Proposed Bylaw Amendment 1 - Definitions

Motion to adopt proposed bylaw amendment #1 as set forth below.

Insert a new DEFINITIONS section to proceed Article I of the Bylaws as follows:

DEFINITIONS

“Association” shall mean and refer to the DIAMONDHEAD COUNTRY CLUB AND PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

“Articles” shall mean and refer to the Charter of the Association as amended, and as may be amended from time to time by the Articles of Incorporation of the Association.

“Board of Directors” shall mean and refer to the Board of Directors of the Association.

“Charter” shall mean and refer to the Charter of the Association as amended, and as may be amended from time to time by the Articles of Incorporation of the Association.

“Common Properties” or “Common Areas” shall mean or refer to those tracts of land together with any improvements thereon which are deeded or leased to the Association other than real property which the Association acquires through foreclosure or in the enforcement of a lien. All Common Properties are to be devoted to and intended for the common use and enjoyment of the Members and their guests, lessees or invitees and the visiting general public (to the extent permitted by the Board of Directors of the Association), subject to any operating rules adopted by the Association.

“Covenants”, unless otherwise qualified, shall mean those Declaration of Restrictions, Conditions, Easements, Covenants, Agreements, Liens, and Charges filed of record in the Office of the Chancery Clerk of Hancock County, Mississippi which affect and regulate the use of real property located within the Diamondhead Subdivision including all phases and units, as indicated by the record of plats maintained in the land records in the office of the Chancery Clerk of Hancock County, Mississippi.

“Diamondhead”, “Diamondhead Development”, and/or “Diamondhead Subdivision” shall mean and refer to the lands in Hancock County, Mississippi subject to the Covenants, including all phases and units, located within the geographical boundaries of the City of Diamondhead, Mississippi as indicated by the record of plats maintained in the land records in the office of the Chancery Clerk of Hancock County, Mississippi.

“Lot” shall mean and refer to any plot or tract of land shown upon the recorded subdivision map or plat of the Property, exclusive of the Common Area, which is designated as a lot therein and which is or may be improved with a residential dwelling.

“Member” shall mean each Owner who (or which) holds title to a parcel of real property within the Diamondhead Subdivision and is thereby a member of the Association. If the title to a particular parcel is owned of record by more than one person or entity, then the membership appurtenant to that parcel shall be considered to be held in the same manner as the title to that
particular parcel. Those individuals or entities who or which jointly hold title to a parcel of real property in the Diamondhead Subdivision, are jointly and collectively a single Member.

“Mortgages” shall mean any institutional holder of a first mortgage encumbering a portion of the property as security for the performance of an obligation.

“Owner” shall mean and refer to the owner (or owners) as shown in the public land records of Hancock County, Mississippi (whether it be one or more persons, firms, associations, corporations, or other legal entities) having title to any parcel which consists of a Residential Lot(s) and/or Residential Dwelling Unit(s) which is subject to the Covenants.

Owner shall not mean or refer to a mortgagee, its successors or assigns, unless or until such mortgagee has acquired title pursuant to foreclosure proceedings or deed in lieu of foreclosure nor shall the term Owner mean or refer to any lessee or tenant of an Owner. In the event there is recorded in the public land records of Hancock County, Mississippi, a long term contract for sale in the nature of a contract for deed covering any of the above parcels of Property, the Seller of such parcels shall be the Owner until such time as title has transferred under said contract.

“Parcel” shall mean one or more contiguous, residential lots or residential dwelling units located within the Diamondhead Subdivision to which Hancock County has assigned one parcel number. Each Parcel Number assigned to Real property located in the Diamondhead Subdivision shall represent one parcel.

“Residential Dwelling Unit” shall mean and refer to any improved Property intended for use as a single family or multifamily residential dwelling including, without limitation, any single family detached dwelling, garden home, patio dwelling, condominium unit, townhouse unit, cooperative apartment unit or apartment unit, which improvements constructed thereon are sufficiently completed to be certified for occupancy by the applicable governmental authorities of Hancock County, Mississippi or if such certification is not available, at such time as the improvements are substantially completed in accordance with plans and specifications. Residential Dwelling Units shall specifically exclude however, any hotel or motel rooms unless such hotel or motel rooms have been made subject to independent ownership as separate legally defined units.

“Residential Lot” shall mean and refer to any unimproved parcel of land located within the Property which has been platted into lots intended for use as sites for single family detached dwellings, townhouse, garden home or patio dwelling as described in a recorded final subdivision plat. A parcel of land meeting the above criteria shall be deemed to be improved as a Residential Lot until the improvements being constructed thereon are sufficiently completed for occupancy so as to be defined as a Residential Dwelling Unit.

“Voting Member” shall be the individual designated to vote pursuant to Article III, Section 3.10a and Section 3.10b when title to a particular parcel of real property is owned of record in the name of two (2) or more persons or entities, or in any manner of joint or common ownership.
Proposed Bylaw Amendment 2 - Purpose

Motion to adopt proposed bylaw amendment #2 as set forth below.

Delete ARTICLE I. PURPOSE and substitute the following:

ARTICLE I. PURPOSE, SERVICES, AND THE ACT

Section 1.1 Purpose Generally. Diamondhead Country Club and Property Owners Association, Inc., a Mississippi nonprofit corporation, herein referred to as “the Association”, shall conduct its affairs for the mutual benefit of the membership hereof and for the civil improvement, operation, maintenance, management, ownership, buying, selling, and handling of the common facilities, common areas, country club, and recreational facilities of the Association.

