

EXHIBIT "B"
THE BYLAWS

BYLAWS OF WINDSTONE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND GUIDELINES

Section 1. NAME. The name of this Association will be the "Windstone Homeowners Association, Inc., a Mississippi nonprofit corporation".

Section 2. GOVERNING LAW. The Association is and shall remain a non-profit corporation, governed by the provisions of the Mississippi Nonprofit Corporation Act, Miss. Code § 79-11-101, *et seq.* (the "Act"), as amended from time to time, except as otherwise provided in these Bylaws, and no part of the net earnings thereof shall inure to any individual Member, except as expressly provided in the Amended and Restated Declaration of Covenants and Restrictions for Windstone Subdivision (the "Declaration"), dated _____, 2017, of record in the Chancery Court Clerk's Office of DeSoto County, Mississippi (the "Clerk's Office"), to which these Bylaws are an exhibit, or the Association's Articles of Incorporation.

Section 3. NON-POLITICAL. The Association shall not endorse or align with any political party or candidate for public office.

Section 4. PURPOSES. The Association is formed to serve as the means through which the Members administer, manage, and operate Windstone as such term is defined in the Declaration, under the provisions of Act, as amended from time to time.

Section 5. PRINCIPAL OFFICE. The principal office of the Association shall be located at 4555 Stone Hollow Drive, Olive Branch, DeSoto County, Mississippi 38654, or such other place as may be designated by the Association.

ARTICLE II
MEMBERSHIP

Section 1. MEMBERS. Membership in the Association shall be limited to the Members as such term is defined in the Declaration.

Section 2. VOTING RIGHTS. The Owner(s) of record in the Clerk's Office of each Lot within Windstone each shall be entitled to one (1) vote per Lot. If a husband and wife are the Owners, collectively, of a Lot in Windstone such husband and wife, while both Members, will have one (1) vote between them in all matters put before the Membership. If a corporation, partnership, limited liability company, or any other such legal entity shall own a Lot, then such entity shall register with the Secretary the name and office of the individual who will represent such entity at any meeting of the Members and cast such entity's vote.

Section 3. ROSTER OF MEMBERSHIP. The Secretary of the Association shall maintain a roster of the Membership entitled to vote at the meetings as hereinafter provided.

Section 4. PROXIES. Every Member entitled to vote at a meeting may do so either in person or by written proxy, which proxy shall be filed with the Secretary before being voted. Such proxy shall

entitle the holders thereof to vote at any adjournment of such meeting, but shall not be valid after the final adjournment thereof. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy.

Section 5. CONSENTS. Actions required or permitted by the Act, the Articles, or these Bylaws, to be taken at a Member meeting may be taken without a meeting if one or more written consents are signed by all the Members entitled to vote on the action and such consents are delivered to the Secretary.

ARTICLE III **BOARD OF DIRECTORS**

Section 1. BOARD OF DIRECTORS. The Association shall be governed by a Board of Directors consisting of nine (9) persons (each being a "Director"). Each Director shall be a Member, as such term is defined in the Declaration. No Member who is delinquent in the payment of his or her assessment or otherwise in default of the Declaration may serve on the Board (in the event a Director becomes delinquent or otherwise in default of the Declaration, then he or she must resign from the Board and the remaining Directors shall elect a Director to fill such position until the next annual meeting of the Members at which time the Membership may elect a replacement to fill such Director's unexpired term).

Section 2. ELECTION OF DIRECTORS. Election of Directors shall be conducted in the following manner:

Except as otherwise provided herein, the Members of the Board of Directors shall be elected by written ballot or written proxy at the annual meeting of the Members and shall serve for a three (3) year term or until their successors are elected and qualified. In addition, the terms of the Directors are to be staggered to ensure that Directors with corporate knowledge of the Association remain on the Board. In order to establish the staggered Board of Directors, beginning with the annual meeting in 2017, the Association shall elect nine (9) Directors, of which three (3) Directors shall serve for a three (3) year term, three (3) Directors shall serve for a two (2) year term, and three (3) Directors shall serve for a one (1) year term. Subsequently, all Directors shall be elected to three (3) years terms. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another association mailing or delivery, including regularly published newsletters, to each Lot Owner entitled to vote, a first notice of the date of the election. Any Lot Owner or other eligible person desiring to be a candidate for the board of Directors must give written notice to the Secretary not less than forty-five (45) days before a scheduled election to be included on the written ballot or ballot/proxy. Additional nominations may be taken from the floor at the annual meeting, but will not be included on any ballot or ballot/proxy sent to the Members in accordance with the notice provisions contained in these Bylaws.

