- (4) To have the general supervision, direction and control of the affairs of the Association.
- (5) To, along with the Secretary, prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

10.04. Duties of the Secretary. The Secretary, who shall be a Director, shall have all of the powers and duties that are usually vested in the Secretary of a Homeowners' Association, included but not limited to the following powers:

- (1) To keep a record of all meetings and proceedings of the Board and of the Members.

- (2) To keep the seal of the Association, if any, and affix it on all papers requiring said seal.
- (3) To prepare and serve such notices of meetings to the Board and the Members required by law or by these By-Laws.
- (4) To keep current records showing the Members of the Association together with their addresses.
- (5) To sign as Secretary all deeds, contracts, and other instruments which have been duly approved by the Board, if said instrument requires a second Association signature.
- (6) To, along with the President, prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

10.05. Duties of the Treasurer. The Treasurer shall be the financial officer of the Association, and shall have all powers and duties that are usually vested the treasurer of a Homeowners' Association, including but not limited to the following:

- (1) To receive and deposit in such bank or banks as the Board may from time to time direct, all of the funds of the Association.
- (2) To be responsible for and supervise the maintenance of books and records to account for such funds of the Association.
- (3) To disburse and withdraw said funds as the Board may from time to time direct, and in accordance with prescribed procedures.
- (4) To prepare and distribute the financial statements for the Association.
- (5) To prepare a record of all receipts and expenditures.

(6) To prepare an account for each Lot, setting forth any shares of Common Expenses or other charges due, the due dates thereof, the present balance due and any interest in Common Surplus.

ARTICLE XI

FISCAL MANAGMENT

11.01. Fiscal Year. The fiscal year of the Association shall be such as shall from time to time be established by the Association.

11.02. Annual Budget. The Board of Directors shall adopt a budget for each fiscal year in accordance with the Declaration. The annual budget of the Association shall be detailed and shall show the amounts budgeted by accounts and expense classifications. Expenses shall be estimated for each category and item of the Common Expenses. The budget shall also include reserve accounts for capital expenditures, deferred maintenance, reserves and contingencies. The amount reserved shall be computed by means of a formula that is based on the estimated life and estimated replacement cost or each reserve item. The budget shall also set forth each Owner's proposed Assessment for Common Expenses. Copies of the budget and proposed assessments shall be transmitted to each Member.

11.03. Adoption of the Annual Budget. The Board of Directors shall prepare or cause to be prepared a proposed annual budget for each fiscal year of the Association. Within thirty (30) days after adoption of any proposed budget for the Association, The Board shall make available at the request of a Member one (1) copy of the budget to all Lot Owners, and shall set a date for a meeting of the Owners to consider ratification of

the budget not less than fourteen (14) days nor more than thirty (30) days after delivery or mailing of the proposed budget to the Owners. The meeting may occur at the same time and place as the annual meeting of the Association. Unless at that meeting a majority of all the Owners present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board. The Board shall make available copies of the final annual budget to each Owner within thirty (30) days after adoption.

11.04. Assessments. Assessments for Common Expenses shall be made in accordance with the Declaration and these By-Laws. Assessments may be collected by the Association on a monthly or quarterly basis as follows: On or before the first day of each month of the fiscal year for which the Assessments are made, each Owner shall pay one-twelfth ($1/12^{\text{th}}$) of his share of the Common Expenses for such year as shown by the annual budget. The assessments of the Common Expenses shall be as set forth in the Declaration, but the yearly assessments for Common Expenses each owner shall be in proportion to his respective ownership interest in the Common Elements. The Board of Directors may cause to be sent to each Owner, on or before the first day of each month, or the first day of each quarter, a statement of the monthly Assessment(s) due. However, the failure to send or receive such statement shall not relieve the Owner of his obligation to make a timely payment of the monthly Assessment. If the Board shall not approve an annual budget or shall fail to determine new monthly Assessments for any year, or shall be delayed in doing so, each Owner shall continue to pay the amount of his monthly

Assessment as last determined. No Owner shall be relieved of his obligation to pay his Assessment by abandonment of his Lot or lack of use of the Common Areas or Common Elements. The collection for assessments shall begin at such time as the First Lot is conveyed by the Developer.