Section 1.2 Functions and Services of Association. The Association shall provide the following services to its Members

a. Provide maintenance and administration of all Common Property;
b. Provide administrative services, for the purpose of performing the business of the Association, including, but not limited to, legal, accounting, and financial services;
c. Secure sureties and or insurance in a type and amount as deemed necessary by the Board of Directors, including, but not limited to, insurance covering improvements and activities on the Common Properties and insurance securing the work of employees, volunteers, and other agents of the Association;
d. Pay taxes assessed against Common Properties; and
e. Any other functions or services deemed appropriate by the Board of Directors.

Section 1.3 Application of Mississippi Non-Profit Corporations Act. The operation and regulation of this Association shall be controlled by the Mississippi Nonprofit Corporations Act. To the extent that any of the provisions herein conflict with the Mississippi Nonprofit Corporations Act (Mississippi Code Sections, 79-11-101, et seq.), the terms of the Mississippi Nonprofit Corporations Act shall control. However, if the provisions herein are more restrictive than Mississippi Nonprofit Corporations Act, the provisions herein shall control. Likewise in the event that the terms of the Mississippi Nonprofit Corporations Act are more restrictive than the provisions herein, the Mississippi Nonprofit Corporations Act shall control.
Proposed Bylaw Amendment 3 - Membership

Motion to adopt proposed bylaw amendment #3 as set forth below.

Delete ARTICLE II. MEMBERSHIP and substitute the following:

ARTICLE II. MEMBERSHIP

Section 2.1 Members of Corporation. The members of the Corporation shall be the Owners of parcels of real property located in the Diamondhead Subdivision. Purchasers of parcels of real property located in the Diamondhead Subdivision shall become members upon recordation of a deed reflecting their ownership.

Section 2.2 Membership Inseparably Appurtenant to Ownership of Real Property

Membership in the Association shall be inseparably appurtenant to ownership of a parcel of real property located in the Diamondhead Subdivision which is subject to the Covenants. Upon the transfer of ownership, the membership appurtenant thereto shall be deemed to be transferred to the grantee. No membership may be conveyed or transferred in any other manner whatsoever.

Section 2.3 No Member May Withdraw Except by Transfer of Title

No member may withdraw except by transfer of title. 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 parcel of real property to which the membership is appurtenant.

Section 2.4 Member in Good Standing

A member in good standing is defined as a member who is not more than thirty (30) days past due in the payment of charges, dues and/or assessments to the Corporation and who is not in violation of the Covenants, these Bylaws, and or the Rules and Regulations promulgated by the Board of Directors as may be in effect at the time.

Section 2.5 Member Not in Good Standing

A Member who is not in good standing shall be suspended from:

a. the right to vote in elections of officers and directors;
b. the right to vote on such matters and propositions which may come before a membership meeting; and
c. all other privileges associated with the membership in the Association including access to the Common Properties of the Association, which include, but are not limited to, the golf courses, the country club, the marina, the swimming pools and all other recreational facilities.
Proposed Bylaw Amendment 4 - Membership Meetings

Motion to adopt proposed bylaw amendment #4 as set forth below.

Delete ARTICLE III. MEMBERSHIP MEETINGS and substitute the following:

ARTICLE III. MEMBERSHIP MEETINGS AND VOTING

Section 3.1 Annual Meetings. There shall be an annual meeting of the Members of the Association which meeting shall be held on the third Saturday in June each year or as near to that date as practical for the transaction of such business that may be presented at the meeting. Officers and Directors shall be elected at the annual meeting during an election year, coinciding with the expiration of their term in office.

Section 3.2 Special Meeting. A special meeting of the Members of the Association may be called by the following groups or individual:
   a. a majority of the Directors;
   b. the President; or
   c. by written demand of at least five percent (5%) of the Members of the Association in conformity with the requirements prescribed by Mississippi Code Section 79-11-199.

Section 3.3 Place of Meeting. All meetings of the Members of the Association shall be held at a location in the Diamondhead Subdivision, Hancock County, Mississippi.

Section 3.4 Electronic Participation. Unless the meeting is closed or the Board of Directors have gone into executive session, Members of the Association, whether inside or outside the City of Diamondhead, may participate electronically in any membership meeting, provided that they participate in a manner allowing them to:
   a. read or hear the proceedings substantially concurrent with the occurrence of the proceedings;
   b. vote on matters submitted to the Members; and
   c. pose questions and make comments.

Nothing in this section shall be construed to require the Association to provide the means by which Members may participate in meetings electronically, although the Association may do so in its discretion.

Section 3.5 Notice of Meeting. Except as otherwise required by statute, written notice of each meeting of the Members, whether annual or special, shall be given to Members not less than thirty (30), nor more than sixty (60), days before the day on which the meeting is to be held to each Member of record.

Section 3.6 Content of Notice. Each notice shall designate the place, date and time of the meeting. The notice (of either an Annual or Special Meeting) shall also include a description of any matter which a Member intends to raise at the meeting if:
   a. requested in writing to do so by a person entitled to call a special meeting; and
   b. the request is received by the secretary or president of the Association at least ten (10) days before the Association gives notice of the meeting.
In addition to the foregoing, the notice should include a description of any matters that are to be considered at the meeting that involve one or more of the following:

a. a conflict of interest transaction;
b. indemnification of a director, officer, employee, or agent;
c. procedures for making amendments to articles of incorporation;
d. approval of amendments to bylaws;
e. filing of articles of merger;
f. a sale, lease, exchange, or other disposition of property not in the regular course of business;
g. proposed dissolution of the Association; and
h. recession or amendment of a prior action of the Board of Directors; in which case a copy of the proposed motion for the same shall be included in or with the notice.

