

**BY-LAWS
OF
LA CAV IMPROVEMENT COMPANY**

ARTICLE I

Name

The name of this corporation is La Cav Improvement Company. It is a Mississippi non-profit corporation. It may be referred to herein as the “*Corporation*”.

ARTICLE II

Purposes

The corporate purposes and powers are set out in the Charter of Incorporation.

ARTICLE III

Offices

The principle office of the corporation shall be 672 Lake Cavalier Road, Madison, Mississippi 39110, or such other places the Directors may from time to time select.

ARTICLE IV

Members

Section I. Designation of Members. The original members of this corporation are the stockholders of shares in La Cav Co. on July 14, 1969, the date of the Charter of this corporation. Lot owners in Lake Cavalier Subdivision who do not, on July 14, 1969, own stock in La Cav Co. may be members of the corporation upon approval of the Board of Directors and payment of dues and fee as hereinafter set forth. Memberships may be transferred only upon the approval of the sale of a lot to a person who has been approved by the Board of Directors and the payment of a transfer fee in such amount as from time to time determined by the Board of Directors. No person who is not a lot owner in the subdivision may be a member of the corporation. For purposes of receiving services from the corporation and benefits of membership, including voting at annual and special meetings a member is defined as a person and his or her spouse who owns a lot in any of the six Lake Cavalier subdivisions and who is current in all his/her obligations of every kind and character to the corporation.

Section 2. Annual Meeting. The annual meeting of the members shall be held at 3:00 o'clock P. M. on the first Sunday after the National Football League Super Bowl in February at the Clubhouse, or such other place and time in February, designated in writing by the Board of Directors, for the purpose of electing members of the Board of Directors and for the transaction of such other business as may come before the meeting.

Section 3. Special Meetings. Special meeting of the members for any purpose may be called by the President or by a majority of the Board of Directors.

Section 4. Place of Meeting. The President or the Board of Directors may designate any place in Madison County or Hinds County, Mississippi, for annual or special meetings. If no designation is made, the place of meeting shall be the Clubhouse at Lake Cavalier, Madison County, Mississippi.

Section 5. Notice of Meeting. Written or printed notice stating the time and place of the meeting and in case of a special meeting the purpose or purposes for which the meeting was called shall be delivered not less than ten (10) days before the date of said meeting, either personally or by mail to each member of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addresses to the member at his at his last known address, postage prepaid.

Section 6. Quorum. At any meeting of the members, a majority of the members present in person or represented by proxy, shall constitute a quorum. Meeting at which less than a quorum is represented may, however, be adjourned from time to time to a future date by a majority vote of the members present, without the necessity of any further notice other than the announcement at such meeting; when a quorum shall be present upon any such adjourned day, any business may be transacted which might be transacted at the meeting as originally.

Section 7. Voting. Each member in good standing shall be entitled to one vote for each lot he/she owns and for which dues are paid, whether represented in person or by proxy.

Section 8. Proxies. At any meeting of members, except for amendment of protective covenants, a member may vote by proxy executed in writing. Such proxy shall be filed with the Secretary before or at the meeting. Voting on amendment of protective covenants shall be in accordance with the procedures set forth in the Protective Covenants, Regulations and Rules of La Cav Improvement Company.

Section 9. Informal Action by Members. Any action required to be taken at a meeting of members or any other action which may be taken at a meeting of members may be taken without a meeting if a consent in writing setting for the action so taken shall be signed by all of the members entitled to vote.

Section 10. Waivers. In lieu of any notice of meeting or place of meeting such meeting may be held at any time and at any place upon the waiver of notice thereof by all of the members. The attendance of a member at any meeting shall be deemed a waiver of

notice of said meeting unless his appearance at such meeting is made for the sole purpose of objecting to the transactions of any business because the meeting was not lawfully call or convened.

ARTICLE V

Board of Directors

Section 1. General Powers. The business and affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of Directors of the corporation shall be no more than seven. Directors shall serve three (3) year terms. Elections of the Directors shall be divided and staggered year to year so that two directors are elected for 3 year terms, the first year, two directors elected for 3 year terms, the next year and three directors elected for three year terms the third. This rotation shall repeat following the third election year. Directors so elected shall hold office until the expiration of their term of office and until their successors shall have been elected and qualified. Each Director shall be a member of the Corporation. Only members may serve as Directors and at least four (4) Directors elected and serving at any one time must be permanent residents of Lake Cavalier. The office of any Director ceasing to be a member of the Corporation shall forthwith become vacant. Members of the Board of Directors elected at the organizational meeting shall hold office until the next annual meeting.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place for holding additional regular meetings without other notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings may fix the place for holding any special meeting of the Board of Directors called by them.

