

Proposed Redraft 2020-2021.Master D24

**BYLAWS OF
THE CASTLE PARK ASSOCIATION
(AS ADOPTED JUNE 30, 1979 AND
AMENDED THROUGH AUGUST 2021)**

ARTICLE I

NAME, LOCATION, PURPOSE

SECTION 1. NAME AND REGISTERED OFFICE. The name of this corporation is THE CASTLE PARK ASSOCIATION. THE CASTLE PARK ASSOCIATION is a corporation organized under the laws of the State of Michigan as a not-for-profit membership corporation and recognized by the Internal Revenue Service under Section 501(c)(7) of the Internal Revenue Code. The registered office of THE CASTLE PARK ASSOCIATION. Is 6690 Edwards, Holland, Michigan 49423.

SECTION 2. LOCATION. The location of THE CASTLE PARK ASSOCIATION with respect to its property, the property of its Members and other matters for which it was organized is at Castle Park, Laketown Township, Allegan County, Michigan. For all purposes respecting these Bylaws and all other matters respecting the Association, the term Castle Park shall mean that tract of real property in Laketown Township, the perimeter description of which is set out in the attached Exhibit A entitled "Map of Castle Park."

SECTION 3. PURPOSES. The Castle Park Association shall promote community and recreational activity within Castle Park, consistent with its Articles of Association, as amended, filed in the appropriate offices of the State of Michigan.

ARTICLE II

DEFINITIONS

SECTION 1. "Association" means The Castle Park Association.

Section 2. "Parcel" means any real property containing an occupied freestanding building in Castle Park.

SECTION 3. "Individual Owner or Owners" means any person or persons that own a Parcel in Castle Park.

SECTION 4. "Ownership Entity" means a corporation, a partnership, a limited partnership, a limited liability company, a trust, or any other similar form of entity that owns a Parcel in Castle Park.

SECTION 5. "Member" means any individual person who has been approved for membership by the Board pursuant to Article III and who is:

- a) An Individual Owner or Owners; or
- b) An individual person who is a shareholder or individual member of and has a vested beneficial or equity interest in an Ownership Entity that may be, but is not limited to, a partnership, a limited partnership, a limited liability corporation, or a trust, or
- c) An individual person who has vested beneficial or equity interest in any other similar form of entity that is an Ownership Entity.

SECTION 6. "Voting Member" means that Member that the Individual Owner or Owners of a Parcel or the Ownership Entity owning a Parcel designates in writing to the Secretary as the Member entitled to vote for or on behalf of the Parcel as to matters requiring a vote. In the absence of a Voting Member at a meeting, any Member of the relevant Parcel shall have the authority to represent such Voting Member at the meeting, without the necessity of a proxy, unless the Voting Member shall have advised the Board otherwise in writing in advance of the meeting.

SECTION 7. "Board" means the elected and serving Board of Trustees of the Association.

SECTION 8. "Charges" collectively means dues, initiation fees, assessments, and similar sums.

SECTION 9. "Restricted Association Property" means non-residential real property of the Association.

SECTION 10. "Association Rules and Regulations" are such provisions established by the Board from time to time that pertain to activities within Castle Park and the behavior of Members, immediate family members, guests and tenants to ensure the general welfare within Castle Park.

SECTION 11. "Immediate Family" means parents, spouses, partners, siblings, children, children's spouses and grandchildren of Members

ARTICLE III

MEMBERSHIP

SECTION 1. INDIVIDUAL OWNER OR OWNERS. Individual Owner or Owners shall be eligible and may apply for Membership in the Association.

SECTION 2. OWNERSHIP ENTITIES. Individual(s) having a vested beneficial or equity interest in the Ownership Entity shall be eligible and may apply for membership in the Association. If such interest is not appropriately established by the governing documents of the Ownership Entity as available either publicly or by inquiry, a determination of Membership eligibility may be made by the Board.

SECTION 3. APPLICATION FOR MEMBERSHIP. Those eligible for Membership may apply for membership in writing in such manner and supplying such information as the Board from time to time may establish. Each application shall be supported by the sponsorship of at least two Members of the Association. Names of applicants and other information deemed relevant by the Board to the application shall be communicated to the Membership of the Association at least 45 days prior to any action by the Board so as to permit a reasonable opportunity for comment by the Membership. In order to be approved for Membership, an applicant must receive a favorable vote from eight of nine Trustees at a duly constituted Board Meeting.

