



LAKE SHORES ASSOCIATION • BOX 63 • HOWARD CITY, MI 49329 • MARCH, 1997

DEAR LAKE SHORES ASSOCIATION MEMBERS:

THE BY-LAW AMENDMENT VOTE DID NOT RECEIVE THE REQUIRED AMOUNT OF VOTES TO MEET A QUORUM. THE BOARD IS NOW SENDING OUT THE SECOND VOTE TO TRY AND MEET THE REQUIRED REDUCED QUORUM FOR THE BY-LAW AMENDMENT. THE BOARD WOULD LIKE TO THANK THE MEMBERS THAT RETURNED THEIR VOTE IN THE FIRST ELECTION AND HOPE YOU WILL TAKE THE TIME TO SEND IN THIS VOTE ALSO. THE BOARD WOULD ALSO LIKE TO ASSURE YOU THAT THE VOTE WAS CONDUCTED ACCORDING TO THE COVENANTS AND RESTRICTIONS AND THE BYLAWS.

REMINDER:

THE SPRING MEETING WILL BE SATURDAY MAY 17th AT 3:00 P.M. IN THE ABBOTT BUILDING. THE ROADS ON OUR LAKE WILL BE THE MAJOR TOPIC OF THE MEETING. WE HOPE TO COME UP WITH A SOLUTION TO OUR DETERIORATING ROADS.

VOTING INSTRUCTIONS:

1. PLEASE READ ALL PROPOSAL CHANGES, AND VOTE YES OR NO ON EACH OF THE FOUR PROPOSALS.
2. PLACE COMPLETED BALLOT IN THE RED LETTERED BALLOT ENVELOPE.
3. PLACE THE SEALED BALLOT ENVELOPE IN THE PRE-ADDRESSED ENVELOPE THAT WAS PROVIDED. PLEASE SIGN THE OUTSIDE OF THE PRE-ADDRESSED ENVELOPE ON THE BACK WHERE THE SIGNATURE LINE IS LOCATED.
4. ALL BALLOTS MUST BE RECEIVED BY TUESDAY, MAY 6, 1997
5. THE BALLOTS WILL THEN BE COUNTED BY AN ELECTION COMMITTEE

**SPECIAL NOTE:
USE ONLY THE BALLOT MATERIALS
RECEIVED IN THIS MAILING**

AMENDMENT TO BY-LAWS ENACTED MARCH 6, 1995

1. As of March 6, 1995, Article XII Section 9 Paragraph (H) which reads: H) The association shall not sponsor or engage in any social, athletic or sporting activities, is hereby repealed and will not hinder the board on behalf of the Association to do any of the activities stated above.
2. This amendment is enacted by a majority vote of the members of the Lake Shores Association.

FOR YOUR CONVENIENCE, THE CURRENT BY-LAW ARTICLE IS PRINTED IN THIS SMOKE SIGNAL FOLLOWED BY THE PROPOSED CHANGE

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. MEMBERSHIP

(a) Every person or entity who holds an equitable interest or an undivided equitable interest in any Lot whether as land contract vendee or fee holders be subject to those covenants recorded in Liber 428, Page 163, and subsequently recorded as to subsequent plats, and to assessment by the Association according to these By-Laws shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 2. VOTING RIGHTS. The Association shall have one class of voting membership. Voting members shall be all those members who hold the interest required for membership in Article III, Section 1 (a) above. When more than one person holds such an interest or interests in any Lot, all such persons shall be members and the vote of each Lot shall be exercised as the Owners among themselves determine. From and after this date and until December 31, 1977 the original Board of Directors shall be composed of three members and all voting rights shall be refined by Clearwater Development Corporation whether it be to elect Directors or otherwise. On or after January 1, 1978, provided the total votes outstanding equals two-thirds of the total number of original lots subject to the original Declaration, Covenants and Restrictions and any supplement to that Declaration then and from that time on each voting member shall be entitled to one vote for each original Lot in his Ownership. In no event shall more than one vote be cast with respect to any such original Lot.

PROPOSAL 1

Add to Article III Section 3. to read:

Section 3. FORFEITURE OF VOTING RIGHT. Any voting member meeting the criteria in Article III, sections 1, and 2, and who have not paid the annual dues in full by May 1st of the calendar year, will be considered to be a member in arrears. Such member would forfeit the ability to vote in any LSA election, and/or any vote involving the change of any matter pertaining to the LSA.