Notice of a special meeting shall also include a description of the matter or matters for which the meeting is called. No business other than that specified in the special meeting notice shall be transacted at such special meeting.

If an annual or special meeting of Members is adjourned to a different date, time, or place, a new notice need not be given for the new date, time, or place, if the new date, time, or place is announced at the meeting before adjournment.

Section 3.7 Delivery of Notice. For the purpose of this section, written notice of meetings may be delivered by any one or more of the following methods:

a. delivering the written or printed notice to each Member personally;
b. mailing the notice, postage prepaid, addressed to such Member at the post office address registered with the Association;
c. including such notice as part of a newsletter regularly sent to Members provided such newsletter is addressed or delivered to the Member's post office address registered with the Association; or
d. sending the notice by electronic mail to Members who authorize the Association to do so.

Authority to deliver written notices by electronic mail must be made in writing to the Secretary of the Board of Directors. A Member who has granted authority to deliver notices by email may revoke that authority by delivering written notice of revocation to the Secretary of the Board of Directors. Any notice sent to the email address designated by the Member is deemed delivered to the Member 24 hours after the time sent unless it is returned as undeliverable within that time. If two consecutive emails are returned as undeliverable, such Member’s authorization to give notice by email shall be deemed revoked and notice will be given by another permitted means.

Section 3.8 Waivers, etc. Notwithstanding anything to the contrary herein, notice of any meeting of the Members of the Associations shall not be required as to any Member who attends such meeting in person; and, if any Member of the Association shall in person, or by attorney duly authorized, waive notice of any meeting, whether before or after such meeting, notice thereof shall not be required as to that Member.

Section 3.9 Quorum. The presence of ten percent (10%) of the Members shall constitute a quorum for the purpose of taking action on matters described in the written meeting notice.
The presence of one-third of the Members shall constitute a quorum for the purpose of taking action on matters not described in the written meeting notice.

A Member shall be considered present at a meeting either by attending the meeting in person or by duly executing and delivering an absentee ballot.

Nothing contained in this Section shall be construed to authorize consideration of any matters in a special meeting other than the matter or matters described in the written special meeting notice.

Section 3.10 Voting.

a. **Elections of Officer and Directors.** In an election of officers and directors, there shall be one vote cast by each Owner who is a Member provided that the Member is in good standing. Even if an owner has two or more parcels and/or two or more memberships, such Owner may vote only once in an election for officers and directors.

   If title to a particular parcel of real property is owned of record in the name of two (2) or more persons or entities, in any manner of joint or common ownership of a parcel of real property, that membership is considered one collective membership and those two persons or entities collectively are likewise entitled to only one vote in an election of officers and directors. Additionally, one and only one of such persons or entities shall be entitled to vote – the Voting Member. Such vote shall be exercised as the joint or common owners among themselves determine; but in no event shall more than one (1) vote be cast with respect to any such parcel of real property.

   The Voting Member shall be designated by a written “Designation of Voting Member”, signed by all of the joint or common owners, filed with the Secretary of the Association at least 10 days prior to any meeting and/or election. When a partnership, association, or other entity is a Member, such Member shall, through a duly authorized written Designation of Voting Member, designate one representative of such partnership, association, or other entity to be the individual entitled to vote on behalf of that partnership, association, or entity.

   A Designation of Voting Member shall remain effective until and unless it is revoked or amended in writing, signed by all of the joint or common owners, and filed with the Secretary of the Association.

b. **Votes on Propositions.** In an election for a proposition or propositions, or for any matter other than for officers and directors, there shall be one vote cast for each membership provided that Member is in good standing. As in an election for officers and/or directors, if title to a particular parcel of real property is owned of record in the name of two (2) or more persons or entities, in any manner of joint or common ownership of a parcel of real property, that membership is considered one collective membership and only one individual from each membership may vote in an election for a proposition or propositions, or for any matter other than for officers and directors. Additionally, only the Voting Member shall be entitled to exercise the vote of the membership. The vote of the Voting Member shall be exercised as the joint or common owners among themselves determine; but in no event shall more than one (1) vote be cast with respect to any such parcel of real property. The Voting Member shall be designated by a written “Designation of Voting Member”, signed by all of the joint or
common owners, filed with the Secretary of the Association at least 10 days prior to any meeting and/or election. When a partnership, association, or other entity is a Member, such Member shall, through a duly authorized written Designation of Voting Member, designate one representative of such partnership, association, or other entity to be the individual entitled to vote on behalf of that partnership, association, or entity.

Section 3.11 Majority Controls. Except as specifically provided in other Sections of these bylaws, all action of the Association for which the affirmative vote of the membership is required shall be determined by vote cast by a majority of the membership present in person at a meeting at which a quorum is present.

Section 3.12 “Absentee Voting”/Voting by Mail. Members shall be allowed to vote by mail ballots which ballots may be obtained from the POA office 14 days prior to the annual meeting of Members and must be deposited in POA election lock box or be delivered via U.S. Mail to the election auditor prior to close of business on the day preceding the election for which the absentee vote is to be cast. Members who cast votes via mailed ballots shall be considered present at the meeting for the purpose of calculating a quorum.

Section 3.13 Secret Ballot. A secret ballot procedure for Association Members to vote will be followed for the election of officers and directors and approval of propositions at the annual Association meeting.

Section 3.14 Robert’s Rules of Order. All regular and special meetings of the Members of the Association shall be conducted pursuant to the version of Robert’s Rules of Order in effect at the time of the meeting. In the event that there is a conflict between Robert’s Rules of Order and the provision of these Bylaws with regard to the conduct of a meeting, the provisions of these Bylaws shall control.
Proposed Bylaw Amendment 5 - Officers

Motion to adopt proposed bylaw amendment #5 as set forth below.

