

BYLAWS OF LONG BRANCH MAINTENANCE CORPORATION
AMENDED – Effective 9-24-2023

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ARTICLE I -- PURPOSES

The purposes of the corporation as stated in its Articles of Incorporation are:

To encourage the betterment, cleanliness, maintenance, and beautification of the Diamondhead Lake development situated in Guthrie County, Iowa, and to further the participation in enjoyment of recreational facilities and to promote other services for the benefit of the members of LBMC.

To represent all lot owners and contract purchasers in the association for the betterment of said lot owners, contract purchasers.

No part of the property of this corporation, or its net earnings or income shall ever inure to the benefit of any director, officer, member or private individual, and no part of the activities of this corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation or participating in or intervening in any political campaign on behalf of any candidate for public office. However, nothing shall be construed to preclude hiring individuals to service the corporation in any capacity and receiving compensation thereof.

Subject to all limitations contained herein, the event of the liquidation, dissolution or winding up of this corporation, all of its assets and property, of every nature and description, remaining after the payment, satisfaction and discharge of all its liabilities and obligations shall be paid over and transferred to such corporations, trusts, community chests, funds or foundations created or organized in the United States and operated exclusively for religious, charitable or educational purposes, no part of the net earnings of which may inure to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, and which does not participate in or intervene in (including the publishing or distribution of statements,) any political campaign on behalf of any candidate for public office, as may be authorized by the affirmative vote of two-thirds (2/3) of the Board of Directors of this corporation.

Subject to the limitations contained in this article to do any and all such acts and to have and exercise all the powers conferred by the laws of Iowa upon corporations formed under the provisions of the Iowa Non-Profit Corporation Act under Chapter 388 of the Laws of the 61st General Assembly (1965) of the state of Iowa, as may be appropriate, conducive or necessary to the attainment of any of the objects and purposes herein set forth.

Indemnification. The members, directors, officers, employees, and volunteers of this corporation, and their private property, shall not be liable in any manner for corporate debts, obligations, undertakings or liabilities and the members, if any, directors and officers shall be exempted and indemnified against any personal expense, losses or liabilities, which may accrue from administration or distribution of the corporate property of funds, or by reason of any acts of commission or omission on their part in the conduct of the corporate affairs, so long as they act in good faith. They (meaning directors, officers, members or other volunteers of the corporation) are not personally liable in that capacity, for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the corporation, for the acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit, and the corporation shall indemnify and hold any such director, officer, member, or other volunteer harmless against any personal expense, loss, or liability, including any attorney's fees, which may accrue from time to time as a result of any action or claim for which the person is not liable under Iowa law or the terms of this bylaw. They shall have the right at all times and in all matters, to act upon any information or evidence deemed by them reliable, without incurring any personal liability or responsibility of any kind or in any manner. No person dealing with the members, directors, or officers of the corporation, shall be under any obligation to inquire into their power or authority or into the validity, expediency or propriety of their actions, decisions, or transactions or to see to the proper application of money or property paid over or transferred to the corporation.

ARTICLE II -- PLACE OF BUSINESS

The principal place of business of the corporation shall be at 9137 Diamondhead Drive, Diamondhead Lake, Dexter, Iowa in County Guthrie, state of Iowa. All business transactions shall be conducted at the LBMC Office during regular office hours as posted and published at the office.

ARTICLE III -- MEMBER RIGHTS AND RESPONSIBILITIES

SECTION 1 - MEMBERSHIP

By reason of ownership of a lot in the Diamondhead development, any person, trustee, or limited liability corporation holding title, or a contract purchaser, shall be a member of Long Branch Maintenance Corporation. Membership cannot be separated from ownership of a lot, nor can membership obligations be relieved by abandonment or nonuse of the property. Upon request, each member shall sign a membership agreement with LBMC, however, such an agreement is not a condition of membership.

SECTION 2 - MEMBER STANDING

Any member current on all dues, maintenance, fines, and other assessments as set forth by the LBMC Rules and Bylaws shall be considered a member in good standing. Any member delinquent in any amounts due LBMC shall be denied voting and all other member privileges until such time the amounts due are collected by LBMC, or payment terms have been agreed upon.