11.05. Reserves for Replacements. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Area and Common Elements which the Association may be obligated to maintain. The fund shall be maintained out of regular assessments.

11.06. Depository. The depository of the Association shall be such bank or banks and/or savings and loan associations as shall be designated from time to time by the Directors and in which monies of the Association shall be deposited. Withdrawal of monies from such account(s) shall be only by checks signed by such persons as are authorized by the Directors.

11.07. Lien for Expenses. If any Owner shall fail or refuse to make any payment of the Common Expenses or other assessment or fine imposed against him when due, the amount due, together with costs, reasonable attorney's fees, and interest thereon at the maximum percentage rate as may then be permitted under the laws of the State of Mississippi, from and after the date said Common Expenses or other assessments or fines become due and payable in accordance with applicable law, shall constitute a lien on the interest of the Owner in the Property.

11.08. Priority of Lien. Any lien of the Association shall be subject to the rules of priority as stated in the Declaration and other applicable state laws.

11.09. Acceleration of Assessment Installments. In accordance with the provisions of the Declaration, if an assessment is payable in installments, the full amount of the assessment is a lien from time the first installment thereof becomes due.

11.10. Default.

(1) In the event the Owner does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association may foreclose the lien encumbering the Lot created by non-payment of the required monies in the same fashion as mortgage liens on real estate are foreclosed; provided that thirty (30) days prior notice of the intention to foreclose shall be mailed, postage prepaid, to the Owner and to all persons having a mortgage lien or other interest of record. The Association shall have the right to bid on the Lot at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment, brought by or on behalf of the Association against an Owner, and the losing defendant shall pay the cost thereof, together with a reasonable attorney's fee.

(2) If the Association becomes the owner of a Lot by reason of foreclosure, it shall offer said Lot for sale at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the Lot, which shall include but not be limited to advertising expenses, real estate brokerages fees, abstract or title insurance costs and expenses necessary for the repairing and refurbishing of the Lot

or Improvement in question. All monies remaining after deducting the foregoing items of expenses shall be returned to the former Owner of the Lot/Improvement in question.

11.11. Supplemental Assessments. If during the course of any fiscal year, it shall appear to the Board that the monthly Assessment, as determined in the annual budget, are insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency. Copies of the supplemental budget shall be made available for review to each Owner, and thereupon a supplemental Assessment shall be made to each Owner for his proportionate share of the supplemental budget.

11.12. Annual Statement. Within one hundred fifty (150) days after the end of each fiscal year, the Board shall make available to each Owner, a statement for the year so ended showing the receipts and expenditures of the Association, and such other information as the Board may deem desirable. Any mortgage holder may have an audited statement prepared at its own expense.

11.13. Accounting Records. The Association shall keep financial records sufficiently detailed to enable the Association to comply with the requirements of the Declaration. The Board shall cause to be kept, in accordance with generally accepted accounting principles, a record of all receipts and expenditures; and a separate account for each Lot showing the Assessments or other charges due, the due dates thereof, the present balance due, and any interest in Common Surplus. Such records shall be open to inspection by Owners and his authorized agents at reasonable times.

11.14. Information. The Association shall be required to make available to Owners, lenders, and to holders, insures or guarantors of any first mortgage, current

copies of the Declaration, By-Laws, or other Rules and Regulations concerning the Property, and the books, records, financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. In addition to the above, any holder of a first mortgage is entitled, upon written request, to a financial statement for the immediately preceding fiscal year.

11.15. Lender's Notices. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number of address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the Project or the Lot securing its mortgage.
- (b) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds a mortgage.
- (c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action that requires the consent of a specified percentage of mortgage holders.

ARTICLE XII

OWNER OBLIGATIONS AND COVENANTS

12.01. Assessment. Every Owner of any Lot in the Property shall contribute pro rata toward the expense of administration, maintenance, alteration, repair, and improvement of the Property, as provided in the Articles, the Declaration or these By-

Laws. Each Assessment against a Lot shall also be the personal obligation of the Owner at the time the Assessment fell due. Such personal obligation shall not pass to successors in title unless assumed by such successors, or required by applicable law.

12.02. Maintenance and Repair. Every Owner of any Lot in the Property shall promptly perform all maintenance and repair work to his respective Lot/Improvement, as provided in the Declaration or these By-Laws. An Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any Common Areas or Common Elements damaged through the Owner's fault.

