

THE CHARTER OF INCORPORATION
OF THE
LAKE SERENE PROPERTY OWNERS ASSOCIATION, INC.

In compliance with the requirements of Section 79-11-1 of the Mississippi Code of 1972, as amended, the undersigned all of whom are adult resident citizens of the State of Mississippi, have this day voluntarily associated themselves together for the purpose of forming a corporation, not for profit, and do hereby certify:

(a) Name. The name of this corporation is Lake Serene Property Owners Association, Inc.

(b) Name, Street Address, and Post Office Address of Incorporators.

<u>Name</u>	<u>Street Address</u>	<u>Post Office Address</u>
Van C. Temple, Jr.	107 Richwood	Box 107 Richwood Drive Route 10, Hattiesburg, Mississippi 39401
N. C. Williams	Lake Serene	Route 4, Hattiesburg, Mississippi 39401
Ralph E. Cromis, II	Lake Serene	Route 4, Hattiesburg, Mississippi 39401

(c) Domicile. The domicile of this non-profit corporation shall be Lamar County, Mississippi. The address is Highway #98, Route 4, Hattiesburg, Mississippi 39401.

(d) Non-Profit. The corporation is non-profit and no shares of stock are to be issued. The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purpose for which it is formed as a civic improvement society is to promote the health, safety and welfare of the residents and property within the Lake Serene Subdivisions, Units No. 1, 2, 3, 4, 5 and 6 and revisions thereto Lake Serene North and Rolling Hills Subdivision; and any residents or property as may be hereafter brought within the jurisdiction of this corporation by annexation, merger or consolidation as provided for in article (j) herein, hereinafter referred to as Lake Serene.

(e) Duration. The period of existence of this association shall be perpetual.

(f) Purposes, Rights and Powers. The purposes, rights and powers of this corporation are to: (1) own, acquire, build, operate and maintain recreation parks, playgrounds, lakes, boat ramps, boat-houses, swimming pools, swimming areas, golf courses, commons, streets,

footways, including buildings, structures, wharfs, piers, docks, tennis courts, and any other recreational facilities and the personal and real properties incident thereto, hereinafter referred to as the common properties and facilities; (2) provide exterior maintenance for the lots and homes within the properties; (3) provide garbage and trash collection; (4) provide fire and police protection; (5) maintain unkept lands or trees; (6) supplement municipal services, county services and state services; (7) fix assessments; (8) enforce restrictive covenants of record concerning real property within the limits of the association and any other subdivisions or real property which may be annexed, merged or consolidated herewith and to bring suits and defend same in law or equity or by any other lawful means; provide for a manager, staff and the management of Lake Serene.

(g) Membership. Membership in this association shall vest to one record owner of each lot or parcel of real property herein described and which may hereafter be annexed or merged herewith; provided, however, in no event will said parcel or lot be less than 20,000 square feet in area. The members shall not be required to make publication of this charter, shall issue no shares of stock, shall divide no dividends or profits among their members, shall make expulsion the only remedy for nonpayment of dues, assessments and penalties, shall vest in each member the right to one vote in the election of officers, shall make the loss of membership by death or otherwise the termination of all interest of such members in the corporate assets and there shall be no individual liabilities against the officers, directors or members for corporate debts, but the entire corporate property shall be liable for the claims of creditors.

(h) Voting Rights. At lawful meetings, regular or special, each paid up member shall have one vote. For example: if one member has twenty lots, he has only one vote; if one lot or parcel of real property is owned by twenty owners, the owners of that lot or parcel of real property must decide who is the member to vote only one vote for said lot or parcel of real property.

(i) Board of Directors - Selection, Terms of Office. The affairs of the association shall be managed by a board of nine (9) directors, one of which need not be a member of the corporation. The board shall have authority to hire a secretary. The initial board of directors shall consist of eight (8) directors elected by POLS, INC. who shall hold office until the election of their successors for the terms stated hereafter and an additional director elected by said board. At the annual meeting to be held in March, the members shall elect three (3) directors for a term of one (1) year, three (3) directors for a term of two (2) years and three (3) directors for a term of three (3) years; and, at each annual meeting thereafter, the members shall elect three (3) directors for a term of three (3) years. In the event one of the board members ceases to serve, then the board shall elect a new board member to serve the remaining term of that board member, a member shall be considered to cease to serve if he misses three (3) meetings with notice within any one-year period.

(j) Mergers and Consolidations. To the extent permitted

by the law, the association may participate in annexations, mergers and consolidations with individuals and other non-profit corporations organized for the same purposes, provided that any such annexation, merger or consolidation shall have the assent of two-thirds (2/3) of the votes of each member in person or proxy at a meeting called for this purpose, written notices of such meeting shall be mailed to all record lot owners at least thirty (30) days in advance and shall set forth the purposes of the meeting.

(k) Mortgages: Other Indebtedness. The corporation shall have power to mortgage its properties only to the extent authorized hereafter. The total debts of the corporation including the principal amount of such mortgages, outstanding at any time, shall not exceed the total of the minimum appraised value of the total corporate assets.

(l) Quorum. One-third (1/3) of the members entitled to vote represented in person or by proxy shall constitute a quorum at a meeting of the members. If a quorum of the membership represented by person or proxy is present, the affirmative vote of the majority of the said members represented by person or proxy at the meeting and entitled to vote on the subject matter shall be the act of all the members unless the vote of a greater number is required by Mississippi laws or by this charter.

(m) Dissolution. The corporation may be dissolved only with the assent given in writing and signed by at least one record owner of the two-thirds (2/3) of the numbered member lots in the properties. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets shall be mailed to every member of this association at least ninety (90) days in advance of any action taken.

(n) Disposition of Assets Upon Dissolution. Upon dissolution of the corporation, the assets, both real and personal, of the corporation shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trusts or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. No such disposition of association property shall be effective to divest or diminish any right or title of any member vested in him under the recorded covenants and deed applicable to the properties unless made in accordance with the provisions of such covenants and deeds.

(o) Amendments. These articles may be amended in accordance with the law, provided that one (1) month notice, in writing, is given to each paid up member and two-thirds (2/3) of the voting members thereafter affirmatively vote in person or by proxy for the amendment, provided further that no amendment shall be effective to impair or delude any rights of members that are governed by the recorded covenants and restrictions applicable to the properties which are part of the property interest created thereby.

(p) Rules and Regulations. Rules and regulations for the use of the lakes and other Lake Serene Property Owners Association, Inc. property, real and personal, have been established by the Lake Serene Property Owners Association, Inc., a Mississippi business corporation established October 3, 1967, the latest amended set of rules being published June 4, 1973. These rules are adopted by reference just as if set out at length herein. These rules may be amended at a lawful meeting, regular or special, of the members of Lake Serene Property Owners Association, provided that lawful notice of said meeting includes the proposed rule change and a majority of the members entitled to vote in person or proxy at said meeting approve said rule change.

Any rule change will become effective five (5) days after the date a revised set of the entire rules as amended has been mailed to the record owners at date of change of all of the lots and other real property within the limits of the Lake Serene Property Owners Association as defined in articles (d) and (j) hereof.