SECTION 3 - VOTING ELIGIBILITY

There shall be one vote and one voting member per membership, regardless of the number of lots owned or persons who may have ownership interest in such lots or the manner in which title is held by them. In cases of multiple owners or ownership, the voting member shall be designated by the ownership entity at the request of Long Branch Maintenance Corporation. Every voting member shall be eligible to vote on any matter submitted to a vote of members, including the election of directors, provided they are a member in good standing at the time of the vote.

SECTION 4 - MEMBER PRIVILEGES

Members in good standing and immediate family shall have a right to use LBMC common areas subject to the provisions of the LMBC rules and other policies as may be established by the board. The member is responsible for ensuring that all its guests comply with the applicable LBMC rules and for guest violations or damage to the property.

SECTION 5 - PROPERTIES ACQUIRED BY FORECLOSE OR DEFAULT

Banks, holding companies, finance companies, loan companies, etc. acquiring properties by foreclosure or other default proceedings shall not be eligible to vote or have any member privileges, but such entities are required to pay all assessments, dues, fees, and other sums normally assessed to a member, from and after the date of foreclosure, forfeiture or other proceedings are initiated.

SECTION 6 - PROPERTY TRANSFERS

When ownership interest in a lot at Diamondhead Lake is conveyed to another party, the buyer and seller shall notify LBMC of the ownership transfer within thirty (30) days.

SECTION 7 - PROPERTY TRANSFERS WITH OUTSTANDING DEBT

No person, corporation, partnership, or other entity shall be eligible to vote or have any member privileges, if that person, corporation, partnership, or other entity or any of its members or owners is indebted to Long Branch Maintenance Corporation, for unpaid assessments, dues, fines, penalties, or other sums of money with respect to prior ownership and membership with respect to any properties within Diamondhead Lake. The terms and conditions of membership shall be determined by the Board of Directors of Long Branch Maintenance Corporation, in its sole and absolute discretion.

ARTICLE IV -- MEETINGS OF THE MEMBERS

SECTION 1- ANNUAL MEETING

The annual meeting of the members shall be held during the month of September of every year, at such time, place, and date as selected by the Board of Directors, for the transaction of such business as is set forth in the agenda for such meeting. The election of directors of the corporation shall be conducted at the annual meeting. Notice of the meeting with voting passes shall be given as provided in Section 4 in this Article. If the election of directors shall not be held on the day designated herein for any meeting or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members called as soon thereafter as conveniently possible.

SECTION 2 - SPECIAL MEETING

Special meetings of the members may be called either by the president, Board of Directors or by not less than one-third (1/3) of the members having voting rights.

SECTION 3 - PLACE OF MEETING

All meetings will be held at the LBMC administration building, or other location in the immediate vicinity as designated by the Board of Directors.

SECTION 4 - NOTICE OF MEETING

Written or printed notice stating the purpose, place, day, and hour of any meeting of members shall be delivered, either personally, or by mail, to each member entitled to vote at such meeting not less than fourteen (14) nor more than forty (40) days before the date of such meeting, by or at the direction of the president, or the secretary. The notice shall include a printed copy of the agenda, voting pass, and all proposals to be submitted for a vote before the membership. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at the address as it appears on the records of the corporation, with postage thereon prepaid.

SECTION 5 - INFORMAL ACTION BY MEMBERS

Any action required to be taken at a meeting of the members of the corporation, 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 members entitled to vote with respect to the subject matter thereof.

SECTION 6 - QUORUM

A minimum of fifty (50) eligible voting members represented (in person or absentee) at any meeting of the members of the corporation, after giving notice as provided in Section 4 above shall constitute a quorum of such meeting. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice.