The applicant(s) shall not become Members until the application:

- 1) has been formally approved by the Board and
- 2) has agreed to these Bylaws Membership requirements and Rules and Regulations established from time to time by the Board, and
- 3) has paid such initiation fee, dues, and assessments as the Board shall determine from time to time.

SECTION 4. ACTIVE MEMBERS

- 1) Those meeting eligibility for Membership and desiring to become a Member of the Association shall formally apply for Membership. There shall be only one Voting Member per parcel. If no Voting Member designation has been made for a Parcel, then no Member associated with such Parcel shall be entitled to cast that Parcel's vote.
- 2) In situations where individual Members own more than one Parcel, they shall have one Membership vote for each Parcel.
- 3) Charges shall be assessed on a per Parcel basis.

SECTION 5. INACTIVE MEMBERS.

- 1) All Members associated with a Parcel that is delinquent in its payment of its Charges for sixty days or more after they are due shall become Inactive Members and shall be ineligible to use Association facilities or vote on matters submitted to the Membership, regardless of whether they are in good standing on another Parcel.
- 2) The Board shall have the power and authority to make any Member an Inactive Member in the event of a flagrant violation of any provision of these Bylaws, or of the Association Rules and Regulations.
- 3) The obligation to pay all current and ongoing Charges shall continue notwithstanding any Member's inactive status.

SECTION 6. RESIGNATION OF MEMBER OR REMOVAL OF MEMBER

- 1) Members of the Association, whether sole or partial owners of a Parcel, may resign their Memberships in writing. At that time, the Member shall cease to be a Member of the Association (subject to the provisions of Section 7, below).
- 2) Any Member may be removed from Membership for good cause, upon written notice from the Board of the reason or reasons for such proposed removal delivered personally to the Member or mailed to the Member's most recent address shown on the records of the Association. Good cause shall include without limitation:
 - a) being an Inactive Member for a period of at least six consecutive months;
 - b) the commission of a flagrant violation of the Rules and Regulations of the Association.
 - c) engaging in or allowing to occur activities or conduct at or proximate to the Member's Parcel that are a violation of state or local law.
- 3) Upon resignation, removal or during an inactive period, a former or inactive Member forfeits all right to use Association facilities.
- 4) A Member receiving a notice from the Board of the proposed removal or inactive status shall have a reasonable opportunity for a hearing before the Board. The notice provided for in this Section shall be sufficient if delivered personally to the Member or sent to the Member by registered or certified mail to the address of such Member shown on the records of the Association.

SECTION 7. OBLIGATION OF MEMBER IN EVENT OF RESIGNATION, REMOVAL OR TERMINATION OF MEMBERSHIP.

- 1) If the Member(s) of a Membership-approved Parcel resigns, is removed or otherwise terminates Membership in the Association, such Parcel and its Member(s) nevertheless shall be liable for all existing Charges owing to the Association and Charges which have accrued at or as of the date of resignation, removal or termination.
- 2) In the event that an Individual Owner resigns from a partial interest in a Membership-approved Parcel, the remaining Individual Owner or Owners of that Parcel shall remain liable for all existing Charges owing to the Association and Charges that accrued at or as of the date of resignation, removal or termination.

SECTION 8. NONTRANSFERABILITY OF MEMBERSHIP; NO PAYMENT ON TERMINATION.

- 1) Membership in the Association shall not be transferable or assignable and shall not be subject to attachment or to any other enforcement process, except as stated in paragraph 3.
- 2) Upon termination of Membership, whether by death, incapacity, resignation, or removal, a Member shall have no right to receive any payment or other property from the Association, and such Member shall not have any claim upon or against any of the assets or property of the Association.
- 3) In the event of any transfer of ownership of any Parcel among Immediate Family Members, Membership shall be deemed to be automatically transferred to the owner(s) of record, and its principals designated for Membership as consistent with these Bylaws, upon the receipt of a written request from the acquiror(s) without necessity of a Board vote or payment of an initiation fee.

SECTION 9. NO LIABILITY OF MEMBERS FOR ASSOCIATION DEBT. No Member of the Association, by reason of that Membership alone, shall be individually or personally liable to creditors of the Association for any indebtedness, liabilities, or undertakings of the Association. Creditors of the Association shall look only to Association funds, assets and properties for satisfaction of claims or performance of undertakings.