Section 5. Notice. Notice of any special meeting shall be given at least one (1) day before such meeting by telephone, written notice delivered personally or mailed to each Director. If mailed, such notice shall be deemed delivered when deposited in the United States Mail addressed to said Director with postage prepaid. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. Quorum. A majority of the number of Directors elected and serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present, a majority of the Directors present may adjourn the

meeting from time to time without further notice. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Vacancies on the Board of Directors occurring between annual meeting by reason of death, resignation or other causes, shall either remain vacant until the next annual meeting of the members ***or the vacancy shall be filled by the Board of Directors upon majority vote. The person or persons so appointed shall serve the unexpired portions of the terms until the next annual meeting of the members**, providing that if and when the number of vacancies which have which have occurred since the last meeting of members shall have reduced the number of Directors elected at the last meeting of members to less than four (4) of the number so elected, vacancies on the Board shall not be permitted to remain, but instead the Secretary shall immediately call a special meeting of members to fill such vacancies, or to elect a new Board of Directors.

Section 8. Duty to elect officers. The Directors shall elect the officers of the corporation, such election to be held at the Directors' meeting immediately follow each annual members' meeting; or if, in the discretion of a majority of the Board of Directors, the need arises, additional offices may be elected at any regular or special meeting of the Directors.

Section 9. Order of business. The usual order of business at meetings of the Board of Directors will be as follows:

1. Roll call; a quorum being present.
2. Reading of minutes of preceding meeting.
3. Consideration of communications to the Board.
4. Reports of officers and committees.
5. Unfinished business.
6. New business.

Section 10. Removal of Director. Pursuant to the requirements and provisions of Section 79-11-245, Mississippi Code of 1972, removal of Directors may be affected with or without cause, but only at a meeting of the members called expressly for such purpose. The entire Board of Directors may be removed by a vote of the majority of the members of the corporation then entitled to vote at an election of Directors; but if less than the entire Board is to be removed, no one of the Directors may be removed if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

Section 11. Statement of Condition. At each annual members' meeting the Directors shall submit a statement of the business done during the preceding year, together with a report of the general financial condition of the corporation, its operations, the status of its affairs and the condition of its tangible property.

Section 12. Indemnity of Director or Officer. The Board of Directors shall have the authority to indemnify any Director or officer, or any person who has served as a Director or

officer, of the corporation for reasonable legal expenses incurred in any proceedings brought against such person by reason of his activities while acting in his official capacity within the scope of his authority for and on behalf of the Corporation unless the indemnitee is found to have acted maliciously or intentionally and contrary to the interests of the Corporation.

Section 13. Rights, Powers and Responsibilities. In general, the Board of Directors, and the individual members thereof, may enjoy and exercise all of the rights, powers and privileges and shall perform and discharge all of the responsibilities and obligations and shall assume, as applicable, all of the liabilities, all as expressed and contained in the Mississippi Nonprofit Corporation Act and shall function within the restrictions and limitations therein set forth and thereby imposed.

Section 14. Notice and Nominations. At least thirty (30) days prior to the date of each annual meeting of the members, the secretary shall give written notice to the members of the names of the directors whose terms will be expiring at the annual members' meeting, the number of positions on the Board of Directors which shall be filled by election at said meeting and a recommended slate of names of members to fill said vacancies. Nominations for the office of Director may be made at the annual meeting.

Section 15. Succession. Upon the expiration of his term of office, a director may be reelected for a new term of office.

ARTICLE VI

Officers

Section 1. Number. The officers of the corporation shall be a President, one Vice President-President Elect, a Secretary, a treasurer and such other officers as shall from time to time be chosen and appointed by the Board of Directors. Any two offices, except those of President and Secretary, may be combined and held by the same person if so designated by a majority of the Board of Directors. In no case, however, shall any officer execute, acknowledge, or verify any instrument in more than one capacity. Officers, except Secretary, must be members of the corporation and the Board Directors. The person elected to the position of Vice President-President Elect shall automatically ascend to the position of President upon the expiration of the term of office of the person currently holding the position.