ARTICLE V -- BOARD OF DIRECTORS

SECTION 1 - GENERAL POWERS

The affairs of the corporation shall be managed by its Board of Directors who shall follow all rules and regulations applying to the membership. The Board of Directors shall have the power to assess and collect fines and enforce penalties for rule violations as set forth in the Rules and Bylaws and the power to collect or enforce the same. **No board member, alone or as a group, may authorize a member to violate the rules except in exceptional circumstances. This authorization must be documented as to what the circumstance is, what exception is being made, and when this authorization is terminated.**

SECTION 2 - NUMBER, TENURE AND QUALIFICATIONS

The number of directors shall be seven (7). Directors shall maintain home ownership at Diamondhead Lake and be members in good standing of the corporation and all officers of the corporation must be directors. Members seeking election to the Board of Directors must submit completed nomination papers to the LBMC office by August 1, immediately preceding the next annual meeting, accompanied by a minimum of ten (10) signatures of eligible voting members. Write in candidates do not need to submit nomination papers and must receive a minimum of ten (10) votes at the annual meeting to be eligible to serve on the board. The term of office is for two (2) years commencing on October 1 immediately following the election. No member may serve more than two consecutive terms, without at least a one-year break in between. No person shall be eligible to serve as a director **as long as any other family member or anyone with ownership interest in the member's property** is a director of the corporation. **No person shall be eligible to serve as a director while employed by LBMC, the Rural Improvement Zone Board, the Diamondhead Sanitary District Board, or any of the currently serving directors.**

SECTION 3 - REGULAR MEETING

A fall annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after and at the same place as the annual meeting of members. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the board without other notice than such resolution. All business meetings shall occur at 9137 Diamondhead Drive, Dexter, IA or other location in the immediate vicinity as designated by the Board of Directors.

Meetings shall comply wpth the current bylaws and be held open to all members of LBMC at the location specified above. When conducting matters of business, the current version of Robert's Rules of Order shall be followed. Financial statements and income statements shall be posted and distributed prior to each meeting in the form approved by the Board of Directors.

The board may vote to go into closed session without members present when confidential matters for members, employees, or agents of LBMC or litigation are to be discussed, or when public disclosure of matters would cause harm to the corporation. The board must reenter into open session to take any final action on such matters.

SECTION 4 - SPECIAL BOARD MEETINGS

Special meetings of the Board of Directors may be called by or at the request of the president or any three directors. The person or persons authorized to call special meetings of the board may fix the place. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally or sent by mail, to each director at his address shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Any director may waive notice of any meeting. The attendance of a director; at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need to be specified in the notice or waiver of notice of such meeting, unless specifically required by these bylaws.

SECTION 5 - QUORUM

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the board, provided that, if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 6 - MANNER OF ACTING

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these bylaws.

SECTION 7 - VACANCIES

Any vacancy occurring in the Board of Directors, for any reason, shall be filled by the next eligible person, receiving the next highest popular vote in the previous election given the candidate received a minimum of ten (10) votes. The replacement director shall serve the remainder of the unexpired term of his predecessor. A tie vote shall be broken by the toss of a coin by the president with the tied candidates present. If no remaining candidates receive a minimum of ten (10) votes, the board may appoint an individual to fill the term until the next annual meeting where an election for the unexpired term will take place. The Board of Directors must act on all letters of resignations from directors and all resignations are considered in effect on the date the resignation is tendered orally or in writing.

SECTION 8 - COMPENSATION

Directors as such shall not receive any salaries or compensation for their services as directors, provided that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation thereof.

SECTION 9 – NEPOTISM

No relative of an LBMC board member shall be employed unless, after the position has been advertised, no other qualified applicant can be found as determined by a majority vote of the board.

SECTION 10 - DEFAULT

Any board member who misses three consecutive regular monthly board meetings (as noted in the secretary's minutes) shall forfeit his or her position on the board unless retained by a unanimous vote of the remaining board members. A replacement will be appointed according to the vacancy procedure of the bylaws. The forfeiting director shall be notified in writing, mailed to the current address on file at the LBMC Office.

SECTION 11 - REMOVAL OF DIRECTORS

Any eligible voting member, supported by one-third of the total eligible voting members, may request removal of a director, with or without cause, by petitioning the board for a special meeting of the members for this purpose.