Section 3. ELECTION OF OFFICERS BY BOARD OF DIRECTORS. The Board of Directors shall elect a President, Secretary, and Treasurer. The Board of Directors may, in its discretion, from time to time by a majority vote remove an officer from office with or without cause.

Section 4. QUORUM; VOTING. The attendance of a majority of the Directors of the Board shall constitute a quorum. A simple majority will be required for any binding action, except as otherwise provided herein. Each Director shall be entitled to one (1) vote on all matters before the Board of Directors.

Section 5. QUALIFICATIONS; REMOVAL OF DIRECTORS. To be eligible for or to hold elected office in the Association, a person must be a Member. Except as otherwise provided herein, any Director may be removed by a vote of two-thirds (2/3) of the Members. If a Director is removed by the Members, then a replacement shall be elected at such meeting by the Members.

Section 6. VACANCIES. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by the vote of the Members of the Association shall be filled by the vote of the majority of the remaining Directors or by the sole remaining Director. Each individual so elected shall serve as a Director until a successor is elected to fill the unexpired term at the next annual meeting of the Owners of the Association or at a special meeting of the Owners of the Association called for that purpose. Any Director filling a vacant position shall serve until their successor is elected.

Section 7. NO COMPENSATION. Directors shall serve without compensation.

Section 8. POWERS/DUTIES OF BOARD OF DIRECTORS. Powers and duties of the Board of Directors shall include:

A. The appointment of the Architectural Control Committee (the "ACC"), as such is provided in the Declaration, and all other standing committees and chairpersons thereof. All committees shall derive their direction from the Board of Directors.

B. The appointment of all persons or organizations to serve the Association, including, but not limited to, any professional management company.

C. The filling of vacancies on the Board of Directors until the next annual meeting.

D. The approval of expenditures of Association funds.

E. The establishment of policy for the Association.

F. The dissolution of all standing and other committees.

G. The setting and collection of all annual and special assessments provided in the Declaration.

H. Such other powers and duties as given to them by the Members; or established by the Declaration; or which may be exercised for, on behalf of, and in the best interests of the Association.

I. All other powers of a non-profit corporation as permitted by the Act.

J. Promulgation of reasonable rules and regulations (the "Rules and Regulations") in accordance with the Declaration after written notice to the Members. The Rules and Regulations may be enforced in the reasonable discretion of the Board, including the levying of fines. In the event a fine is levied, it will be treated as an assessment in accordance with Article VI of this Declaration.

ARTICLE IV **OFFICERS**

Section 1. OFFICERS. Following the annual meeting of the Members, the Directors shall elect the following officers by a majority vote of the Directors: President, Vice-President, Secretary and Treasurer.

Section 2. PRESIDENT. The President shall preside at all meetings of the Association and the Board of Directors and shall perform such duties as directed by the Board of Directors.

Section 3. VICE-PRESIDENT. The Vice-President shall preside at all meetings of the Association in the absence of the President and shall perform such other duties as may be requested by the Board of Directors.

Section 4. SECRETARY. The Secretary, or another Board Member as designated, shall be the official custodian of all records of the Association except Membership records, shall keep the minutes of the Association and Board of Directors meetings, shall send all official correspondence in the name of the Association, and shall give all required notices. In no event may the President and Secretary be the same individual.

Section 5. TREASURER. The Treasurer shall keep and be responsible for all funds of the Association and shall keep the Membership records. The funds shall be deposited in an account in the name of the "Windstone Homeowners Association, Inc." The Treasurer shall make a list of all Members which shall include each Member's name, and date joined. The Treasurer shall provide a current list to the Secretary on a periodic basis. The President and Treasurer shall each, individually, have signature authority on bank accounts of the Association. All monies belonging to the Association shall be delivered to the Treasurer and all bills shall be submitted to the Treasurer for payment. The Treasurer shall provide regular reports of transactions and prepare financial statements as directed by the Board of Directors. In the event the Association is professionally managed, the Board may authorize such management company to have signature authority on bank accounts of the Association.

