

AMENDED BYLAWS
OF
CHERRY HILL PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

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AMENDED BYLAWS

OF

CHERRY HILL PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I.

Name and Location

Section 1. Name and Location. These are the Bylaws of and for the Mississippi nonprofit and non-share corporation named:

CHERRY HILL PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

This corporation is referred to herein at times as the "Association." The new principal office of the Association is located at 200 S. Lamar Street, Suite 500, Security Centr  North, Jackson, Mississippi, 39201, and the new mailing address is Post Office Box 23066, Jackson, Mississippi 39225-3066.

ARTICLE II.

Definitions

Section 1. Definitions. Unless a different meaning is apparent from the context, all words and terms used herein shall have the same meaning as they are defined to have in the Declaration of Covenants and Restrictions for Cherry Hill Plantation Phase I dated November 2, 1990, (hereinafter referred to as "Declaration") which is recorded in the office of the Chancery Clerk of Madison County at Canton, Mississippi in Book 727 at Page 197, except that the word "herein" as used in these Bylaws shall mean in these Bylaws.

ARTICLE III.

Membership and Voting Rights

Section 1. Membership. The Members of the Association shall be and consist of every person who is, or who becomes, an owner of record of the fee title to a lot in Cherry Hill Plantation Phase I as reflected in that certain survey on file in the office of the Chancery Clerk of Madison County at Plat Cabinet C, Slot 68 (hereinafter the "property") as well as Phase II and all subsequent phases, if any of Cherry Hill Plantation. When more than one Person owns or holds an interest or interests in any single lot, only one of the owners of such property shall be a Member. The

owners of such property shall designate one of them as the Member to participate in matters pertaining to the Association.

Section 2. Voting Rights. Every Member of the Association shall have one vote in the election of the Board of Directors of the Association. If the fee title to any property is owned of record by more than one person, the vote appurtenant to such property may be exercised by only one of the fee owners thereof as designated in writing by the other co-owners of the property.

Section 3. Membership Appurtenant to Real Property. The membership of a Member shall be inseparable from and appurtenant to the ownership of the property in Cherry Hill Plantation. A membership shall not be held, assigned, transferred, pledged, hypothecated, encumbered, conveyed or alienated in any manner except in conjunction with and as an appurtenance to the ownership, assignment, transfer, pledge, hypothecation, encumbrance, conveyance or alienation of the property to which the membership is appurtenant.

Section 4. Voting Conflict Between Members. If the fee title to property is owned of record by more than one person, then the one vote appurtenant to such property may be exercised by any one of such Members, unless the other Members who own an interest in such fee title shall object prior to the completion of voting upon the particular matter under consideration. In the event of any such objection, the one vote appurtenant to such property shall not be counted.

Section 5. No Preemptive Rights. The Members of the Association simply by virtue of being Members, shall have no preemptive rights to acquire any additional memberships which the Association may issue from time to time.

Section 6. Membership Certificates. In the event the Board of Directors should consider it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Association is organized under the laws of the State of Mississippi, and shall state the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the property to which such membership is appurtenant. Every membership certificate shall be signed by the President or Vice President and the Secretary or an Assistant Secretary and shall be sealed with the corporate seal. Such signatures and seal may be original or facsimile.

Section 7. Lost Certificates. The Board of Directors may direct that a new certificate or certificates be issued in place of

any membership certificate or certificates previously issued by the Association and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the person claiming the membership certificate to be lost or destroyed. When authorizing the issuance of a new certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the registered holder of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Association a bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Association on account of the issuance of such new certificate.

Section 8. Liquidation Rights. Should the Association be dissolved and finally liquidated, the Board of Directors, after first paying or making provisions for payment of all lawful debts and liabilities of the Association, shall distribute all the remaining assets of the Association to whichever one or more of the following categories of recipients the Board of Directors in its discretion shall determine, to wit:

(a) To a nonprofit organization or organizations having aims and objectives similar to those of this Association; or

(b) To the owners of the property in proportion to the number of lots owned to the total lots in the subdivision.

ARTICLE IV.

Meetings of Members

Section 1. Place of Meeting. Meetings of the Members shall be held at the principal office or place of business of the Association, or at whatever other suitable place or places within or without the State of Mississippi as are reasonably convenient to the Members as may be designated by the Board of Directors from time to time.

Section 2. Organizational Meeting. The organizational meeting of the Members shall be held at whatever time and place as may be chosen by the Members.