12.03. Use. The Property shall be utilized in accordance to the provisions of the Declaration and these By-Laws, and the Rules and Regulations of the Association.

ARTICLE XIII

RULES AND REGULATIONS

13.01. Rules and Regulations. The Board of Directors may from time to time adopt, modify, amend or add to the rules and regulations concerning the use of and activities on the Property; provided, however, that a majority of the Members may overrule the Board with respect to any such rules and regulations or modifications thereof or any amendments or additions thereof. Copies of such rules and regulations, or any amendments, additions, or modifications, shall be delivered to each Owner not less than fourteen (14) days prior to the effective date thereof. No rule or regulation is in conflict with the Declaration shall be adopted.

ARTICLE XIV
AMENDMENTS TO THE BY-LAWS

14.01. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of and meeting at which a proposed amendment is to be considered.

14.02. Adoption. These By-Laws may be altered, amended, or appealed or new By-Laws may be adopted by the affirmative vote or agreement of the Owners.

14.03. Prohibited Amendments. No amendment that is in conflict with the Articles or the Declaration shall be adopted.

14.04. Recording. Any amendment shall become effective when recorded in the office of the Chancery Clerk of Forrest County, Mississippi.

ARTICLE XV
MISCELLANEOUS

15.01. Construction. Whenever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of gender shall be deemed to include all genders.

15.02. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

15.03. Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration or these By-Laws.

15.04. Conflicts. In the event of any conflict between the provisions of these By-

Laws and the Declaration, the Declaration shall govern, except to the extent the Declaration is inconsistent to the Act.

15.05. Dissolution and Liquidation.

(1) The Company shall dissolve and commence winding up and liquidating upon the first to occur of the following:

- a. Written consent of all Members
- b. Entry of a decree of judicial dissolution under Section 79-29-802 of the Act.
- c. Termination by Members as set forth in this Agreement

(2) Winding Up:

After any notice is sent validly requiring the termination of the Company, the parties shall immediately proceed to wind the operations of the Company in order to complete the termination within a reasonable time.

(3) Distribution in Kind:

The Company shall not distribute the assets owned by the Company in kind. The Members expressly waive any right to have the property of the Company partitioned.

(4) Priority of Distribution:

For the fiscal year in which the Company terminates, the net assets of the Company shall be distributed as follows:

- a. To the creditors of the Company who are not Members, such priority given according to law.
- b. To each Member in repayment of and in proportion to the amount of any loan made to the Company, exclusive of capital contributions, plus accrued interest, and
- c. To transfer the remainder of any assets to an entity qualified as a not-for-profit organization in accordance with the instructions of the Board of Directors.

15.06. Compliance. These By-Laws are set forth to comply with the requirements of the Mississippi Corporation Act, and shall be considered an appendage to the Declaration filed prior hereto in accordance with said Acts. In case any of these By-Laws conflict with the provisions of said statutes, it is hereby agreed and accepted that the provisions of the Acts will apply.

I hereby certify that the above are our amended set of By-Laws of The Village - Meadows Homeowner's Association, and all were adopted by the Board of Directors in accordance with provisions of applicable law.

By: _____

Secretary

AMENDMENT TO BY-LAWS OF THE MEADOWS UTILTIY, LLC

ARTICLE XI DISSOLUTION AND LIQUIDATION is amended to add the following provision:

The Company shall have a first lien on all shares of stock issued and upon all dividends declared upon said shares of stock, for any and all indebtedness of the respective holders of such stock, including but not limited to “cash-calls” levied and declared by Management and any and all other matters of default as defined in the Agreement. In the event of default of payment of a “cash-call” payment or other assessment declared, the holder of such stock being in default shall waive and otherwise lose the right to vote and participate until the default is cured. The member in default shall have 60 days to cure the default declared or shall have his shares sold and distributed to the then remaining members in equal shares, based upon the book value of each share determined at the time of assessment. No dividend shall be paid to any member in default but such dividend shall be credited or applied to the amount in default.

The defaulting member shall have sold such number of shares, valued at the book value per share (as of the last valuation) and distributed to the non-defaulting members in equal shares.