ARTICLE VI -- OFFICERS

SECTION 1 - OFFICERS

The officers of the corporation shall be a president, vice president, treasurer, secretary, and such other officers as may be elected in accordance with the provisions of this article. No more than one (1) office can be held by one (1) person.

SECTION 2 - ELECTION AND TERM OF OFFICE

The officers of the corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled, or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected.

SECTION 3 - REMOVAL OF OFFICERS

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4 - OFFICER VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5 - 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. The president may sign, with the secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors have authorized to be executed except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the corporation; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6 - VICE PRESIDENT

In the absence of the president or in the event of that officer's 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.

SECTION 7 - TREASURER

If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for, monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VIII of these bylaws; and in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or by the Board of Directors.

SECTION 8 - SECRETARY

The secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law, be custodian of the corporate records; keep a register of the post office address of each member which shall be furnished to the secretary and such other duties as from time to time may be assigned by the president or by the Board of Directors.

ARTICLE VII -- COMMITTEES

SECTION 1 - COMMITTEES OF DIRECTORS

The Board of Directors may form one or more committees for the purpose of special responsibilities (i.e., dredging, maintenance, etc.), each of which shall have at least one (1) director assigned to sit on such committee along with other members in good standing. Each such committee shall have and exercise the authority of the Board of Directors of any responsibility imposed on it by LBMC, including expenditures necessary for carrying out said responsibilities, up to the budgeted amount allowed for the particular committee purpose.

SECTION 2 - RULES AND BYLAWS COMMITTEE

Prior to the beginning of each calendar year, a Rules and Bylaws Committee shall be formed by the board for the purpose of proposing and evaluating rule and bylaw changes prior to the membership voting on them at the next annual meeting, or a special meeting called for that purpose. The committee shall schedule at least two (2) public forums prior to the annual meeting to allow the membership to view proposed changes and to voice questions and comments on same. If a special meeting is called for the purpose of voting on a rule or bylaw amendment, the amendment shall be presented at the board meeting prior to the special meeting for presentation and explanation.

SECTION 3 - BALLOT COMMITTEE

At the first regular board meeting following the annual meeting, the Board of Directors shall form by resolution a Ballot Committee for the purpose of preparing ballots, overseeing the integrity of the voting process, counting ballots, ruling on ballot discrepancies, and reporting the voting results to the membership for the next calendar year.

SECTION 4 - OTHER COMMITTEES

Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be formed by a resolution of the board. Except as otherwise provided in such resolution, members of each such committee shall be members in good standing, and any member thereof may be removed by person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

SECTION 5 - TERM OF OFFICE

Each member of a committee shall continue as such until the next annual meeting of the members of the corporation, unless the committee shall be sooner terminated or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 6 - CHAIRMAN

One member of each committee shall be appointed chairman.

SECTION 7 - VACANCIES

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 8 - QUORUM

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be an act of the committee.

SECTION 9 - RULES

Each committee may adopt rules for self-governance consistent with these bylaws or the rules adopted by the Board of Directors and shall have the authority to establish policy and procedures to carry out their mission identified in the committee charter. Each committee charter shall be developed and approved by the Board of Directors for each calendar year and shall include details identifying committee's mission, authority and responsibilities, composition, how and when meetings will be held, and how meeting minutes will be written and approved.

ARTICLE VIII -- CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1 - CONTRACTS

The Board of Directors may authorize any officer of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. This is not to be construed that an attorney retained by the LBMC board may not act on behalf of LBMC.

The Board of Directors, by a majority vote of the board, must authorize any financial transaction involving two thousand five hundred (\$2,500.00) dollars or more.

The Board of Directors may not contract LBMC indebtedness in excess of twelve thousand (\$12,000) dollars in one fiscal year beyond the budget approved by the membership at the annual meeting, except with an affirmative majority vote of eligible voting members at a special meeting called for that purpose, with fourteen (14) days prior written notice to members. For any contractual indebtedness up to the twelve thousand (\$12,000) dollar limit, the membership must be notified by means of a regular or special meeting and posted online.