Delete ARTICLE IV. OFFICERS and substitute the following:

ARTICLE IV. OFFICERS

Section 4.1 Members Shall Elect Officers of Association. The members of the Association shall elect the officers of the Association. At any election, the person receiving the greatest number of votes for any particular office shall be elected.

Section 4.2 Elections. Each candidate shall have the right, along with not more than two (2) designated members in good standing or their attorney, to observe and monitor all phases of the election process. Any candidate or observer who desires to monitor voting while polls are open shall remain in a specifically designated area and shall be prohibited from conversing with anyone except with the Election Chairman.

The Secretary, with the consent of the Board, shall be appointed as Election Chairperson and shall conduct the election in accordance with election procedures. If the Secretary’s name appears on the ballot, the appointment of an Election Chairperson and the duties thereof shall be passed to a current Board member, with the consent of the Board, whose name does not appear on the ballot.

Section 4.3 Officers. The elected officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. No person may hold more than one elected office at a time. All officers must be members in good standing of the Association.

Section 4.4 President. The President shall be the general executive and administrative officer of the Association. The President shall preside, when present, at all meetings of the members of the Board of Directors. He or she shall also have the following duties and authority subject to the approval of the Board of Directors,

a. to sign membership certificates;
b. to fix the compensation of all officers, executives, employees and agents;
c. to appoint agents and employees of the Association whose appointment is not otherwise provided for;
d. to remove or suspend agents or employees that were not appointed by the Board of Directors; and
e. to exercise all the powers usually appertaining to the office of President of a corporation.

The President shall also have authority:

a. to create advisory committees which do not bind the Association and to appoint members thereto; and
b. to cancel, reschedule regular meetings of the membership and of the Board of Directors, and to call special meetings of Members and of the Board of Directors as provided herein.

Nothing herein is to be construed as requiring approval of the Board of Directors of employee hires and fires made by the general manager.
**Section 4.5 Vice President.** The Vice President shall perform all such duties and services as shall be assigned to or required of the Vice President, from time to time, by the Board of Directors or the President and shall act in the place of the President, exercising all his/her powers and performing his/her duties, during the President’s absence or disability. The Vice President shall also serve on the Architectural Committee along with the President and Secretary.

**Section 4.6 Secretary.** The Secretary shall:

a. prepare and maintain a current record containing a list of the names and addresses of all members, in alphabetical order, showing the number of votes each member is entitled to vote;

b. provide notice of all meetings of the members and of the Board of Directors in the manner required by these bylaws;

c. immediately prior to each election prepare a list of all members entitled to vote;

d. make the list of members entitled to vote available at the meeting (or during adjournment) to any member for inspections;

e. keep as permanent records minutes of all meetings of its members and board of directors, and a record of all actions taken by committees of the board of directors;

f. have charge of the corporate seal and have authority to attest any and all instruments or writings to which the same may be affixed;

g. keep and account for all books, documents, papers and records of the Association, except which are hereinafter directed to be in charge of the Treasurer;

h. sign membership certificates, when directed to do so by the Board of Directors;

i. generally perform all the duties usually appertaining to the office of Secretary of the Association; and

j. maintain the following records at its principal office of the Association

i. Its articles or restated articles of incorporation and all amendments to them currently in effect;

ii. Its bylaws or restated bylaws and all amendments to them currently in effect;

iii. Resolutions adopted by its board of directors relating to the characteristics, qualifications, rights, limitations and obligations of members or any class or category of members;

iv. The minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;

v. All written communications to members generally within the past three (3) years;

vi. A list of the names and business or home addresses of its current directors and officers;

vii. Its most recent status report delivered to the Secretary of State under Mississippi Code Section 79-11-391.

The Secretary may designate agents to assist the Secretary in the performance of the above listed duties other than serving as a member of the Architectural Committee.

The list of members must be available for inspection by any member for the purpose of communication with other members concerning a meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the Association's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A member, a member's agent, or attorney is entitled, on written demand to inspect and subject to the limitations of Mississippi Code Sections 79-11-285(c) and 79-11-291, to copy the list, at a reasonable time and at the member's expense, during the period it is available for inspection.
**Section 4.7 Treasurer.** The Treasurer shall have the care and custody of all monies, funds and securities of the Association, and shall deposit or cause to be deposited all funds of the Association and with such depositories as the Board of Directors shall, from time to time, direct. The Treasurer shall have power to endorse for deposit or collection, or otherwise, all checks, drafts, notes, bills of exchange or other commercial paper payable to the Association, and to give proper receipts or discharges therefore. The Treasurer shall keep all books of account relating to the business of the Association and shall render a statement of the Association’s financial condition annually and/or whenever required to do so by the Board of Directors or the President.

The Treasurer, upon the direction of, and at the discretion and option of, the Board of Directors shall furnish the financial records of the Association to an accounting/auditing firm appointed by the Board of Directors in the event that the Board determines that an audit should be conducted for a particular time frame.

The Treasurer may designate agents to assist the Treasurer in the performance of his or her duties.

The Treasurer, in conjunction with the general manager, shall prepare a budget for the following calendar year and submit it to the Board of Directors not later than October 1st of each year.

**Section 4.8 Additional Powers and Duties.** In addition to the foregoing enumerated duties and powers, the several officers of the Association shall perform such other duties and exercise such further powers as may be provided in these bylaws or as the Board of Directors may, from time to time, determine.