**ARTICLE V
PROPERTY RIGHTS IN THE COMMON PROPERTIES**

Section 3. EXTENT OF MEMBERS' EASEMENTS. The right and easements of enjoyment created hereby shall be subject to the following

(a) The right of the Developer and of the Association, in accordance with items Articles and By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. The members' rights and easement in the Common Properties shall be subordinate to any mortgage given by the Developer or Association as security for funds borrowed for such improvements. Any indebtedness, which shall be created for the purpose of making improvements to the Common Properties shall be an obligation of the Association. In the event of a default upon any such mortgage the lender or mortgagee shall have all the rights afforded under the mortgage or security agreement and under the laws of the State of Michigan including the right after taking possession of The Properties, to charge admission and other fees as a condition to continued enjoyment of such properties to a wider public. If the mortgage indebtedness is satisfied and possession of The Properties returned to the Association, all rights of the members hereunder shall be restored; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure; and

(c) the right of the Association, as provided in its Articles of Incorporation, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) the right of the Association to charge reasonable admission and other fees for the use of the Common Properties.

PROPOSAL 2

Change Article V, Section 3, paragraph (c) to read as follows:

Article V, Section 3. (c). The right of the association, as provided in the Covenants and Restrictions, to suspend the enjoyment rights for any member for any period during which any assessment remains unpaid. This suspension to include the use of the lake as well as the forfeiture of any and all watercraft stickers issued to the past due member, or any guest of that member. The association shall also have the right to suspend the enjoyment rights of any member who has violated any of its published rules and regulations for a period not to exceed (30) thirty days.

**ARTICLE IX
MEETINGS**

Section 11. NOTICES AND MAILING. All notices required to be given by any provision of these By-Laws shall state the authority pursuant to which they are issued (as "by order of the President", or "by order of the Board of Directors", or "by order of Association memberships" as the case may be) and shall bear the written or printed signature of the Secretary. Every notice shall be deemed duly served when the same has been deposited in the United States mail, with postage fully prepaid plainly addressed to the sendee at his, her or its last address appearing upon the original or duplicate stock ledger of his corporation at its registered office in Michigan.

Section 12. WAIVER OF NOTICE. Notice of the time, place and purpose of any meeting of the Association membership or of the Board of Directors, may be waived by telegram, radiogram, cablegram, or other writing, either before or after such meeting has been held. No notice or waiver of notice shall be required as to any meeting at which all of the Association memberships or all of the Directors, as the case may be, are present.

PROPOSAL 3

Add to Article IX, Section 13. To read as follows:

Article IX, Section 13. FORFEITURE OF ATTENDANCE. Any member of the LSA who is not in good standing with the LSA (dues in arrears) shall forfeit the ability to attend any and all meetings of the LSA. The member not in good standing will continue to receive the smoke signals as a means to be informed of important matters of the LSA. The smoke signals being the information letter sent by Board of Directors. If in the future no such letter exists it will be the responsibility of the past due member to contact Board members for information

**ARTICLE XII
BOARD OF DIRECTORS**

Section 1. NUMBER AND TERM OF DIRECTORS. The business property and affairs of this corporation shall be managed by a Board of Directors composed of three (3) members, who need not be Association members. Each Director shall hold office for the term for which he is elected and until his successor is elected and qualified

PROPOSAL 4

Change Article XII, Section 1. to read as follows:

Article XII, Section 1. NUMBER AND TERM OF DIRECTORS. The business property and affairs of this corporation shall be managed by a Board of Directors composed of (5) members, all of whom must be members in good standing of the LSA. Any member not in good standing (dues in arrears) will not be allowed to fill any vacancy of the Board of Directors of the LSA. Each director shall hold office for the term which he/she is elected and until his successor is elected and qualified.

BOATING RULES

1. There shall be no high speed boating/no wake zone on the entire lake before 11:00 AM and after 8:30 PM
2. When any watercraft has a person in tow in any fashion, a spotter will be present on the tow craft as prescribed by Michigan Law.
3. All boat traffic must be in a counter-clockwise fashion around the lake.