The Board of Directors shall establish policy and procedures to apply to requests for proposals, and negotiation, preparation, review, and execution of written contracts for the purchase of goods or services. Authority to execute contracts, leases, and other agreements (other than the sale of real estate) will be established by the Board of Directors, and procedures and requirements will be created for preparation or review of documents by an attorney.

SECTION 2 - CHECKS, DRAFTS, ETC.

All checks, drafts, or other order for the payment of money, notes, or other evidence of indebtedness issued in the name of the corporation shall be signed by two (2) board members: the treasurer and president. A third officer designated by the board may sign in place of the treasurer or president if either is temporarily unavailable in time to meet a payment deadline.

SECTION 3 - RECEIPT AND TRANSFER OF FUNDS, DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select. The Board of Directors shall establish policy and procedure for the receipt, transfer, and payment of funds due to or payable by the corporation, including signature approval and authorization authority for receipt, payment, maintenance, deposit, and transfer of LBMC funds.

SECTION 4 - GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

SECTION 5 – COLLECTION OF DUES AND ASSESSMENTS

All money collected must be credited to the appropriate fund. membership dues, sticker fees, and other miscellaneous income shall be credited to general administration; maintenance fees to maintenance, and dredging fees to dredging. Special assessments shall be credited to the earmarked fund determined at the time of the assessment.

SECTION 6 - DISBURSEMENT OF FUNDS

All funds approved by the membership at the annual meeting shall be assigned to the account for which the funds are collected. The board can transfer to another account to pay for extraordinary expenses up to ten percent (10%) of the total collectibles per quarter. The Board of Directors may, during the last quarter of each year, transfer funds as needed.

SECTION 7 - ACCOUNTABILITY

Any board member, agent, employee, or LBMC member/tenant who incurs any indebtedness in violation of the bylaws shall be held personally responsible for that indebtedness.

ARTICLE IX -- BOOKS AND RECORDS

SECTION 1 - BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of the eligible voting members. All books and records of the corporation may be inspected by any member, or his or her agent or attorney, during regular office hours. Full disclosure of bank account balances, collectables and receivables shall be made monthly online and available in the office, providing both accrual and modified cash basis reports.

SECTION 2 - NOTIFICATION

A summary of the minutes of each board meeting and a treasurer's report which includes itemized monthly total collections, total expenditures, and any new loans contracted shall be published monthly online and made available in the office.

SECTION 3 - AUDIT

Books and records of Long Branch Maintenance Corporation will be subject to audit each year with the results to be published and available to members of the corporation.

ARTICLE X -- FISCAL YEAR

The accounting period for the corporation shall be a calendar year beginning on the 1st day of January and ending on the 31st day of December of each year.

ARTICLE XI -- PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order shall govern the corporation in all cases to which they are applicable and in which they are consistent with these bylaws and any special rules of order the corporation may adopt.

ARTICLE XII -- VOTING PROCEDURES

SECTION 1 - BALLOTS

Every eligible voting member may vote on a proposition submitted to the membership at a meeting of the members including the election of directors either in person by written ballot or by absentee ballot signed and received by the corporation prior to convening the annual meeting or such other meeting for which the vote is submitted. The Board of Directors shall issue a ballot to every eligible voting member for the annual meeting or a special meeting of the members. Each ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Ballots submitted at an annual meeting shall be retained until the following annual meeting and will be disposed of upon motion by the board and vote by majority of the members. All other ballots shall be retained for a period of no less than ninety (90) days, after which they may be disposed of by a member of the Ballot Committee. A ballot may be disallowed only by a majority vote of the Ballot Committee and only if the intent of the ballot is not clear. The counting of the ballots cast at the meeting shall include all ballots cast in person by written ballot and all absentee ballots signed and received by the corporation prior to convening the annual meeting or such other meeting for which the vote is submitted. Reporting of the results to the membership shall be completed at the annual meeting.

SECTION 2 - RECOUNTS OF BALLOTS

Any member in good standing may request a recount of any election ballot and only one recount conducted in this manner is allowed. The Board of Directors may request additional recounts by an affirmative majority vote of the full board. Any number of members in good standing may observe any recount conducted. The person or persons who requested a recount must be present at the time it is conducted.