**Section 4.9 Term of Office.** The officers of the Association shall hold office for two years. The term of office for the officers of the Association shall commence immediately after the meeting at which the officer is elected and it shall continue until their respective successors are elected. As the term of each officer expires, the members shall, at the annual meeting of the year of expiration of such term of office, elect successors to such offices.

**Section 4.10 Removal.** An officer of the Association shall not be removed from office except for cause. In order to remove an officer from office for cause, a special meeting of the members must be called for that purpose and at such a meeting a majority of the members of the Association present and/or voting by proxy must vote for such removal.

**Section 4.11 Vacancies.** If a vacancy occurs in any office other than the office of Past President, the Board of Directors shall appoint a successor to fill the unexpired term for that Office. If a vacancy occurs in the office of Past President, then the Board of Directors shall appoint a temporary director which will serve in such capacity for the balance of the term of the Past President.

**Section 4.12 Compensation.** Reimbursement of expenses incurred for legitimate Association business may be approved by the Board of Directors upon receipt of an itemized statement from a Director.
Section 4.13 Elected Officers Shall Be Members of the Board of Directors. The officers of the Association shall also be members of the Board of Directors of the Association. When any person is elected an officer, he/she shall automatically become a member of the Board of Directors and, except for the outgoing President, when such person is no longer an officer, he/she shall automatically cease to be a member of the Board of Directors.
Proposed Bylaw Amendment 6 - Directors

Motion to adopt proposed bylaw amendment #6 as set forth below.

Delete ARTICLE V. DIRECTORS and substitute the following:

ARTICLE V. DIRECTORS

Section 5.1 Number and Qualifications. Subject to the provisions of this Article V, the Board of Directors shall consist of eleven (11) members in good standing with the Association. The four elected officers shall automatically be members of the Board of Directors and the immediate Past President shall also be a member of the Board until he/she is replaced by the succeeding Past President. Unless otherwise stated herein, the remaining six (6) members of the Board of Directors shall be elected as set forth below.

Section 5.2 Manner of Election. The members of the Corporation shall elect the six (6) non-officer directors of the Corporation. At any election, the three (3) candidates receiving the greatest number of votes shall be elected.

Section 5.3 Term of Office. The terms of office of each nonofficer director shall be as follows. At the 1984 election of the Directors, the three candidates receiving the highest number of votes shall serve for four (4) years. The other three candidates elected shall serve for two (2) years. At the following election and each election thereafter, three candidates shall be elected for four (4) year terms.

Section 5.4 Duties and Powers. The Board of Directors shall:
   a. have control and management of the affairs and business of the Association;
   b. adopt such rules and regulations for the conduct of the meetings and the management of the Association as they may deem proper, not inconsistent with law or these bylaws;
   c. adopt such rules and regulations for management, regulation of use, and maintenance of Common Properties, Common Areas and amenities of the Corporation as they may deem proper and not inconsistent with law or these bylaws;
   d. enforce the Rules & Regulations so adopted and these Bylaws and enact penalties or other disciplinary action against violators;
   e. appoint committees as necessary for the purpose of delegating board authority or for the purpose of providing advice to the board;
   f. establish and assess dues and special assessments;
   g. prescribe and authorize the manner in which all bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such parties as the board determines from time to time;
   h. prepare an annual budget and publish it to the membership;
   i. publication the budget in the same manner provided for giving notice of membership meetings, however, if the Association issues a monthly newsletter, publication of the budget may be accomplished by including the budget in the December newsletter;
   j. determine whether to have an annual financial audit conducted and, upon determination to have such an audit conducted, engage a qualified CPA or CPA firm to accomplish same; and
   k. select and employ a General Manager to oversee the management of the common properties, amenities, and services for which assessments are made hereunder.
Except as otherwise provided in these byways, all actions and matters for which the board of Directors is responsible shall be decided by a majority vote of the Board provided a quorum is present.

The establishment and assessment of dues and special assessments must be approved by at least five (5) of the members of the Board at a regular meeting or at a special meeting called for that purpose.

Section 5.5 Meetings. The Board of Directors shall meet for the transaction of any other business as soon as practicable after the adjournment of the annual meeting of the members. At that meeting, the Board of Directors shall, among other things, establish a schedule of regular monthly meetings for the year following the meeting. However, the President of the Board shall have the authority to change the date of, cancel, or reschedule a regular meeting provided notice of the same is provided pursuant to the method described for special meetings below.

Special meetings of the Board of Directors may be called by the President at any time; and he must, upon the written request of any three directors, call a special meeting to be held not more than seven (7) days after the receipt of such request.

Section 5.6 Place of Meeting. The Board of Directors may hold regular or special meetings in or out of the State of Mississippi. However, unless otherwise noticed to be held elsewhere, regular meetings of the board of directors shall be held at the Diamondhead Country Club.

Section 5.7 Electronic Participation. Any meeting of the Board of Directors may be conducted through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting, including, but not limited to telephonic or tele–conference communication. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 5.8 Notice of Meetings.

a. Regular Meetings. In the event that a regular meeting is to be held at the Diamondhead Country Club, no additional notice is required. In the event that a regular meeting is to be held at a location other than the Diamondhead Country Club, then Notice of such meeting shall be provided pursuant to the method described for special meetings below.

b. Special Meetings. Written Notice of special meetings shall be provided to each director in person, by email pursuant to the other provisions of this section, or by mail addressed to her or him at the last known post office address registered with the Corporation, at least two days prior to the date of such meeting, specifying the time and place of the meeting and the business to be transacted or considered. For the purpose of this Section, written notice of a special meeting may be delivered by email to any director who authorizes other directors to provide such notices by email. Authority to deliver ballots by email must be made in writing to the other directors. A
director who has granted authority to deliver ballots by email may revoke that authority by delivering written notice of revocation to the other directors. Any notice sent to the email address designated by the member is deemed delivered to the director 24 hours after the time sent unless it is returned as undeliverable within that time. In the event two consecutive emails are returned undeliverable, the director’s authorization to deliver ballots by email shall be deemed revoked and delivery must be made by other means.