Section 3. Annual Meetings. The first annual meeting of the Members shall be held at whatever time and place as may be designated by the initial Board of Directors named in the Articles of Incorporation; provided, however, that the first annual meeting of Members shall be held within one year from the date of issuance of the Articles of Incorporation; thereafter there shall be an annual meeting in each succeeding year. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held

at the same hour on the first day following which is not a legal holiday. At the annual meeting the Members shall elect a Board of Directors in accordance with the provisions of Article V of these Bylaws. The President shall report on the activities and financial condition of the Association, and the Members may transact such other business as may properly come before them.

Section 4. Special Meetings. A special meeting of the Members shall be called by the President whenever such is directed by resolution of the Board of Directors, or whenever five percent (5%) of the Members sign, date and deliver to any corporate officer one or more written demands for the meeting describing the purpose or purposes for which it is to be held. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except such as is stated in the notice.

Section 5. Notice of Meetings.

(a) Written notice of a meeting stating the place, date and time of the meeting, and in the 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 given by mailing a copy of such notice to each Member at the Member's address as it appears" on the Members' roster of the Association. Notice of an annual meeting shall include a description of any matter or matters which must be approved by the Members pursuant to the requirements of applicable law. The Secretary shall mail notice of each annual or special meeting to each Member not less than ten days (or not less than 30 days if notice is mailed by other than first-class or registered mail) nor more than 60 days before the date of the meeting. Any notice so mailed shall be considered notice given in a fair and reasonable manner. Notice may also be provided under any other means allowed by the Mississippi Nonprofit Corporation Act.

(b) Waiver of a Member's right to notice, other than by the Member's attendance, must be in writing, be signed by the Member entitled to the notice, and be delivered to the Association for inclusion in the minutes or filing with the records of the Association. A Member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. A Member's attendance at a meeting also waives consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

Section 6. Roster of Membership. The Secretary shall maintain a current roster of the names and addresses of the Members of the Association. Each Member, upon becoming a Member, shall furnish the Secretary with his current mailing address, and thereafter shall notify the Secretary immediately in writing of any change or changes in his current mailing address.

Section 7. Quorum. Except as otherwise provided in these Bylaws, the Articles of Incorporation, or the Declaration, the presence in person or by proxy of Members representing at least 33-1/3% of the total number of votes of the Members, shall constitute a quorum. If a quorum shall not be present or represented at any meeting, the Members entitled to vote thereafter shall have the power to adjourn the meeting from time to time, until a quorum shall be present or be represented pursuant to the provision of Section 8 of this Article IV. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place on the property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

Section 8. Adjourned Meetings. If at any meeting of Members a quorum shall not be present, either before or after the meeting has begun, the Members who are present may adjourn the meeting to another designated time not less than 48 hours from the time originally scheduled for the meeting.

Section 9. Voting. At every meeting of Members, the Members shall have the voting rights specified in Article III above. The affirmative vote of the Members having at least 51% of the total number of votes represented at the meeting, in person or by proxy, shall be necessary to decide any question properly brought before the meeting, unless the question be one as to which, by provision of law, or the Articles of Incorporation, or the Declaration, or these Bylaws, a different vote is required, in which case such provision of law, or the Articles of Incorporation, or the Declaration, or these Bylaws shall govern and control. No Member who is shown by the books of the Association to be more than 60 days delinquent in any payment due the Association shall be eligible to vote, either in person or by proxy, and no such delinquent Member shall be eligible to be elected to the Board of Directors or as an officer of the Association.

Section 10. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies must be in writing and must be in such form as approved by the Board of Directors and must be filed with the Secretary prior to the appointed time of the meeting at which the proxy is to be exercised. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his property.

Section 11. Rights of Mortgagees. Any mortgagee who desires notice of the annual and special meetings of the Members shall notify the Secretary to that effect by registered mail, return receipt requested. Any such notice shall contain the name and post office address of the mortgagee and the name of the individual at such address to whom notices of the annual and special meetings of the Members should be directed. The Secretary shall maintain a roster of all mortgagees from whom such notices have been received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual and special meeting of the Members to such mortgagees, in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the Members. Any such mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and, upon his request made to the presiding officer in advance of the meeting, may address the Members present at any such meeting. Such representative shall have no voting rights at any meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Members upon request made in writing to the Secretary.