SECTION 3 - PASSING ITEMS

All matters requiring membership approval at any meeting should be deemed approved by an affirmative vote of a simple majority of the eligible voting members represented (in person or absentee) at the meeting, provided a quorum has been established. Ballots cast and counted at the meeting shall include all ballots cast in person by written ballot and all absentee ballots signed and received by the corporation prior to convening the annual meeting or such other meeting for which the vote is submitted. The Ballot Committee shall report the voting results to the membership prior to adjourning the meeting.

SECTION 4 - ELECTING DIRECTORS

For electing directors, the nominees who receive the most “for” votes are elected to the board until all board seats are filled.

SECTION 5 - AMENDMENTS TO RULES

The rules may be altered, amended, or repealed and new rules may be adopted only by an affirmative majority vote of the eligible voting members represented at the annual meeting or a special meeting for that purpose. See Section 7 in this Article for the amendment process. New rules will take effect on January 1st of the following year unless stated otherwise in the amendment.

SECTION 6 - AMENDMENTS TO BYLAWS

These bylaws may be altered, amended, modified, restated, or repealed only by an affirmative majority vote of eligible voting members represented at the annual or at a special meeting called for that purpose. See Section 7 in this Article for the amendment process. New bylaws will take effect immediately upon adoption at the meeting or on a future date specified within the amendment.

SECTION 7 - PROPOSING AMENDMENTS

Any member in good standing may submit proposed changes to the Rules and Bylaws. These changes may be submitted at any time throughout the year. The changes must be received by the Rules and Bylaws Committee no later than July 1st prior to the annual meeting or on a date specified by the committee for a special meeting to be considered at an annual meeting or special meeting. The changes must be submitted with evidence that a minimum of ten (10) other eligible voting members agree that the proposed amendment should be considered at the next annual meeting of the members. Evidence may be a sheet of signatures or a copy of the email chain with each member's name and agreement indicated. **If proposed change references or requires items like a test, video, form, etc., a usable copy of the referenced item(s) shall be provided with the submission.**

ARTICLE XIII -- DUES, FEES, AND ASSESSMENTS

SECTION 1 - ANNUAL MEMBERSHIP DUES, FEES, AND ASSESSMENTS

The board shall recommend to the voting membership the amount of the dues, fees, assessments, and indebtedness necessary to fund the obligations outlined in the annual budget proposed for the next calendar year. Amounts shall be deemed approved by an affirmative vote of a simple majority of eligible voting members represented at the annual meeting in September of the preceding year, or a special meeting called for that purpose.

After mid-year evaluation of the Consumer Price Index (CPI) by the Finance Committee the LBMC Board of Directors may increase the amount of the annual membership dues as defined in the Diamondhead Lake Fees and Info document. The increase in any year shall not exceed three percent (3%) of the annual membership dues for the preceding annual period and will go into effect the following January 1st.

SECTION 2 - MAINTENANCE FEES

Annual maintenance fees shall be assessed on each lot on per lot basis regardless of location or accessibility in the amount approved by an affirmative majority vote of eligible voting members represented at the annual meeting or special meeting called for that purpose.

SECTION 3 - INITIAL MEMBER FEE

A one-time fee may be assessed to each new member of LBMC payable at the time of initial registration in the amount approved by an affirmative majority vote of eligible voting members represented at the annual meeting or special meeting called for that purpose.

SECTION 4 - ASSESSMENTS

Other assessments, special or otherwise, shall be voted on by the eligible voting members at the annual meeting or a special meeting called for that purpose.

SECTION 5 - MULTIPLE DWELLING FEE

For members that own multiple dwellings, each additional dwelling owned shall be assessed an annual dwelling fee equal to the current membership dues, assessments, and fees, whether occupied or not. If an abandoned, vacant, or otherwise uninhabitable dwelling is purchased with the intent to renovate, the dues may be waived for one (1) year during the completion of the improvements making the dwelling habitable. The determination of the current condition of the property and its subsequent renovation will be determined by the Building and Zoning Committee and approved by the board.

SECTION 6 - ADDITIONAL LOT FEES

For members that own multiple lots, each additional lot over ten (10) lots owned shall be assessed an annual lot fee equal to one hundred (\$100) dollars and no/100 cents, whether said lots are improved or not. Said lot fees are in addition to the standard dwelling fees and all other dues, fees, and assessments.

SECTION 7 - BILLING

Beginning January 1st of each calendar year, all annual dues and maintenance fees shall be payable in four equal installments. The installments shall be due the first day of January, April, July, and October. Members may also elect to pay dues monthly, provided they are current before the change to monthly installments is approved by the board. Regardless of whether a member pays monthly or quarterly, the quarterly amount due must still be received within forty-five (45) days of the beginning of the quarter or late fees will accrue as per Section 8 below.

SECTION 8 - PAST DUE ACCOUNTS

Payment for all membership dues, maintenance fees, and assessments shall become delinquent forty-five (45) days after the billing date. An automatic twenty-five (\$25) dollar late fee will be assessed for all accounts the day they become delinquent unless the balance owed is less than the amount of the late fee generated, in which case no late fee will be assessed.

Interest at the rate of one percent (1%) per month (12% annually, minimum \$5) shall be charged on the unpaid principal balance on all delinquent accounts. A twenty-five (\$25) dollar service fee will be charged for all returned checks.

SECTION 9 - COLLECTION OF PAST DUE ACCOUNTS

In the collection of dues, assessments, penalties, fines, and other sums of money, the corporation may initiate all appropriate legal action in collection thereof for all sums assessed against a member and the corporation may collect, in addition to all other sums, attorney fees, cost of collection, court costs, interest, and other sums of money in accordance with the LBMC rules, regulations, bylaws. The corporation may pursue any and all remedies available to it under Iowa law including but not limited to initiating proceedings for monetary sums and all costs, interest, attorney fees, court costs, and other sums.

ARTICLE XIV -- LBMC PROPERTY

SECTION 1 - LAND

Land owned by the Long Branch Maintenance Corporation, with the exception of the platted lots, may not be sold, traded, given, or conveyed by any other means to anyone without an affirmative majority vote of the eligible voting members represented at a special or annual meeting.

SECTION 2 - BUILDINGS

Buildings owned by the Long Branch Maintenance Corporation, such as the administration building, the water treatment building and other maintenance or storage buildings cannot be removed, sold, traded, given, or conveyed to anyone without an affirmative majority vote of eligible voting members represented at a special or annual meeting.

ARTICLE XV -- SPECIAL PROJECTS

Improvements, that in most cases will take more than one year to complete, will be designated special projects, by an affirmative majority vote of the eligible voting members represented at a special or annual meeting. Such works includes, but is not limited to, dredging, major road improvements and major repairs to the LBMC buildings. Funds assessed, collected, and designated for each project can only be used for said project. A separate itemized budget must be voted on each year for each special project. Each project's actual income, expenses, and budget must be presented to the membership online or available in the office on a monthly basis. Depending upon varying interest rates on total dollars, the board shall invest funds collected for special projects separately or with other LBMC funds until the funds are required for the special project. Once approved, these projects cannot be discontinued without a majority affirmative vote of the eligible voting members represented at a special or annual meeting.

ARTICLE XVI -- MEMBERS CONDUCT DURING MEETINGS

Any member, including directors, exhibiting disruptive, abusive, hostile, or threatening behavior at LBMC meetings must return to order and/or yield the floor when requested to do so by the presiding officer of the meeting. Examples of such behavior would be failing to stop talking (i.e., not yielding the floor), yelling and screaming, threatening physical violence toward another member, calling another member demeaning or offensive names, making noise, or talking out of order, or any action which attempts to in any fashion prevent the execution of the normal business of the meeting. Any member who, after three (3) requests by the presiding officer of the meeting, fails to cease and desist from such behaviors, return to order and/or yield the floor will be ejected from the meeting. If any member is required to be ejected from the meetings three times for such behaviors shall be banned from attending meetings for one year from the date of the third offense.

END OF DOCUMENT