SECTION 10: RELEASE AND INDEMNIFICATION: In the event of negligent or malicious acts within Castle Park by Members, their immediate family, guests and tenants including but not limited to the hazardous operation of golf carts or other motorized or self-driving mode of transportation, such Members shall indemnify, defend, and hold harmless the Association (including its Trustees, officers, employees and agents) from any losses, damages, liabilities, and claims of any kind.

ARTICLE IV

PRIVILEGES OF MEMBERSHIP

SECTION 1. USE OF ASSOCIATION FACILITIES

- 1) Members in good standing, their immediate families, guests and tenants shall be entitled to use the common facilities of the Association.
- 2) The use of these facilities shall be subject to such Rules and Regulations that the Board may from time to time establish.

SECTION 2. RENTING

- 1) Members (for purposes of this Article IV, Section 2 "Landlords") who rent or permit others to use their Parcel ("Tenants") shall advise such Tenants of the Rules and Regulations of the Association and their responsibilities while occupying such Parcel or using the Association facilities.
- 2) The Landlords shall remain responsible to the Association for their Tenants' compliance with the Association Rules and Regulations. If a Tenant violates such Rules and Regulations, use of all or any portion of Association facilities by the non-complying Tenant may be suspended or denied by direction of the president, the vice president, or the Board.
- 3) A Landlord shall be responsible for any of a Tenant's indebtedness to the Association.

SECTION 3. SUSPENSION OF USE OF FACILITIES. For good cause and upon due notice the Board may suspend a Member's right, as well as the Member's Immediate Family, Guests, and any Tenants of the Parcel, to use Association facilities, either for a stated period of time or pending removal or until compliance by the Member with conditions established by the Board.

SECTION 4. NO USE IF MEMBER DELINQUENT. If a Member is delinquent in the payment of Charges for which the Member is responsible, the Board, either directly or through authority delegated to the president or vice president of the Association, may suspend such Member's use of Association facilities until the delinquency is cured. Any such suspension shall apply to the Member, to the Immediate Family and Guests of the Member, and to any Tenant of the Member.

ARTICLE V

DUES, INITIATION, FEES, ASSESSMENTS, CHARGES

SECTION 1. DUES AND OTHER FEES.

- 1) The Board shall establish both the annual dues on a per parcel basis payable by the Members, who are jointly and severally liable for the obligation and the date for payment of these dues.
- 2) Dues shall be an obligation of each Member from the date on which the Board, by resolution, establishes the dues, irrespective of when the dues are billed to the Member.
- 3) Charges shall be assessed on a per Parcel basis, and if a Member owns more than one Parcel, Charges shall be assessed with respect to each Parcel of the Member.
- 4) Each Member's right, and the right of each Member's family, guests, and Tenant to use Association property and facilities shall be dependent upon payment of the Charges assessed with respect to a Parcel.

SECTION 2. INITIATION FEES. The Board shall have the authority to establish, impose and collect various initiation fees from new Members, including any who may

already be Members, whether by virtue of purchasing an existing Parcel or constructing a new dwelling on a vacant property.

SECTION 3. ASSESSMENTS.

- 1) With the approval of a majority of Voting Members present and voting, The Board shall have the authority to establish, impose and collect assessments for operating purposes, not to exceed an amount in any fiscal year greater than 20% of the annual dues.
- 2) With approval of a majority of the Voting Members present and voting, the Board shall have the authority to establish, impose and collect assessments for capital purposes.
- 3) Assessments shall be an obligation of each Member from the date on which the Board, by resolution, establishes the assessments, irrespective of when such assessments are billed. In the event a Member or Members own more than one Parcel, assessments shall be due for each Parcel.

SECTION 4. ENFORCEMENT OF CLAIMS FOR DUES, FEES, ASSESSMENTS OR CHARGES.

- 1) All Charges imposed by the Association on a Parcel shall constitute a lien on that Parcel.
- 2) The Treasurer shall, upon the direction and at the discretion of the Board, file a written notice with the Allegan County Registrar of Deeds containing a legal description of the Parcel, and the amount of the delinquency. The Association may then enforce that lien against the Parcel in the same manner as the foreclosure of mortgages under Michigan law.
- 3) The Board shall have the authority to initiate a lawsuit or other legal action, including an action in foreclosure, to recover any delinquent Charges, and in the event of such legal action the Individual Owner or Owners of the Parcel or the Ownership Entity that owns the Parcel determined to owe such Charges shall be liable for and shall pay all court costs and reasonable attorney fees incurred by the Association with respect to such legal action.