Section 6. DUAL OFFICES. A Director may also serve as an officer and on the ACC.

Section 7. EXECUTION OF INSTRUMENTS. Provided any such document has been approved by the Membership, if necessary and as provided herein, and evidence of such approval is kept with the Association's records, all agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by a resolution of the Board of Directors and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the President and Secretary. All checks shall be signed by the Treasurer, or in his absence or disability, by the President or any duly elected assistant-treasurer or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V **MEMBERSHIP MEETINGS**

Section 1. ANNUAL MEETING. The annual meeting of the Membership of the Association in each year shall be held between the months of April and June on the particular day, hour, and location as determined and designated by the Board of Directors. Written notification of the Annual Meeting shall be given to the Members as provided in these Bylaws.

Section 2. SPECIAL MEETINGS. Special meetings of the Membership for any purpose may be called (1) by the President or (2) by the Secretary upon written request of thirty-five percent (35%) of the Membership.

Section 3. QUORUM. The presence, either in person or by proxy, of Members representing at least thirty-five percent (35%) of the total votes entitled to be cast shall be requisite for and shall constitute a quorum for the transaction of business at all meetings of the Members.

Section 4. NOTICE. Written notice shall be given to all Members of annual and special meetings, stating the time, place, and purpose for which the meeting is called. Such notice shall be in writing

and shall be mailed to each Member at his or her address as it appears on the books of the Association or may be delivered to his or her Lot not less than seven (7) days nor more than thirty (30) days prior to the meeting. Proof of such mailing or delivery may be given by the written statement of the Secretary or other person giving the notice.

ARTICLE VI **ASSOCIATION RESPONSIBILITIES**

Section 1. INDEMNIFICATION. The Association shall indemnify every officer and Director against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon such officer or Director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which such officer or Director may be made a party by reason of being or having been an officer or Director, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance or malfeasance. The officers and Directors 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, former officer or Director, may be entitled, including the provisions of Mississippi Code § 79-11-281, as such may be amended from time to time. The Association shall maintain adequate general liability insurance and if, obtainable, officers' and Directors' liability insurance to fund this obligation.

Section 2. INSURANCE. The Association shall, as determined by the Board of Directors in its sole discretion, obtain and maintain at all times as a common expense insurance as required by the Declaration.

ARTICLE VII **PROCEDURE**

The President shall regulate and govern all debate and action by the Board of Directors and the Membership at any meeting in a manner, which promotes a fair exchange of views, and the efficient dispatch of business. When resort to rules of procedure becomes necessary, business may be governed by Robert's Rules of Order.

ARTICLE VIII **AMENDMENTS**

Section 1. AMENDMENTS. Amendments to these Bylaws may be effected as follows:

Section 2. BY THE ASSOCIATION. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered. An amendment may be proposed either (i) by a majority of the Board of Directors of the Association or (ii) by not less than thirty-five percent (35%) of the Members of the Association. Except as elsewhere provided, approvals of proposed amendments must be by the affirmative vote of Members holding two-thirds (2/3) of all Member votes. Records of all votes authorizing an amendment to this Declaration shall be kept with the minutes of the Association.

Section 3. EXECUTION AND RECORDING. In order to be effective an amendment must be (i) executed by the President and Secretary of the Association, with evidence authorizing such execution placed with the minutes of the Association and (ii) recorded in the Clerk's Office.

ARTICLE IX **FINANCES**

Section 1. FISCAL YEAR. The fiscal year shall commence on July 1st and end on June 30th of each year. The Board of Directors may establish a different fiscal year and must notify each of the then existing Members of the change.

Section 2. DEPOSITORY AND CHECKS. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. All checks or demands for money and notes of the Association shall be signed by one (1) of the following officers: President, Treasurer, and/or any other Director designated by a vote of the Board of Directors. The Board of Directors, by resolution, may require more than one (1) signature. In addition, the Board may authorize its professional managing agent to have signature authority on the bank accounts of the Association.

Section 3. ANNUAL BUDGET. The Board of Directors shall propose an annual budget each year and may mail a copy of the Association's proposed annual budget of common expenses to each Member not less than ten (10) days prior to the meeting of the Board of Directors at which the budget will be considered together with a notice of that meeting. Such meeting of the Board of Directors shall be open to all Members. Copies of the annual budget shall be available to all Members upon request.