Section 2. Election and Term of Office. The Board of Directors shall elect the officers of the corporation. Each of the officers so elected shall hold office until the first annual meeting of the Board after his election, and until his successor shall have been duly elected and qualified, unless his term of office shall be designated by the Board of Directors as some other period.

Section 3. Vacancies. A vacancy in any office for any reason shall be filled by the Board of Directors for the unexpired portion of the term.

Section 4. Removal. Any officers may be removed at any time by the Board of Directors with or without cause. Any officer may also be removed by a majority vote represented at any meeting of the members of the corporation.

Duties of Officers

Section 1. President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the Directors and members.

Section 2. Vice President – President Elect. In the absence of the President or in the event of his death, inability or refusal to act, the Vice President shall perform the duties of the President and when so acting shall have all the powers and be subject to all the restrictions upon the President. During his/her term of office the person so elected shall be in training to become President upon the expiration of the term of person holding the position of President.

Section 3. Secretary. The Secretary shall keep the minutes of the members' and of the Board of Directors' meeting in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions in the by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation; and in general perform all duties incident to the office of Secretary.

Section 4. Treasurer. The Treasurer shall have charge and custody and be responsible for all funds and securities of the corporation in such banks, trust companies or other depositories as shall be selected by the Directors; and in general shall perform all duties incident to the off of Treasurer.

Section 5. General. Each of the officers shall, in addition to the duties set out hereinabove, perform such other duties as may from time to time be assigned to them by the President or Board of Directors.

ARTICLE VII

Contracts, Loans, Checks and Deposits

Section 1. Contracts. The President or Vice President are authorized to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and to institute, join in, or become a party to any suit of law or in equity in which the corporation may have an interest. The Secretary of the corporation may attest the signatures of such officers and affix the corporate seal to any such instrument; However, the presence of such attesting signature or corporate seal shall not be required for the validity of such instrument unless required by law. Other officers or employees may be empowered by the Board of Directors to execute such contracts or instruments as the Board directs.

Section 2. Loans. No loan shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific incidences.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by the Treasurer or such other office or employee of the corporation and in such manner as shall be, from time to time determined by resolution of the Board of Directors.

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

ARTICLE VIII

Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December in each year except the year in which it is organized and incorporated and in that year shall begin with the organization of the corporation and end on the 31st day of December.

ARTICLE IX

Seal

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation. The original seal adopted by this corporation is impressed on these by-laws in the margin opposite this Article.

ARTICLE X

Waiver of Notice

Whenever any notice is required to be given to any member or Director under the provisions of the by-laws or of the Charter, a waiver in writing signed by person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of notice.

ARTICLE XI

Dues and Assessments

Members shall pay dues and special assessments as determined from time to time by the Board of Directors and approved by three-fourths (3/4) of the member present and voting at an annual meeting or any special meeting called for that purpose. Annual dues shall be due and payable semi-annually in January and July. Special assessments shall be due and payable as and when determined by the Board of Directors. These dues and assessments may be used for any purpose in the sole discretion of the Board of Directors which it shall deem for the benefit of the members, including but not limited to, the upkeep of the roads in the subdivisions, insect control, employment of a lake manager, repair and maintenance of spillway, dam, perimeter fences on property of the corporation and other property of the corporation, payment of taxes and fertilization and stocking of fish of Lake Cavalier.

Any member who owns more than one lot which are contiguous may consolidate said lots for purposes of a single residence. In such case the member shall be charged dues on only one lot, however, if said lots are ever separated and no longer used for a single residence, then the owner shall pay to the Corporation dues and any special assessments on said lot plus interest at eight per cent (8%) per annum from the date said lots were consolidated.

ARTICLE XII

Amendments

The members or the Board of Directors, in accordance with the provisions hereof, may alter, amend, add to or repeal these By-Laws; provided that the Board of Directors shall not make or alter any By-Laws fixing the qualifications, classifications or term of office of the Directors. Any amendment to the By-Laws by the Board of Directors shall require affirmative vote of two-thirds (2/3) of the Directors elected at the last preceding meeting of the members at which time an election of Directors was held.

The By-Laws may be amended by a vote of a majority of the members present at any duly constituted annual meeting or special meeting of the members for that purpose. For such amendment to be made at an annual meeting of members there need be no notice of the amendment in the call for said meeting. No By-Laws enacted by vote of the members shall be voided, amended or annulled by vote of the Directors during the twelve-month period immediately subsequent to its enactment.