SECTION 5. LONG TERM CAPITAL IMPROVEMENT FUND.

- 1) A long-term capital improvement fund shall be maintained for the purpose of providing funding for major improvements or acquisitions to Association property.
- 2) All initiation fees shall be deposited in that fund, and, subject to the provisions of Section 3, Article IV, above, the Board shall determine from time to time the other amounts to be deposited in that fund. Expenditures from the fund shall be only for capital projects that are of a long-term investment nature, including the repayment of debt incurred for such capital projects.
- 3) Such expenditures shall not be used for operating expenses.

ARTICLE VI

MEETINGS OF MEMBERS

SECTION 1. PLACE OF MEETING. Unless otherwise determined by resolution of the Board, meetings of Members shall be held at the Castle at Castle Park, Michigan, Laketown Township, Allegan County, Michigan. By resolution, the Board may fix the location of meetings at any other place within the state of Michigan.

SECTION 2. ANNUAL MEETING.

- 1) The annual meeting of Members shall be held no later than the third Saturday in August of each year at 4:30p.m. at the Castle or such other location and the time fixed by the Board and provided by notice of meeting to the Members.
- 2) If for any reason an annual meeting is not held by the day provided above, the Board shall cause that annual meeting to be held as soon as is reasonably convenient. At the annual meeting, the Members shall elect persons as Trustees to fill vacancies and the Members also shall consider all Association business as may properly come before the meeting.

SECTION 3. SPECIAL MEETINGS. Special meetings of the Members may be called for any purpose by the Board, the president or by the secretary upon receipt, in the case of the secretary, of written request to call such meeting by Members representing not less than seven Parcels within Castle Park. Special meetings shall be called for special purposes only, which purposes shall be specified in the notice of meeting to Members and only those subjects or purposes so specified in the notice may be considered at such special meetings.

SECTION 4. NOTICE OF SPECIAL MEETING OF MEMBERS.

- 1) There shall be a written notice of every special meeting of Members stating the place, date and hour of the meeting, and the purpose or purposes of the meeting.
- 2) Such notice shall be given to each Member no fewer than fourteen days before the date of the meeting. However, for special meetings called under circumstances which the Board by resolution deems to be urgently required, notice may not be fewer than 72 hours prior to the date and time of the meeting.

SECTION 5. VOTING.

- 1) The Voting Member representing each Parcel shall be entitled to one vote at any meeting.
- 2) When a quorum is present, the vote of a majority of those votes cast, in person or by written proxy, shall decide any question brought before the meeting unless the question is one upon which a different vote is required by statute, the Articles of Association of the Association, or other provision of these Bylaws.

SECTION 6. QUORUM OF MEMBERS.

- 1) At all meetings of the Association, a majority of all the Association's Voting Members, either present or represented by proxy, shall be required to constitute a quorum except as otherwise required by Michigan law, by these Bylaws, or the Articles of Association.
- 2) If a quorum shall not be present or represented at any meeting of Members, then those present or represented by written proxy shall have the power to adjourn the meeting from time to time, without notice other than announcement at such meeting of the adjourned time, date, and place, until a quorum shall be present or represented. At such adjourned meeting at which a quorum is then present any business may be transacted which might have been transacted at the meeting as originally notified.

SECTION 7. MEETINGS BY TELECOMMUNICATIONS. All meetings may be held in whole or in part by telecommunications and the action taken at such meetings shall be effective as if the meetings were held with these persons present in person.

SECTION 8. ORDER OF THE MEETING. Robert's Rules of Order (current) shall govern the conduct of Association meetings.

ARTICLE VII

BOARD OF TRUSTEES

SECTION 1. MANAGEMENT.

- 1) The Board shall have the control and management of the property, business and affairs of the Association, for and on behalf of and in the interests of the Members, to be exercised in accordance with these Bylaws, the Articles of Association of the Association and applicable statutes.
- 2) The Board shall procure insurance policies containing terms and conditions at rates that the Board shall determine to be reasonable and prudent.
- 3) The Association, acting through the Board, shall maintain its real and personal property in good condition and repair, reasonable wear and tear excepted.