**Section 5.9 Wavier of Notice.** Notice of any meeting of the Board of Directors may be waived by a director provided that the notice is in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records. Additionally 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.

**Section 5.10 Quorum.** At any meeting of the Board of Directors, except as otherwise provided in these bylaws, the presence of a majority of the then current Board members shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a lesser number may adjourn the meeting to some further time, not more than seven (7) days later.

**Section 5.11 Voting.** At all meetings of the Board of Directors each director shall have one (1) vote.

**Section 5.12 Majority Controls.** Except as specifically provided in other Sections of these bylaws, all action, for which the affirmative vote of the Board of Directors is required, shall be determined by vote cast by a majority of the Directors present in person at a meeting at which a quorum is present.

**Section 5.13 Robert’s Rules of Order.** All regular and special meetings of the Board of Directors of this Association shall be conducted pursuant to the then current version of Robert’s Rules of Order in effect at the time of the meeting. If there is a conflict between Robert’s Rules of Order and the provision of these Bylaws with regard to the conduct of a meeting, the provisions of these Bylaws shall control.

**Section 5.14 Compensation.** Reimbursement of expenses incurred for legitimate Association business may be approved by the Board of Directors upon receipt of an itemized statement from a Director.

**Section 5.15 Vacancies.** If a vacancy occurs in one of the non-officer director positions, and if the unexpired term of that position is greater than twenty four (24) months, the Board of Directors shall appoint a temporary successor to serve as a non-officer director until the next Annual Meeting of Members at which an election is scheduled to occur, at which time an election will be held for the purpose of electing a replacement director to fill the vacancy for the balance of the term. If the unexpired term of the vacant position is twenty-four (24) months or less, the Board of Directors may, in their discretion, appoint a successor to fill the unexpired term.

**Section 5.16 Removal of Directors.** Non-officer Directors and the immediate Past President director shall not be removed from office except for cause. In order to remove a non-officer director or the immediate Past President director from office for cause, a special
meeting of the members must be called for that purpose and at such meeting a majority of the members of the Association present must vote for such removal.

**Section 5.17 Resignation.** Any director may resign his office at any time, such resignation to be made in writing and to take effect when the written resignation is received at the office of the Association.

**Section 5.18 Qualifying as a Candidate for the Office of Directors and Officers.** On or before midnight April 1 of any year during which a regular election of Directors and Officers will be conducted, any member in good standing with the Association may qualify as a candidate for Director or Officer by filing a written notice with the Secretary at the business office of the Association. In the event April 1st falls on a weekend, Saturday or Sunday, the deadline shall be extended to midnight of the next business day following April 1. No candidate shall run for more than one office. All candidates’ names shall appear in alphabetical order on the ballot for the election at the Annual Membership meeting. Each person’s name appearing on the printed ballot may submit a personal resume not to exceed one hundred (100) words describing their background and qualifications and this resume shall be distributed to each member of the Association in its monthly newsletter. No recommendations or expressions of preference shall be shown on the ballot or in any piece of literature mailed to the membership by the Association.

**Section 5.19 Actions Without Meeting.** Actions of the Board of Directors may be taken without a meeting if the action is taken by all Directors. The action 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 corporate records reflecting the action taken.

Action taken without a meeting is effective when the last director signs the consent, unless the consent specifies a different effective date.

A consent signed under this section has the effect of a meeting vote and may be described as such in any document.
Proposed Bylaw Amendment 7 - Committees

Motion to adopt proposed bylaw amendment #7 as set forth below.

Add the following Article 5B to Article 5:

ARTICLE V-B. COMMITTEES

Section 5B.1 Standing Committee. Except as set forth in Section 5B.2 below, there shall be one standing committee of the Board of Committee members: the Violations Committee.

Section 5B.2 Architectural Committee. The Architectural Committee is also a permanent committee even though it is not a creation of these bylaws. The Architectural Committee is a creation of the Declarations of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges regulating Land Use in the Diamondhead Development. The Architectural Committee consists of the President, Vice President and Secretary of the Association and it is not bound by the terms prescribed in this Article.

Section 5B.3 Temporary and Advisory Committees. The Board shall appoint committees as it determines necessary to assist in accomplishing the duties of the Board. In creating and appointing a Committee, the board shall designate whether that committee is to serve in an advisory capacity or whether it shall be delegated authority of the board. The President also has independent authority to create and appoint advisory committees.

Any committee other than a standing committee shall be considered dissolved as of the date of the annual meeting of members after which it was created unless renewed or extended by the Board of Committee members at its first meeting after the annual meeting of members.

Section 5B.4 Member Qualifications. Members of committees which are delegated authority of the Board of Committee members must also be members of the Board of Committee members. Members of the Association, who are in good standing and who are not directors, may be appointed to serve on a committee in a non-voting capacity.

Section 5B.5 Minutes. Each Committee will designate a Chairperson and secretary of that committee.

a. The Chairperson shall preside at the meetings of the committee.

b. The Secretary will provide notice of meetings as required, shall record all actions taken at every committee meeting, and shall prepare minutes to be submitted to the Secretary of the Association for maintenance as records of the Association.