Section 4. FIDELITY BONDS. The Board of Directors, in its sole and absolute discretion, may require fidelity bonds on all or any officers, employees, and agents of the Association or the Board and any other persons responsible for funds of the Association. The Board of the Administration shall determine the amount of such bonds. Premiums on such bonds shall be paid by the Association.

ARTICLE X **NOTICES**

Section 1. NOTICE. Whenever, under the provisions of the Act, the charter, or these Bylaws, notice is required to be given to any Director or Member, it shall be construed to mean either personal notice, or notice given in writing by mail by depositing the same in the Post Office or letter box in a postpaid envelope addressed to such Director or Member as their name appears on the books of the Association.

Section 2. WAIVER OF NOTICE. Whenever any notice is required to be given under the provisions of the Act, the charter, the Declaration or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed to be equivalent to the required notice.

ARTICLE XI **OFFICIAL RECORDS**

The Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

- A. The plans, permits, warranties, and other items provided by the Developer, if any.

- B. A photocopy of the recorded Declaration and all amendments thereto.
- C. A photocopy of the recorded Bylaws of the Association and all amendments thereto.
- D. A certified copy of the Articles and all amendments thereto.
- E. A copy of the current Association's rules and regulations, if any.
- F. A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of the Members, which minutes shall be retained for a period of not less than seven (7) years.
- G. A current roster of all Members, their mailing addresses, lot identifications, voting certifications, e-mail addresses (if possible), and if known telephone numbers.
- H. All current insurance policies of the Association.
- I. A current copy of any management agreement, lease, agreement, or other contract to which the Association is a party or under which the Association or the Members have an obligation or responsibility.
- J. Bills of sale or transfer for all property owned by the Association.
- K. Accounting records for the Association according to generally accepted accounting practices.
- L. Voting proxies, which shall be maintained for a period of one year from date of the meeting for which the proxy was given.

ARTICLE XII

PARTIAL CONDEMNATION OF COMMON AREA

The Association, through the action of the Board of Directors, shall have the power to convey a portion of the Common Area to a condemning authority for the purpose of providing utility easements, rights of ways expansion, or other public purposes, whether negotiated or as the result of eminent domain proceedings.

ARTICLE XIII

WRITTEN INQUIRIES BY MEMBERS

When a Member files a written inquiry by certified mail with the Board of Directors, the Board shall respond in writing to the Member within thirty (30) days of receipt of the inquiry. The Board's response shall either give a substantive response to the inquirer, or notify the inquirer that a legal opinion has been requested. If a legal opinion is requested, the Board shall, within sixty (60) days after the receipt of the inquiry, provide in writing a substantive response to the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the Board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the complaint.

The Association may through its Board of Directors adopt reasonable rules and regulations regarding the frequency and manner of responding to Member inquiries, one of which may be that the association is only obligated to respond to one written inquiry per Lot in any given thirty (30) day period.

In such a case, any additional inquiry or inquiries must be responded to in the subsequent thirty (30) day period, or periods, as applicable.

ARTICLE XIV
MISCELLANEOUS

Section 1. CHOICE OF LAW. These Bylaws have been executed in the State of Mississippi, and shall be construed, performed and enforced in accordance with the laws of the State of Mississippi.

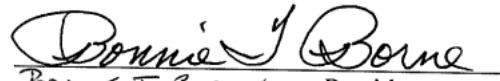
Section 2. SEVERABILITY. In the event any provision of these Bylaws shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remainder of these Bylaws shall nonetheless remain in full force and effect so long as the substantial benefits of the parties to be derived from these Bylaws and the performance hereof are not adversely affected by the elimination of such provision(s).

Section 3. ENTIRE AGREEMENT. These Bylaws constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, discussions, writings, and agreements.

Section 4. BINDING EFFECT. The terms of these Bylaws and the respective covenants, provisions, terms, conditions, and agreements herein contained shall be binding upon the parties hereto, their heirs, devisees, successors, and assigns.

Section 5. CONFLICT WITH THE DECLARATION. In the event there is any conflict between the terms and provisions of the Declaration and these Bylaws, the Declaration shall control.

I certify that these Bylaws were adopted by the Association as of this 11th day of October 2017.


BONNIE T. BORNE, President