SECTION 2. RULES AND REGULATIONS. The Board may adopt such reasonable Rules and Regulations concerning Association affairs as they deem advisable and prudent. Such rules shall be advised to the Membership.

SECTION 3. NUMBER AND TERM OF TRUSTEES.

- 1) The Board shall be composed of nine persons, divided into three classes. A majority of the Board shall be Members of the Association.
- 2) Three candidates shall be elected each year at the annual meeting of the Association either as nominated and presented by the Board or as proposed from the floor at the Annual Meeting.

- 3) The term for each Trustee shall be three years.
- 4) Terms begin and end at the annual meeting of the Association.

SECTION 4. ELIGIBILITY. In order to be eligible for election or appointment as a Trustee, the person in question shall be either a Member of the Association or a member of that Member's immediate family. Any person who has served a term of office as a Trustee shall be ineligible to serve again until one year shall have elapsed following that person's term of office.

SECTION 5. VACANCIES AND NEWLY CREATED POSITIONS ON THE BOARD. Vacancies, if not filled by action of the Members, may be filled by action of a majority of the Trustees then in office, and such persons so appointed all serve until a successor is elected at the next annual meeting.

SECTION 6. REGULAR MEETINGS: LOCATION OF MEETINGS. Regular meetings of the Board may be held with or without notice at such dates and times as the Board may fix by resolution at its organizational meeting or any other meeting. Meetings of the Board shall be held in Castle Park unless a resolution to the contrary is adopted.

SECTION 7. ORGANIZATIONAL MEETINGS. Immediately following the annual meeting of Members an organizational meeting of the Board shall be held at the same place for the purpose of electing officers and transacting such other business as may come before the organizational meeting. No notice of the organizational meeting of the Board is required.

SECTION 8. SPECIAL MEETINGS. Special meetings of the Board may be called by the president, the vice president, the secretary, or the treasurer upon three days written notice, or if the president, vice president, secretary or treasurer determines that an urgent or emergency situation requires immediate consideration, on twelve hours' notice by hand or electronic notice delivered to each Trustee. Special meetings may be called by the president or secretary on like notice at the written request of two or more Trustees.

SECTION 9. QUORUM AND REQUIRED VOTE.

- 1) At all meetings of the Board, a majority of the total number of Trustees shall constitute a quorum.
- 2) The action of a majority of Trustees present at a meeting at which a quorum is present shall be a lawful action of the Board.
- 3) If a quorum is not present, those Trustees present shall have the authority to adjourn the meeting to a later time or place from time to time until a quorum is present. The only required notice shall be an announcement at the meeting.

SECTION 10. CONSENT OF TRUSTEES IN LIEU OF MEETING. Any action required or permitted to be taken at any meeting of the Board or of any committee of the Board may be taken without a meeting if all Trustees or committee members, as the case may

be, consent in writing and the writings are filed with the minutes kept of the Associations proceedings.

SECTION 11. MEETINGS BY TELECOMMUNICATIONS. All meetings may be held in whole or in part by telecommunications and the action taken at such meetings shall be effective as if the meetings were held with these persons present in person.

ARTICLE VIII OFFICERS

SECTION 1. SELECTION AND TERM. At its organizational meeting, the Board shall choose as officers a president, a vice president, a secretary and a treasurer. The Board may appoint such other officers and agents as it shall deem useful and necessary. One person may hold more than one office subject only to limitations of law.

SECTION 2. PRESIDENT.

- 1) The president shall at all times be a Member of the Association, a Trustee and shall be elected by the Board.
- 2) The president shall be the chief executive officer of the Association, shall preside at all meetings of Members and the Board, and shall see that all orders and resolutions of the Board are carried out and implemented.
- 3) The president shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board.
- 4) The president shall be a Member, ex officio, of all standing committees.

SECTION 3. VICE PRESIDENT.

- 1) At least one vice president shall be selected by the Board and shall at all times be a Trustee. Other vice presidents, who shall also at all times be Trustees, may be selected by the Board.
- 2) Unless the Board shall otherwise provide by resolution duly adopted, the vice presidents, in the order specified by the Board, or if not so specified, in order of seniority of service on the Board, shall perform the duties and exercise the powers of the president during the absence or disability of the president.
- 3) Vice presidents shall perform such other duties as may be delegated to them by the Board or the president.