Section 12. Order of Business. The order of business at all regularly scheduled meetings of the Members shall be as follows:

- (a) Roll call and certification of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and approval of minutes of preceding meeting.
- (d) Reports of officers, if any.
- (e) Reports of committees, if any.
- (f) Unfinished business.
- (g) New Business.
- (h) Election of directors.
- (i) Election of officers.
- (j) Adjournment.

In the case of special meetings, items (a) through (d) above shall be applicable, and thereafter the agenda shall consist of the items specified in the notice of the meeting.

Section 13. Rules of Order and Procedure. The rules of order and all other matters of procedure at all annual and special

meetings of the Members shall be determined by the presiding officer of such meeting.

ARTICLE V.

Directors

Section 1. Number and Qualifications. The Association and the affairs of the Association shall be managed and controlled by the Board of Directors. Prior to the first annual meeting of Members, the Board of Directors shall consist of the five individuals named as initial Directors in the Articles of Incorporation, said five individuals being Frank R. Wright, Jr., William C. Brabec, Michael D. Furr, Terry W. Nicholas and Shirley Cobb. Following the first annual meeting of Members, the Board of Directors shall consist of at least 3 individuals but no more than 9 individuals as agreed upon by the Members. Directors need not be Members of the Association.

Section 2. Term of Office. At the second annual meeting the Members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years; and at each annual meeting thereafter the Members shall elect one director for a term of three years. If there are more than three directors, each shall be elected for a term of three years.

Section 3. Change in Number. The number of Directors may be changed from time to time by the Directors, but if the number is more than nine (9) there must be an appropriate amendment to these Bylaws. The number of Directors shall never be less than three. A decrease in the number of Directors shall not operate to shorten the term of any incumbent Director.

Section 4. Nomination. ~~Nomination for election to the Board~~ of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 5. Election of Directors. Directors shall be elected by the Members and shall be elected at the annual Members '

meetings, or in the event of a vacancy, either at the next ensuing annual Members' meeting or at a special Members' meeting called for that purpose. The election of Directors shall be by secret written ballot, unless such be dispensed with for any particular election by the unanimous consent of the Members present, in person or by proxy, at the meeting during which the election is held. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Each Director shall hold office until his successor has been elected at the next ensuing annual Members' meeting and has duly qualified.

Section 6. Powers and Duties. The Board of Directors shall have all the powers, authorities and duties necessary or appropriate for the management, control and administration of the affairs of the Association. In managing and administering such affairs, the Board of Directors shall have power, authority, and duty to do all acts and actions, except those acts and actions which by law, the Declaration, the Articles of Incorporation or by these Bylaws may be exercised only by or are reserved only to the Members. The powers, authorities and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration and as the Declaration may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) Maintain, repair, manage, operate, improve, develop and alter all common areas in Cherry Hill Plantation;

(c) Establish, determine, assess, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay ~~all expenses in connection therewith and all office and other~~ expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the Association or its property;

(d) Select, designate, train, hire, supervise and discharge personnel necessary or appropriate for the proper maintenance, care, upkeep, surveillance, services and efficient operation of common area and facilities, and to establish the compensation and other benefits of or for such personnel.

(e) Adopt, promulgate and enforce such rules, regulations, restrictions and requirements as the Board of Directors may consider to be appropriate with respect to the use of all common areas and any improvements on such property,

including, but not limited to, rules, regulations, restrictions and requirements designed to prevent unreasonable interference with the use, benefit and enjoyment of the common area and facilities by the Members and other authorized persons, or to govern activities which may be environmentally dangerous or hazardous.

(f) Authorize the payment of patronage refunds to the Members if and when the Board of Directors determine that the funds derived from assessments are more than sufficient to satisfy all reasonably foreseeable financial needs or requirements of the Association during the current fiscal year, including funds for reserves.

(g) Purchase insurance upon the common area and facilities.

(h) Maintain, repair, restore, reconstruct or demolish all or any portion of the common area and common facilities after any casualty loss, and to otherwise improve the common area and common facilities.

(i) Lease or grant licenses, easements, rights-of-way and other rights of use in or option, sell, assign, exchange, trade, transfer, quitclaim, surrender, release, abandon, mortgage or encumber or otherwise convey all or any portion of the common area and common facilities upon such terms, conditions and provisions as the Board of Directors considers to be advisable, appropriate, convenient or advantageous for or to the Association.

(j) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, option, lease, sell, assign, exchange, trade, transfer, quitclaim, surrender, release, abandon, mortgage, encumber, dedicate for public use or otherwise convey any real or personal property or any interest therein upon such terms, conditions and provisions as the Board of Directors considers to be advisable, appropriate, convenient or advantageous for or to the Association.