Section 5B.6 Notice of Meetings.

a. Regular Meetings. Committees may establish a schedule of regular meetings of committees. Said schedule must be provided to each committee member in person, by email pursuant to the other provisions of this section, or by mail addressed to her or him at the last known post office address registered with the Association. No additional notice is required.

b. Written Notice of special meetings shall be provided to each Committee member in person, by email pursuant to the other provisions of this section, or by mail addressed to
her or him at the last known post office address registered with the Association, at least two days prior to the date of such meeting, specifying the time and place of the meeting.

For the purpose of this Section, written notice of a special meeting may be delivered by email to any committee member who authorizes such notices by email.

Section 5B.7 Waiver of Notice. Notice of any Committee meeting may be waived by a committee member provided that the waiver is in writing, signed by the committee member entitled to the notice, and filed with the minutes or corporate records. Additionally a Committee member’s attendance at or participation in a meeting waives any required notice to him of the meeting unless the committee member, at the beginning of the meeting (or promptly upon his or her arrival), objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 5B.8 Special Meetings. Special meetings of the Board of Committee members may be called by the Chairman of a Committee at any time; and she or he must, upon the written request of any two (2) committee members, call a special meeting to be held not more than seven (7) days after the receipt of such request.

Section 5B.9 Place of Meeting. Committees may hold regular or special meetings in or out of the State of Mississippi. Any committee meeting may be conducted through the use of any means of communication by which all committee members participating may simultaneously hear each other during the meeting. A committee member participating in a meeting by this means is deemed to be present in person at the meeting.

Section 5B.10 Quorum. At any Committee meeting, except as otherwise provided in these bylaws, the presence of a majority of the committee shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a lesser number may adjourn the meeting to some further time, not more than seven (7) days later.

Section 5B.11 Voting. At all Committee meetings each Committee member shall have one (1) vote.

Section 5B.12 Majority Controls. Except as specifically provided in other Sections of these bylaws, all Committee action, for which the affirmative vote of committee membership is required, shall be determined by vote cast by a majority of the committee membership present in person at a committee meeting at which a quorum is present.

Section 5B.13 Robert’s Rules of Order. All committee meetings shall be conducted pursuant to the then current version of Robert’s Rules of Order in effect at the time of the meeting. In the event that there is a conflict between Robert’s Rules of Order and the provision of these Bylaws with regard to the conduct of a meeting, the provisions of these Bylaws shall control.

Section 5B.14 Actions Without Meeting. Committee actions may be taken without a meeting if the action is taken by all members of the Committee. The action must be evidenced by one or more written consents describing the action taken, signed by each committee member, and included in the minutes or filed with the corporate records reflecting the action taken.
Action taken without a meeting is effective when the last committee member signs the consent, unless the consent specifies a different effective date.

A consent signed under this section has the effect of a meeting vote and may be described as such in any document.
Proposed Bylaw Amendment 8 - Actions

Motion to adopt proposed bylaw amendment #8 as set forth below.

Delete the text of ARTICLE VI, Section 6.2 and substitute the following:

Section 6.2 Actions.

A. Any complaints and/or grievances any member in good standing may have regarding an alleged violation of the current Covenants, Bylaws, or rules and regulations adopted by the Board of Directors may be, and must be, formally submitted to the Violations Committee in writing by completing and submitting a formal complaint.

B. The formal complaint must include, but is not limited to, the following:
   1. The name, address, and telephone number of the person or entity filing the complaint;
   2. The date, time, place and a description, as applicable, of the alleged incident or violation which generated the complaint;
   3. The person(s) involved in the incident which generated the complaint;
   4. A description of how the incident came about; and
   5. The identification of any witnesses to the alleged incident including name, address, and telephone number, if known.

C. All complaints must be submitted within thirty (30) calendar days of the incident that generated the complaint, failing which the Violations Committee may deny the complaint as untimely or may extend the time for notice of the specific complaint and consider the complaint.

D. Initiation of a complaint will result in a citation being issued stating the alleged offender’s name, address (if known), the date, time and nature of the violation, and the advice that the matter will be presented to the appropriate committee at their next meeting and that the accused may appear at that time or submit a written statement for the committee’s consideration. The name of the party making the complaint may be withheld from the citation if deemed appropriate by the Violations Committee.

E. The appropriate committee will authenticate the accuracy of the complaint and offer the accused person(s) the opportunity to appear before said committee or to offer a written statement to be considered by said committee. No action by the committee will be taken until the accused person(s) has been given the opportunity to appear or offer a statement to the committee.

F. If an individual or entity is found to have violated the Covenants, Bylaws, or rules and regulations of the Association, the committee will assess penalties pursuant to section 6.3.

G. An individual or entity found to have violated the Covenants, Bylaws, or rules and regulations may appeal the action to the Board of Directors at their next regular meeting if the individual or entity either made an appearance before the committee or offered a written statement to the committee at its hearing on the case. If no appeal is made within ten (10) days of the committee’s action the action of the committee will be final.
Proposed Bylaw Amendment 9 - Indemnification of Officers, Directors, Committee Members, Employees and Agents.

Motion to adopt proposed bylaw amendment #9 as set forth below.

Delete Section 7.1 and substitute the following language:

Section 7.1 Indemnification of Officers, Directors, Committee Members, Employees, and Agents.

A. This Association shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed claim, action, suit proceeding, whether civil, criminal, administrative or investigative, including appeals (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, committee member, including Architectural Committee members, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another Association or joint venture against expenses (including attorney’s fees), judgments, fines and amounts paid in settlement actually and reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea to nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

B. This Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, officer, committee member, including Architectural Committee members, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another corporation or joint venture against expenses (including attorney’s fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to be the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

C. To the extent that a director, officer, committee member, including Architectural Committee members, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) or in defense of any claim, issue or matter therein this Association shall indemnify such person against expenses (including attorney’s fees)
actually and reasonably incurred by him in connection herewith, notwithstanding that he has not been successful on any other claim, issue or matter in any such action, suit or proceeding.

D. Any indemnification under subsections (A) and (B), unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, committee member, including Architectural Committee members, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (A) and (B). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to, or who have been wholly successful on the merits or otherwise with respect to such claim, action, suit, or proceeding, or (2) if such a quorum is not obtainable, or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) if not made in the instance provided or in (1) or (2) above, by the members.

E. Expenses (including attorney's fees) incurred in defending a civil or criminal claim, action, suit or proceeding when authorized in the manner provided in Subsection (D) may be paid by the Association upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount if and to the extent that it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this section. F. The indemnification provided for herein shall not be deemed exclusive of and shall be in addition to any other rights (whether created prior or subsequent to the adoption of this Article of the Bylaws) to which those indemnified may be entitled under any statute, rule of law, provision of articles of Association, bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as a person who has ceased to be a director, officer, committee member, including Architectural Committee members, employee, or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.
Proposed Resolution for Charter Amendment

Motion to adopt the resolution of the board of directors to amend the Charter as set forth below.

RESOLUTION OF THE BOARD OF DIRECTORS OF DIAMONDHEAD COUNTRY CLUB AND PROPERTY OWNERS ASSOCIATION, INC.

WHEREAS, this Association was formed by Charter which was adopted and filed with the Secretary of State for the State of Mississippi on June 8, 1970 (“Charter”);

WHEREAS, the Charter has only been amended once by amendment adopted and filed with the Secretary of State for the State of Mississippi on October 7 1977;

WHEREAS, the Charter includes the following language in Section 7:

“This Corporation ...shall make expulsion the only remedy for non-payment of dues, shall vest each member the right to one vote in the election of all officers...”;

WHEREAS, the quoted language from Section 7 has caused confusion regarding the Association’s ability to limit voting rights for members not in good standing, has created two classes of membership, and has created two different quorums;

WHEREAS, this organization has traditionally allowed members not in good standing to vote in officer elections and it has disallowed such members to vote on propositions;

WHEREAS, the quoted language above was formerly required by MS Code Section 79-11-1(2) which was repealed in 1988 after the formation of the Association;

WHEREAS, the Charter contains language in Section 4 which after the 1977 amendment reads as follows:

“The membership of the corporation shall be composed of the incorporators hereof and the owners and purchasers of real property in the Diamondhead development in Hancock County, Mississippi”;

WHEREAS, the quoted language from Section 4 has caused confusion as to whether individuals or entities which are under contract to purchase real property in the Diamondhead Development is to be made a Member prior to closing or taking title to such real property;

WHEREAS, the Mississippi Nonprofit Corporation Act has changed the filing requirements from a charter to Articles of Incorporation that do not require the quoted language set forth above; and

WHEREAS, the Mississippi Nonprofit Corporation Act does not require any restrictive language to be contained in the Articles of Incorporation and permits such to be controlled by the bylaws.
Therefore it is

RESOLVED, that this Board hereby recommends that the Charter of this Corporation be amended so that it comports with the current statutory requirements prescribed by the Mississippi Nonprofit Corporation Act. It is further

RESOLVED, that this Board recommends that the Charter be amended and filed as Articles of Incorporation as follows:

ARTICLES OF AMENDMENT--ARTICLES OF INCORPORATION

1. The Corporation is a nonprofit Corporation and no shares of stock are to be issued. The Corporation shall have members as defined in its bylaws and it shall function as a civic improvement society for the Diamondhead development and its common facilities and common areas.

2. This Corporation shall be governed by duly adopted bylaws and by the Mississippi Nonprofit Corporations Act, Miss Code, Sections 79-1-101, et. Seq.

3. The Name of this Corporation shall continue to be DIAMONDHEAD COUNTRY CLUB AND PROPERTY OWNERS ASSOCIATION, INC.

4. The period of duration of the Corporation is perpetual;

5. The registered agent for the Corporation is
   C. T. Corporation System
   645 Lakeland and East Drive, suite 1010
   Flowood, MS  39232

6. The initial incorporators, at the time of the formation, were
   F. Holcomb Hector
   William C. Brent, Jr
   Mrs. Loyd L. Breland
   Ralph M. Prince

7. The Officer and Directors of the Corporation at the time of this amendment are as follows:
   Bill Hatchett  Treasury
   Bob Marthouse  President
   Craig Harvey  VP
   Donald Silcio  Director
   Gary Becker  Director
   Karen Rice  Secretary
   Pat Laird  Ex-Officio
   Stewart Nutting  Director
8. The Principal Office Address of the Corporation is
   7610 Country Club Circle
   Diamondhead, MS   39535

9. The Primary e-mail address for the Corporation is:
   DiamondheadPOACommunications@dhpoa.org

10. The Primary telephone number for the Corporation is (228) 255-1900.

11. The Directors of this Corporation shall each be indemnified for liability (as defined in Section 79-11-281(1)(c)), as may be amended, to any person for any action taken, or any failure to take any action as a director, except liability for:
   (i) Receipt of a financial benefit to which the director is not entitled;
   (ii) An intentional infliction of harm;
   (iii) A violation of Mississippi Code Section 79-11-270 (unlawful distribution); or
   (iv) An intentional violation of criminal law.

Finally, It is

RESOLVED that this proposed Amendment to the Charter of this Association be submitted to the membership for consideration at the next meeting of Members.

So Resolved on this the _____ day of _____________, 2019.