SECTION 4. SECRETARY.

- 1) The secretary shall at all times be a Trustee and selected by the Board.
- 2) The secretary shall attend all meetings of the Board and all meetings of the Association and shall record minutes of its proceedings in a book or on electronic media to be kept for that purpose.
- 3) The secretary shall perform like duties for the committees of the Association at the direction of the Board.
- 4) The secretary shall give, or cause to be given, all notices required by statute, these Bylaws, or resolution, and shall perform such other duties as may be

prescribed by the Board or president.

- 5) In the event no vice president is eligible to perform the duties and exercise the powers of the president during the president's absence or disability, the secretary shall have these duties and exercise these powers.

SECTION 5. ASSISTANT SECRETARIES. The assistant secretary or assistant secretaries shall, in the absence of the secretary or in the event of the inability of the secretary to act, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the Board from time to time may prescribe.

SECTION 6. TREASURER.

- 1) The treasurer, who need not be a Trustee, shall have the custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in depositories as may be designated by the Board.
- 2) The treasurer shall disburse the funds of the Association as may be designated by the Board, and shall render to the president and the Board, at its regular meetings, or when the Board so requires, an account of all transactions as treasurer and of the financial condition of the Association.
- 3) If required by the Board, the Treasurer shall deliver to the Association, and shall keep in force, a bond, in the form, amount, and with surety or sureties as shall be satisfactory to the Board, for the faithful performance of the duties of the office and for the restoration to the Association in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the Treasurer's possession or under the Treasurer's control belonging to the Association.

SECTION 7. ASSISTANT TREASURERS. The assistant treasurer or assistant treasurers, in the absence of the treasurer or in the event of the inability of the treasurer to act, shall perform such other duties and have such other powers as the Board may from time to time prescribe.

SECTION 8. TERM, REMOVAL AND VACANCIES. Each officer of the Association shall hold office until a successor is elected and qualified or until an earlier resignation or removal. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board present and voting. Any vacancy occurring in any office of the Association shall be filled by the Board.

ARTICLE IX NOTICES

SECTION 1. NOTICE. Whenever any notice is required to be given to any Trustee, Association member, member of a committee or other person under any provision of statute or of the Articles of Association of the Association or of these Bylaws, it shall not require personal notice, but this notice may be given in writing, by electronic communication, by mail, addressed to such person at that person's address as it appears on the records of the Association, with postage thereon prepaid. This notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to Trustees may also be given orally, in person, hand delivered or by electronic communication, or by facsimile. This notice shall be deemed to be given when the recipient receives the notice personally, by telephone or when the notice, addressed as provided above, has been delivered to the proper address or to the company which is to transmit this notice.

SECTION 2. WAIVER OF NOTICE. Whenever any notice is required to be given under any provision of statute or of the Articles of Association or of these Bylaws, a written waiver of this notice, signed by the person or persons entitled to this notice, whether before or after the time of meeting or other event stated in the notice, shall be deemed equivalent to due notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members, Trustees or members of a committee need be specified in any written waiver of notice unless so required by the Articles of Incorporation of the Association or these Bylaws. Attendance of a person at a meeting shall constitute a waiver of notice of the meeting, except when the person attends a meeting for the express purpose of objection, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE X COMMITTEES

SECTION 1. COMMITTEES. From time to time, the Board may establish or remove standing and/or ad hoc committees to serve and support the Board, Association, and Members, which may include but is not limited to:

- Architectural Guidelines
- Barnswallow
- Beach
- Buildings and Grounds
- Communications
- Facilities Rental
- Library
- Long Range Planning
- Personnel
- Play Class
- Roads and Security
- Social

Tennis

SECTION 2. NOMINATING COMMITTEE. The Board shall appoint each year a nominating committee consisting of six persons, at least three of whom are Members and no more than two of whom shall be Trustees, which committee shall propose nominations to the Board for approval and presentation to the Membership for service on the Board. Following appointment of the nominating committee, the membership shall be advised of those appointed and suggestions from the membership for nominations shall be solicited and encouraged. Any person who has served a term on the nominating committee shall be ineligible to serve again until one year shall have elapsed following that person's term of office.

