

BYLAWS
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LAKE COLUMBIA PROPERTY OWNERS ASSOCIATION
BYLAWS

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LAKE COLUMBIA PROPERTY OWNERS ASSOCIATION

GUIDE TO THE APPROVED BYLAW AMENDMENTS

Approved Bylaw Amendments

Article I We proposed a more expansive statement of the corporation's purposes in keeping with actual practices and the recorded Declarations for each Subdivision (Shore).

Article II We have narrowed the eligibility for membership; all members must either hold title or a land contract purchaser's (vendee's) interest.

The corrected interest rate applied to late payments of assessments is seven percent.

The former text concerning the Board's rulemaking authority now appears in Article VI.

Article III We made minor editing changes.

Article IV We added text to enable the Association to recover its attorney's fees and costs in the event of successful enforcement actions.

Article V The old text concerning the term of the corporation's existence was deleted but still appears in the Restated and Amended Articles of Incorporation.

New Article V is devoted to the subject of membership meetings.

We added text to require that notices not be sent more than 60 days before meetings.

We provided text to address the possible need to adjourn meetings for lack of quorum.

We added text that the Board can no longer reject a petition for a Special meeting because it is deemed not to be in the best interest of the Association.

We revised and expanded the agenda for annual meetings.

The new text explicitly recognizes the right to vote by written ballot and that they can be used to satisfy the quorum requirement.

We deleted the old text requiring the determination of eligibility to be based on delinquency status as of ten days before meetings.

Article VI Please note the new eligibility requirements for director candidates.

We have prohibited compensation of directors.

We added an extensive statement of the powers and duties of the directors that mirrors the Association's purposes statement.

We added text requiring approval by affirmative vote of more than 60% of all eligible members of the Association to borrow money.

We changed the requirement for the Board of Directors to change the Bylaws from a majority vote to a 2/3 vote of 6.

We added text addressing vacancies on the Board and the mechanism for filling them.

We added text providing the ability for a Shore to recall its Director by a vote of 51% of the entire membership of the Shore at any regular or special meeting of the Association.

We added text providing for the automatic resignation of directors who fail to attend meetings.

Emailed notices of Board meetings are now allowed.

We added text that requires that a portion of all regular Board of Directors meetings to be open to all members of the Association in good standing.

We added text concerning fidelity bond/employee dishonesty insurance to better protect the Association.

We added text concerning executive Board meeting sessions in keeping with Michigan law.

Article VII We attempted to simplify and modernize the text describing the duties of the officers.

Article VIII This is a new Article devoted to the subject of "finance". Please note the record keeping duties and the new requirement for independent review of the books and records by a certified public accountant.

Article IX We added this Article to better protect the volunteer officers and directors from certain liabilities that could be imposed on them personally. We also added text mandating the purchase of officers and directors liability insurance.

Article X We combined the topics of "dissolution" and "disposition of assets".

Article XI We made minor editing changes to the amendment requirement.

Article XII We updated the text concerning annual dues.

(The excerpt from the recorded Declarations (Restrictions) which appeared in the old Bylaws has been removed since the restrictions are not part of the Bylaws.

LAKE COLUMBIA PROPERTY OWNERS ASSOCIATION

BYLAWS

ARTICLE I Name and Purpose

Section 1. Name. The name of this Association shall be LAKE COLUMBIA PROPERTY OWNERS ASSOCIATION.

Section 2. Purposes. The purposes for which the Corporation was formed are as follows:

- (a) To manage and administer the affairs of and maintain and promote the welfare of the residents within Lake Columbia's Subdivisions in Columbia Township, County of Jackson, in the State of Michigan;
- (b) To own, acquire, build, operate and maintain parks and recreation facilities in said Subdivisions;
- (c) To levy and collect assessments against and from the members of the Corporation and to use the proceeds thereof for the purposes of the Corporation;
- (d) To carry insurance and to collect and allocate the proceeds thereof;
- (e) To rebuild improvements after casualty as decided by the Board of Directors;
- (f) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of said Corporation;
- (g) To make and enforce reasonable regulations concerning the use and enjoyment of said Association properties;
- (h) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property for any purpose of providing benefit to the members of the Corporation and in furtherance of any of the purposes of the Corporation;
- (i) To borrow money as decided by the Board of Directors and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure by mortgage, pledge or other lien;
- (j) To enforce, as possible, the applicable building and use restrictions and these Bylaws and Rules and Regulations of this Corporation as may hereinafter be adopted;
- (k) In general, to enter into any other kind of legal activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Subdivisions and to the accomplishment of any of the purposes thereof.

ARTICLE II **Membership**

Section 1. Membership Requirements. *Membership in the Corporation shall be governed by the following:* Every person or entity who holds fee simple title or a land contract vendee's interest of record in any ownership unit or living unit subject to the recorded restrictions of the Subdivisions shall be a member of the Association provided that any such person or entity who holds such interest merely as security for the performance of an obligation, shall not be a member.

Section 2. Duty to Pay Annual Dues & Assessments. The rights of membership are subject to the payment of annual dues and assessments as provided for in these Bylaws and the recorded restrictions affecting the Subdivisions. The payment of interest shall be required on all delinquent annual dues and assessments at any legal rate of interest authorized by the laws of the State of Michigan but at no time to exceed seven percent (7%) per annum commencing with all annual dues and assessments delinquent after the specified date listed in the recorded restrictions beginning with assessment year 1974 and each and every year thereafter.

Section 3. Suspension of Membership Rights. The membership rights of any person whose interest in the property is subject to annual dues and assessments under the Declaration of Restrictions may be suspended by action of the Directors during the period when the annual dues or assessments remain unpaid. Upon payment of said annual dues and assessments, suspended rights and privileges shall be automatically restored. Membership rights and privileges are further subject to the conduct of each member in accord with the Standards of Conduct established from time to time by the Board of Directors. Conduct such as careless use of water or any conduct which endangers the welfare of the Association, its property or its residents or the health and safety of its residents shall be grounds for suspension of membership rights.

Section 4. Reversion Affecting Combined Lots. Effective March 27, 1978, all combined lots, with or without homes, shall upon change of ownership revert back to one assessment per each lot or portion thereof.

Section 5. Use and Enjoyment Privileges. Each member in good standing shall be entitled to the use and enjoyment of the common properties and facilities. All Association rules and regulations and State and Township laws must be adhered to.

ARTICLE III **Voting Rights**

Section 1. One Class of Membership. The Association shall have one class of voting membership. Voting members shall be all those members in good standing who hold the ownership interests required for membership under Article II, Section 1 of these Bylaws.

Section 2. Combined Ownership. When more than one person holds such interest or interests in any lot or combined lot ownership unit, there is only one vote for such lot or combined lot ownership unit. All such persons shall be entitled to cast the one vote for the lot or combined lot ownership unit, which vote shall be exercised as they among themselves determine. Each individual or entity owning a lot or combined lot or more than one lot or combined lot is limited to one vote only, to be cast in a manner as herein before set forth irrespective of the number of lots owned.

Section 3. Vote Restricted by Subdivision Ownership. Each member owning lots in more than one Subdivision may only cast one vote pertaining to Subdivision matters in each Subdivision wherein the member has lot ownership.

Section 4. Vote Restricted as to Special Assessments Levied on Membership Basis. When voting on a special assessment to be levied on a per lot or combined lot basis, each member may cast a vote for each lot to be assessed. If there is a matter in which a special assessment is to be levied on a per membership basis, then in that event, each member shall be entitled to one vote only, irrespective of the number of lots owned by the member or fraction thereof.

ARTICLE IV **Powers and Duties**

The Association shall have the following supervisory powers and duties which shall be exercised by the Board of Directors for the mutual benefit of all members:

Section 1. Maintenance. To keep and maintain Associations properties in a clean and orderly condition, to cut and remove weeds and grass there from, to pick up loose materials, refuse, etc., and to do any other things necessary or desirable to keep the same neat in appearance and in good order when practical.

Section 2. Control Streets. To exercise such control over streets and as it may deem necessary or desirable, subject at all times to such control of County, Township or other proper officers as may have jurisdiction over streets.

Section 3. Uniform Comprehensive Boat Registration and Control Program. The Board of Directors is authorized and directed to develop, enact and enforce a uniform comprehensive boat registration and control program and procedure for the enforcement thereof for the users of the water and boat ramps at Lake Columbia.

Section 4. Protection of Plants and Wildlife. To do all things necessary or incidental to the protection of plant and wildlife in the Association properties and in and about the Subdivisions.

Section 5. Gateways, Ramps, Entrances and Recreation Facilities. To provide for the erection and maintenance of gateways, ramps or entrances, recreational facilities and other ornamental features now existing or hereafter to be erected or created and to acquire and maintain recreational facilities as the same are established in the Subdivisions or any addition thereto.

Section 6. Enforcement Authority; Recovery of Expenses and Attorneys Fees. To enforce, either in its own name or in the name of any real estate owner or owners as may be necessary, all building and other restrictions which have been, are now, or may hereafter be imposed upon any of the real estate in said Lake Columbia Subdivisions or any additions thereto. This Association shall have full power and authority to bring proceedings in the names of any of the owners to enforce the restrictions; the expenses and costs of such proceedings incurred by the Association shall be paid out of the general fund of the Association. The Association shall be entitled to recover its actual reasonable attorney fees, court costs, expenses and all costs of collection from any Member who is adjudged to have committed a default or violation of any of the restrictions.

Section 7. Rules and Regulations. The Board of Directors shall establish reasonable rules and regulations concerning the use of the properties and facilities of the Association.

Section 8. Additional Services. To provide such other services as may be deemed desirable by the Board of Directors, said services to be rendered to the residents or members at the expenses of those receiving the service where the services are of such a character so as not to be of mutual benefit to all owners.

Section 9. Dam, Spillway and Floodgate. To provide in perpetuity for necessary assessment, maintenance, repair and in the event of catastrophic failure, for the replacement of the dam, spillway, floodgate and their collateral facilities to assure the integrity of those structures to retain, impound and permit responsible release of the waters forming Lake Columbia. At a minimum, these duties shall include retaining qualified professionals to conduct comprehensive structural inspections and issue status reports with repair and replacement cost analysis to the Board of Directors no less often than every five (5) years; securing and maintaining annual coverage under comprehensive insurance or re-insurance policies at full replacement cost of these structures issued by competent and qualified underwriters with reasonable deductibles; performing annual review of coverages; and establishing and maintaining current or reserve deductible fund accounts at all times sufficient to assure the financial ability of the Association to satisfy this duty.

ARTICLE V

Membership Meetings

Section 1. Annual Meetings. The regular annual meeting of the Association shall be held on the first Sunday of May in the State of Michigan at such time and place as the Board of Directors may determine. The election of the representative of any Subdivision to the Board of Directors shall be by the membership of that Subdivision only, rather than by the entire Association membership.

Section 2. Notices. At least thirty (30) but not more than sixty (60) days prior notice of the annual meeting and any special meeting of the members shall be given to each member by mail, addressed to the last known address as recorded with the Association. The notice shall set out in reasonable detail the business to be brought before the meeting and each meeting shall be limited to the items set out in the notice in order that those casting absentee ballots may be permitted to express their desires. Members present may make suggestions covering items which they feel should be brought before the membership. If any such suggestions are approved by proper resolution of those members present, it shall be the duty of the Secretary to present such resolutions to the members for consideration at the next regular or special membership meeting. It shall further be the duty of the Secretary to include with the notice of any regular or special membership meeting such suggestions or requests as may be properly presented in writing and endorsed by fifty (50) or more members in good standing, providing such requests are received in time to modify the notice and mail the notice at least thirty (30) days prior to the meeting date.

Section 3. Adjournment. If, for any reason, the annual meeting of the members shall not be held on the day herein before designated, for lack of a quorum or otherwise, such meeting shall be deemed adjourned and shall be re-noticed by the Board of Directors and reconvened as soon as consistent with the notice requirements of Section 2.

Section 4. Special Meetings. Special meetings of the Association may be called by the President, Secretary or the Board of Directors, by notification issued by the Secretary and whenever requested in writing by ten percent (10%) of the entire membership who are in good standing. Such requests shall clearly state the purpose for which the meeting is to be called and such meeting will be scheduled within thirty (30) days of receiving the notification. Provided, however, that when special meetings are called pursuant to a petition of members, the Board of Directors may authorize a submission of additional matters for the consideration of the members at such meeting, after the petition discussions are completed. No business shall be conducted at any special meeting except as specified in the notice thereof.

Section 5. Agenda. The order of business at the annual meeting of the members shall be as follows; provided, however, that this order of business may be changed by a majority vote of the Board of Directors:

- (a.) Proof of notice.
- (b.) Determination of quorum.
- (c.) Review of the minutes of the previous membership meeting.
- (d.) Reports of the officers.
- (e.) Reports of the committees.
- (f.) Old business.
- (g.) New business.
- (h.) Appointment of election tellers.
- (i.) Election of Directors.
- (j.) Adjournment.

Section 6. Proxy Restrictions. All proxies shall be valid only if the proxy is presented on a form approved by the Board of Directors. The Board of Directors shall have prepared and available to the membership at the corporate offices a uniform proxy form designated in the body thereof as "LAKE COLUMBIA PROPERTY OWNERS' ASSOCIATION OFFICIAL PROXY FORM". Such form shall be made available to any member in good standing. No proxy shall be valid unless such proxy shall have been received by the Secretary of the Association by depositing such proxy in person or by mail at least five (5) days prior to the date of the meeting for which the proxy has been given. All votes cast by proxy shall be subject to all regulations, rules and Bylaws applying to voting by the membership in person at any such meeting.

Section 7. List of Members Entitled to Vote. It shall be the duty of the Secretary to have available a list of the members entitled to vote at each meeting against which list all members voting, whether by proxy or in person, shall be checked, either by the Secretary, or by some individual designated by the Board of Directors.

Section 8. Quorum Requirement. The presence of fifty (50) votes, either in person, by written ballot or by proxy, shall constitute a quorum for the transaction of business at any meeting of the membership.

Section 9. Majority. A majority shall consist of more than fifty percent (50%) of those members present in person, by written ballot or by proxy.

ARTICLE VI **Board of Directors**

Section 1. Eligibility, Compensation Prohibited. The affairs of the corporation shall be governed by a Board of Directors all of whom must be members of the corporation or the legal spouse of a member except that officers, partners, trustees, employees or agents of members that are legal entities and not individual persons may be designated by such entities to serve as directors, if elected, of the corporation. No candidate for election or appointment to the Board of Directors shall be eligible if delinquent in the payment of any sum of money owed to the Association. *(Section 1 continued on page 6)*

Only one person per lot or ownership unit shall be eligible as a candidate notwithstanding the fact that the lot or ownership unit is jointly owned by two or more persons and/or entities and no more than one person per lot or membership unit may serve as a director simultaneously. If a member is a partnership then only one partner thereof shall be qualified and eligible to serve as a director. If a member is a corporation, then only one shareholder or a director thereof shall be qualified and eligible to serve as a director. No employee of the Association, full or part time, or any vendor used by the Association shall be eligible to be a Director, whether by election or appointment.

A Director shall be elected by and from the membership of each of the following Subdivisions:

Holiday Shores I

Holiday Shores II

Sherwood Shores and Hill & Shores

Southern Shores

Riviera Shores I and II

Royal Shores

Grand Pointe Shores and Blakely Shores

Bay View Shores

Cambridge Shores (including lots 1-36 on Castlewood Drive), Fletcher Shores and Imperial Shores

Directors shall not be compensated for their services as Directors but may be reimbursed for reasonable out of pocket expenses.

Section 2. Size, Terms of Office. The Board of Directors shall be composed of nine (9) persons who shall manage the affairs of the corporation. Directors shall serve until their successors take office. The term of office for each Director shall be three (3) years.

Section 3. Powers, Duties. The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Restated and Amended Articles of Incorporation, these Bylaws or the Declarations or required thereby to be exercised and performed by the members. In addition to the foregoing general duties imposed by these Bylaws, or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage, administer the affairs of and maintain the Subdivisions.
- (b) To collect annual dues and assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty as decided by the Board of Directors.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Association properties.

(f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money as decided by the Board of Directors and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than sixty (60%) percent of all eligible members of the Association.

(h) To make reasonable rules and regulations.

(i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Association and to delegate to such committees any functions or responsibilities which are not by law required to be performed by the Board.

(j) To enforce the provisions of the Declarations.

(k) The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed above, and the Board may delegate to such management agent any other duties or powers which are not by law required to be performed by or have the approval of the Board of Directors or the members of the Association.

(l) The Board of Directors shall have the power to amend the Bylaws provided no such amendment shall increase any special assessments from time to time levied by the Association. A 2/3 majority of six (6) votes by the Board of Directors is required to amend the Bylaws. (Refer to ARTICLE XI)

Section 4. Vacancies. In the event that a vacancy occurs, for any reason, a notice shall be sent to every member of the Shore(s) where the vacancy occurred stating that the members of such Shore(s) shall have the right to nominate a person for each vacancy within ten (10) days after the date the notice was issued. Within ten (10) days after receipt of any nomination at the LCPOA office, interviews shall be held with the Nominating Committee and shall include any Director who desires to be present. Within seven (7) calendar days after the interview(s) have been completed, the Board of Directors may appoint one (1) of the interviewed candidates to fill each vacancy. Such appointees shall serve until the expiration of the term of the Director whose seat became vacant. In the event that no candidate(s) is nominated, then the Board of Directors may appoint a person or persons to fill the vacancy in which case such appointee(s)' term of office shall expire at the next Annual Meeting. The allocation of seats on the Board required by Section 1 above shall be observed in the making of all appointments.

Section 5. Recall; Automatic Resignation. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by affirmative vote of at least fifty-one percent (51%) of the entire membership of the shore from which the Director(s) was/were elected. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting prior to the recall vote. A successor may then and there be elected, by the membership of that Shore(s) to fill any vacancy thus created. Any Director who shall fail to attend any three (3) consecutive regular meetings of the Board shall be deemed to have automatically resigned effective as of the adjournment of the third consecutive meeting missed.

Section 6. First Meeting of Board. The first meeting of a newly elected Board of Directors shall be held within ten (10) calendar days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no other notice shall be necessary to the newly elected Directors to constitute a duly called meeting. The purpose of this meeting shall be the election of officers.

Section 7. Regular Board Meetings. The regular Board of Directors Meeting for the Directors shall be held monthly on the 4th Monday of each month except for the month of December unless otherwise determined by majority vote of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, fax, telephone or email, at least five (5) days prior to the date named for such meeting. At least a portion of all regular Board of Directors meetings will be open to all Association Members in good standing.

Section 8. Special Board Meetings. Special meetings of the Board of Directors may be called by the President on three (3) calendar days' notice to each Director, given personally, by mail, fax, telephone or email, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by her/him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. A Director may join in the action taken at a meeting by signing and concurring in the minutes thereof which shall constitute the presence of such Director for purposes of determining a quorum. Directors may also participate in any board meetings via electronic communications equipment whereby all participants can hear and be heard as decided by the Board of Directors. A quorum of five (5) Directors is needed for the transaction of any Association business.

Section 11. Fidelity Bonds; Employee Dishonesty Insurance. The Board of Directors shall require that all directors, officers, agents and employees of the Association handling or responsible for Association funds shall be covered by adequate fidelity bonds and/or employee dishonesty insurance purchased by the Association. The premiums on such bonds and insurance shall be expenses of administration. Such bonds or insurance shall not be less than the estimated maximum of funds, including reserve funds and in no event less than a sum equal to three month's aggregate assessments on all units plus reserve funds.

Section 12. Executive Sessions. The Board of Directors may, in its discretion, close a portion of any Regular meeting of the Board of Directors or all or a portion of any Special meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of the final, approved minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes which reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

Section 13. Terms of Office. Directors elected serve a three (3) year term. For the purpose of Board representation, lots 1 through 36 on Castlewood Drive and Park No. 1 of Bay View Shores subdivision shall be included in Cambridge Shores subdivision.

Section 14. Election Staggering. The voting for Directors shall be staggered as follows for purposes of preserving continuity on the Board:

(a.) Election in 1974 and every three years thereafter of Directors from the membership of: Holiday Shores I; Holiday Shores II; and Sherwood Shores and Hill & Shores

(b.) Election in 1975 and every three years thereafter of Directors from the membership of: Bay View Shores; Grand Pointe Shores and Blakely Shores; and Cambridge Shores (including lots 1-36 on Castlewood Drive), Fletcher Shores and Imperial Shores

(c.) Election in 1976 and every three years thereafter of Directors from the membership of: Royal Shores; Southern Shores; and Riviera Shores I and II

ARTICLE VII **OFFICERS**

Section 1. Officers, Compensation Prohibited. The principal Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be members of the Association and members of the Board of Directors. The Directors may vote to appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. No person shall be permitted to hold more than one office simultaneously unless approved by a majority vote of the entire Board of Directors. Officers shall not be compensated for their services as Officers but may be reimbursed for reasonable out of pocket expenses. At no time may the President also hold the office of Treasurer during said term.

Section 2. Election. The officers of the Association shall be appointed annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his/her successor appointed at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the Chief Executive Officer of the Association. He/She shall preside at all meetings of the Association and of the Board of Directors. He/She shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to the power to propose committees from among the members of the Association from time to time as he/she may in his/her discretion deem appropriate to assist in the conduct of the affairs of the Association. All committees must be approved by a majority vote of the Board of Directors. The President shall have the authority to make discretionary operational decisions (such as staffing levels and staff hours) if appropriate in order to deal with situations prior to the next scheduled Board meeting. The Board may establish a dollar limitation on any such discretionary authority by resolution approved by a majority of the Directors.

Section 5. Vice President. The Vice President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be called upon him/her by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of the meetings of the members of the Association; he/she shall have charge of such books and papers as the Board of Directors may direct; and he/she shall, in general, perform all duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer has oversight responsibility for all funds, assets, and securities of the Association and will see that full and accurate records are kept of all receipts and disbursements. He/she will ensure that all Association funds are deposited on a timely basis in the name and to the credit of the Association, and in a manner and locations as may, from time to time, be designated by the Board of Directors. The Treasurer will report to the Board on a regular basis the financial condition of the Association and highlight any situations which may be of unusual interest or require the attention of the Board. The Treasurer will be a standing member of any Finance Committee that may be established by the Board.

Section 8. Miscellaneous. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE VIII

Finance

Section 1. Records. Detailed records shall be kept showing all expenditures and receipts of the Association, which shall specify the expenses incurred by or on behalf of the Association. Such accounts and all other non-privileged Association records shall be open for inspection by the members during normal office hours. The Board of Directors, or their designee(s) at the direction of the Board, shall prepare and distribute to the members at least once a year a financial statement, the contents of which shall be defined by the Board. The Board of Directors shall annually engage a qualified, independent certified public accountant to perform an audit of the records and transactions of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall be a twelve month period commencing on such date as determined by the Board of Directors. Absent such a determination by the Board of Directors, the fiscal year of the Association shall be the calendar year commencing January 1st. The fiscal year shall be subject to change by the Board of Directors for good cause.

Section 3. Depositories. The funds of the Association shall be deposited with insured financial institutions or with insured securities brokers or invested in federally insured securities, as designated by the Board of Directors, and withdrawn only by check or order of the officers, employees or agents designated by the Board of Directors. Funds may also be invested in interest-bearing obligations of the United States Government, or in such other depositories that are adequately insured, at the discretion of the Board of Directors.

ARTICLE IX

Indemnification of Officers and Directors

Section 1. Indemnification of Directors and Officers. Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which he/she may become involved by reason of his/her being or having been a director or officer of the Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all members thereof.

Section 2. Directors' and Officers' Insurance. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof.

ARTICLE X

Dissolution

Section 1. Approval Required. The Association may be dissolved only with the assent given in writing and signed by the members entitled to cast two-thirds (2/3) of its membership vote. Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets (which shall be consistent with Article X thereof) shall be mailed to every member at least ninety (90) days in advance of any action taken.

Section 2. Disposition of Assets Upon Dissolution. Upon dissolution of the Association, the assets, both real and personal of the Association, 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 Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust 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 Association. No such disposition of the Association properties shall be effective to divest or diminish any right or title of any member vested in him under the recorded covenants and deeds applicable to the properties unless made in accordance with the provisions of such covenants and deeds.

ARTICLE XI

Amendments

These Bylaws may be amended, altered, changed, added to or repealed by the affirmative vote of two thirds (2/3) majority of six (6) votes by the Board of Directors at any regular or annual meeting or at any special meeting called for that purpose; provided, however, that the dues and assessment provisions of these Bylaws shall not be altered, amended or changed so as to increase the dues and assessment of a member without the affirmative vote of two thirds (2/3) of the votes of members, except as provided for in Article XII. Any changes to the Bylaws will be communicated to the Association Membership by a mailing of such changes to each member within 30 days of the date of the vote of change. All proposed changes must be announced to the Association Membership at a regular monthly Board meeting the month prior to said vote of change taking place so as to allow for comments from the Membership.

ARTICLE XII

Annual Dues

Annual dues will be due April 1st commencing each year beginning in 2006. The annual dues may be adjusted by a two thirds (2/3) majority vote of the Board of Directors but limited to the increase of the Midwest Consumer Price Index. Information regarding annual dues and membership benefits are available at the LCPOA office and on the LCPOA website.