(k) Retain or employ a management agent for such compensation and for the performance of such duties and services as established or prescribed by the Board of Directors from time to time.

(l) Negotiate, prepare, execute, acknowledge and deliver all contracts, agreements, commitments and other documents relating to the Association's affairs.

(m) Prosecute, defend, appeal, settle, compromise or submit to arbitration any suit, action, claim or proceeding at law or in equity or with or before any governmental agency or

authority which involves or affects the Association, including any common area and common facilities.

(n) Retain or employ and pay the fees, expenses or other compensation of accountants, attorneys, architects, contractors, engineers, consultants or other persons who may be helpful, necessary, appropriate or convenient in or to the Association's affairs, whether or not related to or affiliated with any director or officer of the Association or any Member.

(o) Borrow any funds required for the Association's affairs from any person on such terms, conditions and provisions as may be acceptable to the Board of Directors, and to secure the repayment of any such loans by executing deeds of trust or by pledging or otherwise encumbering or subjecting to security interests all or any portion of the assets of the Association, including the common area and common facilities.

(p) Establish rules, regulations, restrictions and requirements or fees and charges from time to time relating to the use of the recreational areas and amenities now or hereinafter located in or on common area or facilities.

(q) Enter into mergers or consolidations with other corporations or annex additional residential property and common area;

(r) Regulate and design the appearance of the properties subject to the Declaration, and in general to do all things necessary or appropriate to accomplish the purposes set forth in the Declaration and any amendments or supplements thereto;

(s) Fix the amount of the dues, if any, to be paid by the members of this Association, provided that the charges and assessments mentioned in subparagraph (c) of this paragraph shall not be dues and shall not be treated as dues for any purpose;

(t) Do any and all things legally necessary or appropriate to effectuate any of the foregoing powers, authorities and purposes, provided that the rights and powers herein set forth shall be exercised only to the extent reasonably necessary to accomplish the purposes of the Association.

Section 7. Vacancies. Should the office held by a Director become vacant, such vacancy shall be filled by an election at the next ensuing annual Members' meeting or at a special Members' meeting called for that purpose, and each individual so elected shall serve as Director until his successor is elected, designated or appointed and qualifies, or until there is a decrease in the number of Directors.

Section 8. Removal of Directors. At any special Members' meeting duly called for such purpose, any Director may be removed from office, with or without cause, by the affirmative vote of a majority of the votes of the Members present and voting, in person or by proxy, at such meeting, and in the event of such removal, a successor to the Director thus removed may be elected then and there to fill the vacancy thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting called for the purpose of considering such removal. If any Director who is a Member becomes more than 60 days delinquent in payment of any assessment dues or carrying charge owed the Association, he may be removed from his office as a Director by a resolution adopted by two-thirds (2/3) of the Directors then in office, and in the event of such removal, the remaining Directors may appoint a successor, in which event the individual so appointed shall serve as Director until the Director's successor is elected, designated or appointed and qualifies, or until there is a decrease in the number of Directors.

Section 9. Compensation. Except upon resolution of at least two-thirds of the Members of the Association, no compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to any Director who is also a Member for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

Section 10. Organizational Meeting. The first meeting of a newly constituted Board of Directors shall be held within ten days after the annual Members' meeting at which the elected Directors on such Board were elected, and such first meeting shall be held at the principal office of the Association or at such other place as may have been fixed by the Members at such annual Members' meeting, and no notice shall be necessary to the Directors of such first meeting.

Section 11. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, private carrier, telephone, telegraph or teletype at least six days prior to the day fixed for such meeting.

Section 12. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days' notice to each Director, given personally or by mail, private carrier, telephone, telegraph or teletype, which notice shall. State the

date, time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and upon like notice if requested in writing by at least one-half of the Directors.

Section 13. Waiver of Notice. A Director may waive any notice required by law, the Articles of Incorporation, or these Bylaws before or after the time stated in the notice. Waiver of a Director's right to notice, other than by the Director's attendance, must be in writing, signed by the Director entitled to the notice, and filed with the minutes or records of the Association. A Director's attendance at or participation in a meeting waives any required notice to him of the meeting unless the Director at the beginning of the meeting (or promptly upon his 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. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and business of any type may be transacted at such meeting.

Section 14. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the actions of the majority of the Directors present at any meeting at which a quorum is present shall be the actions of the Board of Directors. If at any meeting of the Board of Directors, including any one or more reconvened meetings, there should be less than a quorum present, the majority of those present may adjourn the meeting to a later time. At any such reconvened meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 15. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if the action is taken by all members of the Board. ~~Any action without a meeting must be evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the Association's records reflecting the action taken.~~

Section 16. Rights of Mortgagees. Any mortgagees who desire notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by registered mail, return receipt requested. Any such notice shall contain the name and post office address of such mortgagee and the name of the individual at such address to whom notices of the regular and special meetings of the Board of Directors should be directed. The Secretary shall maintain a roster of all mortgagees from whom such notices have been received and it shall be the duty of the Secretary to mail, or otherwise cause the delivery of a notice of each regular and special meeting of the Board of Directors to each such mortgagee, in the same manner, and subject to the same

requirements and limitations, as are otherwise provided in this Article for notices to the Directors. Any such mortgagees shall be entitled to designate a representative to attend any regular or special meeting of the Board of Directors and such representative may participate in the discussion at any such meeting and, upon his request made to the President in advance of the meeting, may address the Board of Directors at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

Section 17. Fidelity Bonds. The Board of Directors shall require that all officers, directors and employees of the Association who regularly handle or otherwise are responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article VIII of these Bylaws. The premiums on such bonds or insurance shall be paid by the Association.

ARTICLE VI.

Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. In addition to the officers named above, the Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers and such other officers as in their judgment may be necessary or appropriate. The offices of Secretary and Treasurer may be filled by the same individual, and likewise, the offices of Assistant Secretary and Assistant Treasurer may be filled by the same individual.

Section 2. Election of Officers. The initial officers of the Association shall be elected at the organizational meeting of the Members of the Association. Thereafter, the officers of the Association shall be elected annually at each annual Directors' meeting, or, in the event of a vacancy at a special Directors' meeting called for such purpose. Each officer so elected shall hold office until his successor is elected, designated or appointed and qualifies.

Section 3. Vacancies. Should the office held by an officer become vacant, such vacancy shall be filled by an election at the next annual Directors' meeting or at a special Directors' meeting called for that purpose, and the individual so elected shall hold the office to which elected until his successor is elected, designated or appointed and qualifies.

Section 4. Removal and Resignation. At any special Directors' meeting duly called for such purpose, any officer may be removed from office, with or without cause, by the affirmative vote of a majority of the Directors present and voting, in person or by proxy, at such meeting, and in the event of such removal, a successor to the officer thus removed may be elected then and there to fill the vacancy thus created. Any officer whose removal has been proposed shall be given an opportunity to be heard at the meeting called for the purpose of considering such removal. Any officer may resign at any time by delivering written notice to the Directors or the President. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice. Unless otherwise specified in the notice, acceptance of such resignation shall not be necessary to make it effective.

Section 5. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members and all meetings of the Board of Directors. He shall have all the general authorities, powers and duties which are normally vested in the office of president of a corporation, provided, however, that such authorities, powers and duties, from time to time, and at any time may be restricted or enlarged by the Board of Directors.

Section 6. Vice President. The Vice President shall take the place of the President, and shall have the authorities and powers and perform the duties of the President, whenever the President is unwilling or unable to act. If neither the President nor the Vice President is willing and able to act, then the Board of Directors shall appoint one of its members to act as the chief executive officer of the Association on an interim basis. The vice President shall assist the President generally and when acting for the President, shall have the same authorities, powers and duties as the President. The authorities, powers and duties of the Vice President, ~~from time to time and at any time, may be restricted or~~ enlarged by the Board of Directors.

Section 7. Secretary. The Secretary shall keep the minutes of all Members' meetings and the minutes of all Board of Directors' meetings. The Secretary shall give notice of all annual and special Members' meetings and all regular and special Board of Directors' meetings. The Secretary shall have custody of the seal of the Association, if any. The Secretary shall have charge of the Members' transfer books and of such other books and papers as the Board of Directors may specify. In addition, the Secretary shall have whatever other authorities, powers and duties, but only such authorities, powers and duties, as may be prescribed by the Board of Directors. If, at any one or more times, the Secretary is unwilling or unable to perform his duties, such duties may be performed by any one or more individuals designated by the Board of Directors.

Section 8. Treasurer. The Treasurer shall have responsibility for the funds and securities of the Association, and shall have responsibility for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall have responsibility for causing the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as from time to time may be designated by the Board of Directors. In addition, the Treasurer shall have whatever other authorities, powers and duties, but only such authorities, powers and duties, as may be prescribed by the Board of Directors. If, at any one or more times, the Treasurer shall be unwilling or unable to perform any part of his duties, such duties may be performed by one or more other individuals designated by the Board of Directors.

ARTICLE VII.

Committees

Section 1. Committees. The Association may appoint an architectural control committee and may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(1) A maintenance committee which shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the common area and facilities and shall perform such other functions as the Board in its discretion determines;

(2) An audit committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the Members at their regular annual meetings. The Treasurer shall be an ex-officio member of the committee; and

(3) An architectural review committee which shall receive, review and approve or reject all submissions for construction and remodeling under paragraph 9 of the Declaration, to inspect all complaints of violations of the restrictive covenants and to make recommendations to the Board of Directors concerning any enforcement of the Declarations.

Section 2. Duties of Committees. It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties and activities within its field of responsibility. The committee shall dispose of such complaints as it deems appropriate or refer them to such other committee, Director or officer of the Association as is further concerned with the matter presented.

ARTICLE VIII.

Insurance and Casualty Losses

Section 1. Insurance. The Board of Directors may obtain and maintain, to the extent reasonably available, at least the following:

(a) A comprehensive policy of public liability insurance in such amount and in such form as may be considered appropriate by the Board of Directors in its discretion (but in an amount of not less than \$500,000.00 coverage for all claims for bodily injuries and/or property damage arising out of a single occurrence), which policy may include a "Severability of Interest Endorsement" or its equivalent if the Board of Directors in its discretion deems such appropriate, and which policy shall afford coverage with respect to whatever additional and special liabilities the Board of Directors in its discretion may specify, including, but not limited to, hired automobile liability, non-owned automobile liability, liability for property of others, liability incident to the ownership and use of any common area or facilities; and

(b) Workers' compensation insurance to the extent necessary to comply with any applicable law; and

(c) A "Legal Expense Indemnity Endorsement," or its equivalent, affording protection for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

~~(d) Insurance affording fidelity coverage to protect the Association against dishonest acts on the part of officers and Directors of the Association, trustees of and for the Association, and employees and agents of the Association who handle or are responsible for the handling of funds belonging to the Association, which fidelity coverage shall meet at least the following requirements:~~

(i) all such fidelity bonds and policies of insurance shall name the Association as obligee or named insured, as the circumstances may require; and

(ii) all such fidelity bonds and policies of insurance shall be written in an amount equal to at least 100% of the estimated annual operating budget of the Association, including reserves; and,

(iii) all such fidelity bonds and insurance shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten days prior written notice to any and all obligees and insureds named thereon and to any mortgagee of any property who requests such notice in writing; and

(e) Such other policies of insurance, including insurance for other risks of a similar or dissimilar nature, as may be considered appropriate by the Board of Directors in its discretion.

Section 2. Limitations. All insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State of Mississippi and holding a rating equivalent to a rating of "A+" or better in the most recent edition of Best's Insurance Guide.

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors, or its authorized representative.

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the Members or their mortgagees, and any "no other insurance" or similar clause in any policy obtained for the Association pursuant to the requirements of this Article shall exclude such policies from consideration.

~~(d) Such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased, whether or not within the control or knowledge of the Board of Directors, and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any one or more Members of the Association, or any of their respective agents, employees, tenants, mortgagees or invitees, or by reason of any act of neglect or negligence on the part of any of them.~~

(e) All policies shall provide that such policies may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten days prior written notice to all insureds named therein, including any mortgagee of any property who requests such notice in writing.

(f) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the Members and their respective agents, employees and tenants, and a waiver of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

Section 3. Personal Property Insurance. All insurance with respect to hazard insurance on the individual dwellings, contents, and automobiles and other vehicles owned and/or leased by Members, and any other insurance desired by Members, shall be the individual responsibility of each Member, and the cost thereof shall be solely for such Member's account.

Section 4. Casualty Damage - Reconstruction or Repair.

(a) Use of Insurance Proceeds. In the event of damages or destruction to any dwelling by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed. The reconstruction or repair shall be done with the proceeds of insurance available for that purpose, if any, unless such reconstruction or repair has been waived in writing by 80% of the Members and the holder of any security interest of record on any dwelling which has been destroyed or damaged and is not to be repaired or rebuilt.

(b) Proceeds Insufficient. If the proceeds of insurance are not sufficient to repair damage or destruction of any dwelling caused by fire or other casualty, or in the event such damage or destruction is caused by a casualty not insured against, then in either of those events, the repair, replacement or reconstruction of the damage shall be accomplished promptly by the Association and the cost thereof shall become a part of the assessment to which said property is subject.

ARTICLE IX.

Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of July of each year, and expire on the 30th day of June of that year unless otherwise changed by the Board of Directors upon proper authority.

Section 2. Principal Office; Change of Same. The principal office of the Association shall be at the location set forth in Article I of these Bylaws. The Board of Directors, by resolution, may change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting principles, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and expenditures and other transactions of and for the Association, and shall specify the maintenance and repair expenses for the common areas and common facilities, the cost of services required or provided with respect to the same and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment required for payment of any capital expenditures as to any reserves of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the Members. The receipts and expenditures of the Association shall be credited and charged to other accounts under classifications consisting of no less than the following:

(a) "Current Operations" which shall involve the control of actual expenses of the Association, including reasonable allowances for necessary contingencies and working capital funds in relation to the assessments and expenses herein provided for; and

(b) "Reserves for Replacement" which shall involve the control of such reserves for replacement as are provided for in these Bylaws and as may be approved from time to time by the Board of Directors; and

(c) "Other Reserves" which shall involve the control over funding of and charges against any other reserve funds which may be approved from time to time by the Board of Directors; and

(d) "Investments" which shall involve the control over investment of reserve funds and such other funds as may be deemed suitable for investment on a temporary basis by the Board of Directors; and

(e) "Betterments" which shall involve the control over funds to be used for the purpose of defraying the cost of any construction or reconstruction, unanticipated repair or replacement of any common areas and common facilities and for expenditures for additional capital improvements or personal property made or acquired by the Association with the approval of the Board of Directors.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association may be audited by an independent Certified Public Accountant whose report shall be prepared and certified in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the Members and any mortgagee

requesting same with an annual financial statement, which shall set forth a summary of all pertinent financial data, including the income and disbursements of the Association. Such annual financial statement shall be furnished within 90 days following the end of each fiscal year.

Section 5. Inspection of Records. A Member is entitled to inspect and copy, at a reasonable time and location specified by the Association, any of the following records of the Association if the Member gives the Association written notice of his demand at least five (5) business days before the date on which the Member wishes to inspect and copy:

(a) Articles or restated articles of incorporation and all amendments to them currently in effect;

(b) Bylaws or restated bylaws and all amendments to them currently in effect;

(c) Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of Members or any class or category of Members;

(d) Minutes of all meetings of Members and records of all actions approved by the Members for the past three (3) years;

(e) All written communications to Members generally within the past three (3) years;

(f) A list of the names and business or home addresses of the current Directors and officers; and

(g) Most recent status report delivered to the Secretary of State under Section 79-11-391 of the Mississippi Code of 1972, as amended.

The Association may impose a reasonable charge not to exceed the estimated cost of production or reproduction of the records, covering the costs of labor and material, for copies of any such documents provided to a Member.

Section 6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and Contracts shall be executed on behalf of the Association by either the President or a vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as may be authorized from time to time by the Board of Directors.

Section 7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed

by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

ARTICLE X.

Assessments

As more fully provided in the Declaration each Member (or owner, where the property is owned by more than one party) is obligated to pay to the Association annual and special assessments, which shall become a lien upon the Member's property when the Board records a notice of assessment as provided in Section 89-9-21 of the Mississippi Condominium Law. Any assessments, which are not paid within thirty (30) days after the due date, shall be delinquent and shall bear interest from the due date at the prime rate as established by Deposit Guaranty National Bank of Jackson, Mississippi or its successors on the due date per annum or at the maximum lawful contract rate permitted by the laws of the State of Mississippi, whichever is less; and the Association may bring an action at law against the Member personally obligated to pay the same and foreclose the lien against the property of the delinquent Member, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the common area, facilities or abandonment of his property.

ARTICLE XI.

Indemnification of Officers and Directors

Section 1. Indemnification. The Association shall indemnify every officer and Director of the Association, and every person who may serve at the request of the Board of Directors, as a director or officer of another association in which the Association owns an interest or shares of stock or of which the Association is a creditor, against all costs actually and reasonably incurred by any such officer, director or person in connection with the defense of any action, suit or proceeding, civil or criminal, to which any such officer, director or person is a party by reason of his being or having been such officer, director or person, provided that such indemnification shall not extend to any matters concerning which such officer, director or person shall be adjudged in such action, suit or proceeding to have failed to discharge his duties in accordance with his good faith belief that he was acting in the best interest of the Association. Such indemnification shall include amounts payable as the result of the settlement of any such action, suit or proceeding; provided, however, that any such settlement shall be approved in writing by the Board of Directors. The officers and Directors of the Association shall not be liable

to the Members or to the Association for any mistake of judgment, or otherwise, except as provided by law and except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association, or former officer or Director of the Association, may be entitled, whether by law, by resolution adopted by the Members after notice, or otherwise.

Section 2. Conflict and Identity of Interest. The Directors and officers shall exercise their powers and duties in good faith and with a view to the interest of the Association. No contract or other transaction between the Association and one or more of its Directors or officers or between the Association and any corporation, firm or association in which one or more of the Directors or officers of this Association are directors or officers or are pecuniarily or otherwise interested, shall be voidable by the Association solely because of the director's interest in the transaction if any one il) of the following is true:

(a) The material facts of the transaction and the director's interest were disclosed or known to the Board or a committee of the Board and the Board or committee authorized, approved or ratified the transaction;

(b) The material facts of the transaction and the director's interest were disclosed or known to the Members entitled to vote and they authorized, approved or ratified the transaction; or

~~(c) The transaction was fair to the Association.~~

A transaction is authorized, approved or ratified by the Board of Directors if it receives the affirmative vote of a majority of the Directors on the Board of Directors (or on the committee) who have no direct or indirect interest in the transaction, but a transaction may not be authorized, approved or ratified by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking such action. The presence of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any authorization, approval or ratification if the transaction is otherwise authorized, approved or ratified as provided herein.

A transaction is authorized, approved or ratified by the Members if it receives the vote of a majority of the Members whose votes are entitled to be counted hereunder. The vote of a Member who is a Director who has a direct or indirect interest in the transaction may not be counted in a vote of Members to determine whether to authorize, approve or ratify the transaction. A majority of the Members, either present or by proxy, whose votes are entitled to be counted in a vote on the transaction constitutes a quorum for the purpose of authorizing, approving, or ratifying the transaction.

ARTICLE XII.

Amendment

Section 1. Amendments. Subject to any other applicable limitations set forth in these Bylaws, an amendment to these Bylaws will be adopted only if approved by (a) the Board of Directors when the amendment does not relate to the number of directors, the composition of the Board, the term of office of directors, or the method or way in which directors are elected or selected and (b) a two-thirds (2/3) vote of all Members. Amendment of these Bylaws shall be considered only at a special or annual meeting of Members, and only if a copy or summary of the proposed amendment accompanied a proper notice of such meeting.

Section 2. Proposal of Amendments. Amendments to these Bylaws may be proposed by the Board of Directors or by petition signed by Members having at least 25% of the total votes of all Members, which petition shall be delivered to the Secretary. A copy or summary of any proposed amendment shall accompany the notice of any annual or special meeting of the Members at which such proposed amendment is to be considered and voted upon.

ARTICLE XIII.

Interpretation - Miscellaneous

Section 1. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All the words and terms in these Bylaws shall have the same meanings, respectively, as are attributed to them by the Declaration, except where such is clearly repugnant to the context.

In the event of any conflict between these Bylaws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these Bylaws and the Articles of Incorporation, the provisions of the Articles of Incorporation shall control.

Section 2. Notices. Unless another type of notice is hereby elsewhere specifically provided for, any and all notices called for in these Bylaws shall be given in writing.

Section 3. Severability. In the event any promise or provision of these Bylaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

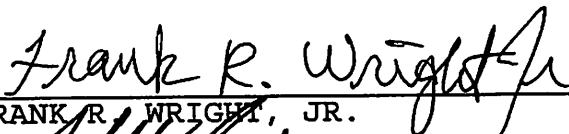
Section 4. Waiver. No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

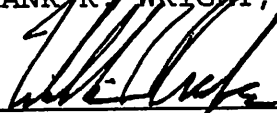
Section 5. Captions. The captions contained in these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws or to aid in the construction thereof.

Section 6. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

In witness whereof, the undersigned Directors of Cherry Hill Plantation Property Owners Association, Inc. have adopted these Amended Bylaws as of August 15, 1993.

DIRECTORS


FRANK R. WRIGHT, JR.


WILLIAM C. BRABEC


MICHAEL D. FURR


TERRY W. NICHOLAS


ELIZABETH MAJURE