ARTICLE XI

RESTRICTIONS ON TRANSFER OF CERTAIN REAL PROPERTY

SECTION 1. RESTRICTED ASSOCIATION PROPERTY. Non-residential real property of the Association shall be restricted Association Property ("Restricted Association Property") subject to the voting requirements and limitations on transfer and distribution contained in this Article so long as the Restricted Association Property is assessed and taxed for purposes of property tax, as though its value is zero.

SECTION 2. VOTING REQUIREMENTS. Any questions brought before the Members which would result in the sale of, or removal of any recorded restriction on transfer from Restricted Association Property shall be decided by a vote of two-thirds of the Voting Members present and voting. Approval for the acquisition of restricted Association Property shall require the affirmative vote of two-thirds of the Voting Members present and voting.

SECTION 3. PROCEEDS FROM SALE. Upon sale of any Restricted Association Property, no proceed from such sale shall inure to the individual benefit of any of the Members of the Association through a distribution of the proceeds of the sale.

SECTION 4. DISSOLUTION/LIQUIDATION. Upon dissolution or liquidation of the Association, after payment of all debts and obligations of the Association, any remaining Restricted Association Property shall be distributed to one or more organizations exempt from taxation under Section 501 (c) of the Internal Revenue Code of 1986 or comparable provision of subsequent legislation, as may be designated by the Board.

ARTICLE XII

GENERAL PROVISIONS

SECTION 1. FISCAL YEAR. The Association's fiscal year shall begin January 1 and end December 31 of each calendar year.

SECTION 2. CHECKS. All checks, drafts and orders for the payment of money shall be signed in the name of the Association in such manner and by such officer or officers or such other persons as the Board from time to time may designate for that purpose.

SECTION 3. CONTRACTS, CONVEYANCES AND OTHER INSTRUMENTS.

- 1) When the execution and the delivery of any contract, conveyance or other instrument is authorized without specifications, the president, vice president, secretary, assistant secretary, treasurer or assistant treasurer may execute and deliver this document in the name and on behalf of the Association.
- 2) The president shall have the power to designate officers and agents who have the authority to execute contracts, conveyances or instruments on behalf of the Association.

SECTION 4. BORROWING AND PLEDGE. The Board shall have the authority to borrow money on the Association's behalf and to pledge and mortgage the assets and property of the Association to secure any borrowing.

SECTION 5. INDEMNIFICATION.

- 1) Each person who acts as an officer, Trustee or committee chairperson or committee member shall be indemnified by the Association against any losses and any expenses actually incurred by such person in connection with the defense of any action, suit or proceeding in which the person is made a party by reason of being an officer, Trustee, committee chairperson or committee member.
- 2) No such indemnity shall be afforded if that person is adjudged in that action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of that person's duty for the Association.
- 3) This right of indemnity shall inure to each of the above persons whether or not such persons hold office at the time the loss or expense is incurred and in the event of death shall extend to that person's heirs and estate.
- 4) This right of indemnity shall extend to the costs of legal representation.

SECTION 6. INTERPRETATION. Any question as to the meaning or proper interpretation of any provision of these Bylaws may be resolved by the Board.

SECTION 7. SEVERABILITY Any part, provision, or representation of these Bylaws that Michigan law prohibits or that a court of competent jurisdiction holds to be invalid or unenforceable shall be ineffective only to the extent of that invalidity or unenforceability

without invalidating or rendering unenforceable the remaining provisions of these Bylaws.

SECTION 8 INTEGRATION; REPEAL These Bylaws, including the attached Exhibit, constitute the entire Bylaws of the Association. There are no restrictions, agreements, promises, warranties, covenants or undertakings concerning these Bylaws other than those expressly contained and integrated in these Bylaws. These Bylaw supersede and repeal all prior Bylaws of the Association.

ARTICLE XIII

AMENDMENTS

SECTION 1. AMENDMENTS.

- 1) These Bylaws may be amended by the affirmative vote of at least two-thirds of those Voting Members present in person or by proxy at an annual meeting or at a special meeting called for such purpose.
- 2) However, any provision of the Bylaws requiring a greater vote may be amended only by a vote equal to that required by the Bylaws provision. In the case of special meeting called for the purpose of amending the Bylaws, a summary of the proposed amendments shall accompany the notice of the special meeting.

Exhibit A:

