

By Laws

"Articles and By-Laws of the Lake Shores Association"

ARTICLE I:

NAME AND PURPOSE.

SECTION 1. The name of this Association shall be Lake Shores Association.

SECTION 2. The purpose is: To promote the health, safety, and welfare of the residents within Indian Lakes, Section 19, Town 12 North, Range 9 West, Winfield Township, Montcalm County, Michigan, and future additions thereto and for this purpose to: own, acquire, build, operate and maintain parks, streets, and recreational facilities in said Subdivision or additions thereto; to establish, alter, and enforce building and use restrictions for Indian Lakes' subdivisions and additions thereto; to fix, collect and levy assessments against properties in the subdivision and to do all things necessary and incidental to promote the common benefit and enjoyment of the residents of the subdivision and additions thereto; to exercise all the powers and to perform all duties and obligations imposed upon it by the Declaration of Restrictions placed upon Indian Lakes Subdivision or additions thereto.

SECTION 3. The following words when used in these By-Laws or in any supplement to these By-Laws (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Lake Shores Association.

(b) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to these By-Laws or any supplements to these By-Laws.

(c) "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties.

(d) "Lot" shall mean and refer to any plot of land shown upon any original recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.

(e) "Ownership Unit" shall mean and refer to any original lot or group of original lots located within the recorded subdivision of The Properties designed and intended for use and occupancy as a residence by a single family.

[Note: Original Bylaws skip (f)]

(g) "Owner" shall mean and refer to the equitable owner whether one or more persons or entities holding any interest in any lot situated upon The Properties whether such ownership be in fee simple title or as land contract vendees and not withstanding any applicable theory of mortgage, shall not mean or refer to the mortgagee except if the mortgagee has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure.

(h) "Member" shall mean and refer to all those owners who are members of the Association as provided in ARTICLE III, SECTION 1 hereof.

ARTICLE II:

OFFICES.

SECTION 1. The principal office of the Corporation in the State of Michigan shall be located at the Indian Lakes Development, Howard City, Michigan. The Corporation may have such other offices, either within or without the State of Michigan, as the Board of Directors may determine or as the affairs of this Corporation may require from time to time.

SECTION 2. The Corporation shall have and continuously maintain in the State of Michigan a registered office, and a registered agent whose office is identical with such registered office, as required by the Michigan Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Michigan, and the address of the registered office may be changed from time to time by action of the Board of Directors.

ARTICLE III:

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION.

SECTION 1. MEMBERSHIP. Every person or entity who holds an equitable interest or an undivided equitable interest in any Lot whether as land contract vendees or fee holders being 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, above. When more than one person holds such 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 retained 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 of 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.

SECTION 3. FORFEITURE OF VOTING RIGHT.¹ Any voting Member meeting the criteria in ARTICLE III, SECTIONS 1 and 2, and who has 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 IV:

PROPERTY SUBJECT TO THESE BY-LAWS

SECTION 1. EXISTING PROPERTY. The real property which is and shall be held, transferred, sold, conveyed, and occupied, subject to these By-Laws is located in Winfield Township, Montcalm County, Michigan, and is more particularly described as follows:

INDIAN LAKES, SECTION 19, TOWN 12 NORTH, RANGE 9 WEST, WINFIELD TOWNSHIP, MONTCALM COUNTY, MICHIGAN, AS RECORDED IN LIBER 10 OF PLATS ON PAGE 1 AND 2, ALL OF WHICH REAL PROPERTY SHALL HEREIN BE REFERRED TO AS "EXISTING PROPERTY."

¹ Addition of ARTICLE III, Section 3 by Membership vote, as published in Smoke Signals dated March, 1997 and June, 1997.

SECTION 2. Additional lands may be subject to these By-Laws from time to time as acquired.

(a) Any developer at any time prior to December 31, 1983, shall have the right to bring additional lands into the scheme of these By-Laws. Such proposed additions, if made, shall become subject to assessment for their share of Association expenses. The Common Properties within all such additions shall be devoted to the common use and enjoyment of all owners of properties which are subject to these By-laws. The Developer's rights to bring additional lands into these By-Laws shall not be held to bind the Developer, their heirs, assigns, or successors, to make the proposed additions or to adhere to the scheme in any subsequent development of the land described herein. The additions authorized under this and the succeeding subsection shall be made by filing of record a supplementary Declaration of Covenants and Restrictions in respect to the additional property which shall extend the scheme of the covenants and restriction of this Declaration to such property. Such supplementary Declarations may contain such complementary additions and modifications of the covenants and restrictions contained in the original declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such supplementary declaration revoke, modify, or add to the covenants established by the original declaration as to the existing property.

(b) **OTHER ADDITIONS.** Upon approval in writing of the Association pursuant to a vote of its Members as provided in these By-Laws, the owner of any property who desires to add it to the scheme of these By-Laws and to subject it to the jurisdiction of the Association may file of record a supplementary Declaration of Covenants and Restrictions, as described in subsection (a) of the original Declaration of Covenants and Restrictions.

(c) **MERGERS.** Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights, and obligations, may, by operation of law, be transferred to another surviving consolidated association or, alternatively, the properties, rights, and obligations of another association may by operation of law, be added to the properties, rights, and obligations of the association of the surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by the original Declaration of Covenants and Restrictions or any other supplementary covenants and restrictions as are filed from time to time in accordance with this scheme together with the covenants and restrictions established upon any other property as one scheme. The surviving corporation may also adopt these By-Laws as the By-Laws of the surviving corporation. No such merger or consolidation, however, shall effect any revocation, change or addition to the Covenants established by the original Declaration of Covenants and Restrictions dated July 7, 1966, Recorded July 8, 1966, Liber 428, Page 163, nor any subsequent Declaration of Covenants recorded prior to said merger or consolidation except as hereinafter provided.

ARTICLE V:

PROPERTY RIGHTS IN THE COMMON PROPERTIES

SECTION 1. MEMBERS' EASEMENT OF ENJOYMENT.

(a) Subject to the provision of Article V, Section 3, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot.

SECTION 2. TITLE TO COMMON PROPERTIES. The Developer may retain the legal title to the Common Properties until such time as, in the opinion of the Developer, the Association is able to maintain the same and to meet any existing obligations which may be a lien thereon, notwithstanding any provision herein, the

Developers, their heirs, successors and assigns, shall convey the Common Properties to the Association not later than January 1, 1978.

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 its 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 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 thirty (30) days. ²

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

ARTICLE VI:

MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATIONS OF ASSESSMENTS. Each Member of this Association agrees to pay to the Association the following fees:

(1) Annual assessments or charges.

(2) Special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof is hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

SECTION 2. USE OF THE ASSESSMENT. The assessment levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and in particular for the improvements and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon The

² Revised wording of ARTICLE V, Section 3(c) by Membership vote, as published in Smoke Signals dated March, 1997 and June, 1997.

Properties, including, but not limited to, payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

SECTION 3. BASIS AND AMOUNT OF ANNUAL ASSESSMENTS. The annual assessment shall be \$200.00 per Member/per year.³

SECTION 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized by Section 3, hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided any such assessment shall have the affirmative vote of two-thirds (2/3) of the vote of all voting Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance, and shall set forth the purpose of the meeting.

SECTION 5. CHANGE IN BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS. Subject to the limitations of Section 3, hereof, and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3, hereof, prospectively for any such period provided that any such change shall have the assent of two-thirds (2/3) of the voting Members who are voting in person or by proxy at a meeting duly called for this purpose written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting, provided further that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under various articles of these By-Laws.

SECTION 6. QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 4 AND 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows: At the first meeting called, as provided in Sections 4 and 5, hereof, the presence at the meeting of Members or of proxies, entitled to cast sixty (60) percent of all the votes of the Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT. Due Dates: The annual assessments provided for herein shall commence on the first day of April, 1967. The assessment for each succeeding year shall become due and payable on the first day of April of each year. No adjustments or prorations of assessments shall be made by the Association. For purposes of levying the assessment, assessments shall be considered as paid in advance and shall be levied against any property which is subject to these By-Laws. The due date of any special assessment under SECTION 4 hereof shall be fixed in the Resolution authorizing such assessment.

SECTION 8. DUTIES OF THE BOARD OF DIRECTORS. The Board of Directors of the Association in addition to the other duties listed in these By-Laws shall prepare a roster of properties and assessments applicable thereto at

³ Revised assessment amount (\$150) established according to ARTICLE VI, Section 5, August, 2001.

Revised assessment amount (\$200) established according to ARTICLE VI, Section 5, October, 2018.

least thirty (30) days in advance of such assessment due date. Such assessment roster shall be kept in the office of the Association and shall be open to inspection by any owner. The Association shall upon demand at any time furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

SECTION 9. EFFECT OF NON-PAYMENT OF ASSESSMENT: The Personal Obligation of the Owner; The Lien; Remedies of the Association. If the assessments are not paid on the date when due (being the date specified in SECTION 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment shall not pass to his successors in title unless expressly assumed by them although the lien for said assessment shall remain in full force and effect. If the assessment is not paid within thirty (30) days after the delinquency date, a penalty fee not to exceed \$2.00 shall be added thereto and from that date interest at the rate of six (6) per cent per annum may be added to the delinquent balance and penalty and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property. There shall be added to such assessment, delinquent fees and interest and the cost of preparing and filing a complaint in such action and in the event that judgement is obtained, such judgement shall include interest on the total amount as above provided and reasonable attorney's fees to be fixed by the court together with the costs of the action.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

SECTION 11. EXEMPT PROPERTY. The following property subject to these By-Laws shall be exempted from the assessments, charge and lien created herein:

- (a) All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use.
- (b) All Common Properties as defined in Article I, Section 1, hereof.
- (c) All properties exempted from taxation by the laws of the State of Michigan, upon the terms and to the extent of such legal exemption.
- (d) All properties owned by Clearwater Development Corporation whether platted or unplatted except Lots sold on land contract.

ARTICLE VII:

ARCHITECTURAL CONTROL COMMITTEE

SECTION 1. REVIEW BY COMMITTEE. No building, fence, wall or other structure shall be commenced, erected or maintained upon The Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural

committee composed of three (3) or more representatives appointed by the Board. In the event said Board or its designated committee fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, or in any event, if no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VIII:

BUILDING AND USE LIMITATIONS

SECTION 1. All land which is subject to these By-Laws shall be limited to residential use and shall conform and be subject to the recorded building restrictions in each plat in the Association.

ARTICLE IX:

MEETINGS

SECTION 1. PLACE OF MEETINGS. Any or all meetings of the Association Membership, and the Board of Directors, of this Corporation may be held within or without the State of Michigan, provided that no meeting shall be held without the State of Michigan, except pursuant to resolution adopted by the Board of Directors.

SECTION 2. ANNUAL MEETING OF ASSOCIATION MEMBERSHIP. The annual meeting of the Association Membership shall be held in each year on the second Tuesday in August at 10:00a.m., one of the purposes of which shall be the election of a Board of Directors.

SECTION 3. NOTICE OF ANNUAL MEETING OF ASSOCIATION MEMBERSHIP. At least ten (10) days prior to the date fixed by Section 2 of this Article for the holding of the annual meeting of the Association Membership, written notice of the time, place and purpose of each meeting shall be mailed, as hereinafter provided, to each Association Member entitled to vote at such meeting.

SECTION 4. DELAYED ANNUAL MEETING. If, for any reason, the annual meeting of the Association Membership shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had thereat as at an annual meeting; provided, however, that the notice of such meeting shall be the same herein required for the annual meeting, namely, not less than ten day notice.

SECTION 5. ORDER OF BUSINESS AT ANNUAL MEETING. The order of business at the annual meeting of the Association Membership shall be as follows:

- (a) Roll call
- (b) Reading notice and proof of mailing
- (c) Report of President
- (d) Report of Secretary
- (e) Report of Treasurer
- (f) Election of directors
- (g) Transaction of other business mentioned in the notice
- (h) Adjournment Provided, that in the absence of any objection, the presiding officer may vary the order of business at discretion.

SECTION 6. SPECIAL MEETING OF ASSOCIATION MEMBERSHIP. A special meeting of the Association Membership may be called at any time by the President or by a majority of the Board of Directors, or by Association Members entitled to vote upon not less than an aggregate of ten percent (10%) of the outstanding votes of the Corporation having the right to vote at such special meeting. Other than a special meeting to make a special assessment as provided under Article IV, Sections 4, 5, and 6. The method by which such meetings may be called is as follows: Upon receipt of a specification in writing setting forth the date and objects of such proposed special meeting, signed by the President or by a majority of the Board of Directors, or by Association Memberships as above provided, the Secretary of this Corporation shall prepare, sign and mail the notices requisite to such meeting.

SECTION 7. NOTICE OF SPECIAL MEETING OF ASSOCIATION MEMBERSHIP WITH THE EXCEPTION OF SPECIAL MEETINGS HELD UNDER Article VI OF THESE BY-LAWS. At least ten (10) days prior to the date fixed for the holding of any special meeting of the Association Membership, written notice of the time, place, and purposes of such meetings shall be mailed, as hereinafter provided, to each shareholder entitled to vote at such meeting. No business not mentioned in the notice shall be transacted at such meeting.

SECTION 8. ORGANIZATION MEETING OF BOARD. At the place of holding the annual meeting of Association Members and immediately following the same, the Board of Directors as constituted upon final adjournment of such annual meeting shall convene for the purpose of electing officers and transacting any other business properly brought before it, provided, that the organization meeting in any year may be held at a different time and place than that herein provided by consent of a majority of the Directors of such new board.

SECTION 9. REGULAR MEETING OF BOARD. Regular meetings of the Board of Directors shall be held from time to time upon the call of the President.

SECTION 10. SPECIAL MEETING OF BOARD. Special meetings of the Board of Directors may be called by the President at any time, and shall be called by him at the request of any two Directors, by means of such written notice by mail of the time, place, and purpose thereof to each director as the President, in his discretion, shall deem sufficient, but action taken at any such meeting shall not be invalidated for want of notice if such notice shall be waived as hereinafter provided.

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 the order of the Board of Directors," or "by the 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 this 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.

SECTION 13. FORFEITURE OF ATTENDANCE. Any Member of the Association who is not in good standing with the Association (dues in arrears) shall forfeit the ability to attend any and all meetings of the Association. The Member not in good standing will continue to receive the Smoke Signals as a means to be informed of important

matters of the Association, the Smoke Signals being the informational letter sent by the Board of Directors. If in the future no such letter exists, it will be the responsibility of the past-due Member to contact one of the Board members for information.⁴

(Note: Original Bylaws skip ARTICLE X)

ARTICLE XI

QUORUM

SECTION 1. QUORUM OF ASSOCIATION MEMBERSHIP. Other than that quorum provided in Article VI or SECTION 3, below,⁵ of these By-Laws a majority of the outstanding shares of this Corporation entitled to vote, present by the record holders thereof, in person or by proxy, shall constitute a quorum at any meeting of the Association Membership.

SECTION 2. QUORUM OF DIRECTORS. A majority of the Directors shall constitute a quorum.

SECTION 3. QUORUM OF ASSOCIATION MEMBERS FOR ELECTION OF BOARD OF DIRECTORS. Upon Notice duly served by United States mail as provided in ARTICLE IX, SECTION 11, or by electronic means as may be approved by the Association and Members, fifteen percent (15%) of the outstanding shares of this Corporation, in good standing and entitled to vote, present in person, by ballot or electronic means, shall constitute a quorum for election of the Association Board of Directors.⁶

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 five (5) members, all of whom must be Members in good standing of the Association. Any Member not in good standing (dues in arrears) will not be allowed to fill any vacancy of the Board of Directors of the Association. Each director shall hold office for the term which he/she is elected and until his/her successor is elected and qualified.⁷

SECTION 2. VACANCIES. Vacancies in the Board of Directors shall be filled by appointment made by the remaining directors. Each person so elected to fill a vacancy shall remain a director until his successor has been elected by the Association Membership who may make such election at their next annual meeting, or any special meeting duly called for this purpose held prior thereto.

⁴ Revised wording of ARTICLE IX, SECTION 13 by Membership vote, as published in Smoke Signals dated March, 1997 and June, 1997.

⁵ "or SECTION 3, below," wording added by Board Resolution May, 2018, in accordance with ARTICLE XVI, SECTION 1.

⁶ Addition of ARTICLE XI, SECTION 3 by Board Resolution May, 2018, in accordance with ARTICLE XVI, SECTION 1.

⁷ Revised wording of ARTICLE XII, SECTION 1 by Membership vote, as published in Smoke Signals dated March, 1997 and June, 1997. By Board Resolution in May, 2018, for the 2018 election, the Association solicited candidates willing to serve a 2-year term. The two (2) Members receiving the highest number of votes will serve for a 2-year term and the remaining three (3) Members will serve for a 1- year term. Each year thereafter the Members will vote for Directors to serve 2-year terms, resulting in voting to replace 3 Directors in 2019, 2 Directors in 2020, 3 in 2021, 2 in 2022, and so on.

SECTION 3. ACTION BY UNANIMOUS WRITTEN CONSENT. If and when the Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, such action shall be a valid corporate action as though it had been authorized at a meeting of the Board of Directors.

SECTION 4. POWER TO MAKE BY-LAWS. The Board of Directors shall have the power to make and alter any By-Laws, including the fixing and altering of the number of directors, provided, that the Board shall not make or alter any By-Laws fixing the qualifications, classification, or term of office of any member or members of the existing Board or any By-Law inconsistent with the Declaration of Covenants and Agreements hereby made and recorded by this Association and any amendments to the Declaration of Covenants and Agreements made by this Association.

SECTION 5. POWER TO ELECT OFFICERS. The Board of Directors shall elect a President, one Vice President, a Secretary and Treasurer. No officer except the President need be a member of the Board, but a Vice President who is not a director shall not succeed to nor fill the office of the President. Any two offices, except those of President and Vice President, may be held by the same person.

SECTION 6. POWER TO APPOINT OTHER OFFICERS AND AGENTS. The Board of Directors shall have the power to appoint a General Manager and such other officers and agents as the Board may deem necessary for the transaction of the business of the Corporation.

SECTION 7. REMOVAL OF OFFICERS AND AGENTS. Any officer or agent may be removed by the Board of Directors whenever in the judgement of the Board the business interests of the Corporation will be served thereby.

SECTION 8. POWER TO FILL VACANCIES. The Board shall have the power to fill a vacancy in any office occurring for any reason whatsoever.

SECTION 9. GENERAL POWER AND DUTIES. The Association Board of Directors shall have the following powers and duties which shall be exercised for the mutual benefit of all Members:

(a) To keep and maintain Common Properties in a clean and orderly condition, to cut and remove weeds and grass therefrom, 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.

(b) To exercise such control over streets as may be within its powers and as it may deem necessary or desirable, subject at all times to such control of the County, Township or other proper officers as may have jurisdiction over streets.

(c) To repair, oil and maintain streets and pedestrian ways, including the removal of snow therefrom where the same is not under the jurisdiction and control of a governmental authority. To do all things necessary and incidental to the protection of the plant and wildlife in the Common Properties and in and about the subdivision.

(d) To provide for the erection and maintenance of gateways or entrances 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 subdivision or any addition thereto.

(e) 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 Shores subdivision or any additions thereto. This Association shall have full power and authority to bring proceedings in the name or names of any of the owners to enforce the restrictions; the expenses and cost of such proceedings, however, to be paid out of the general fund of the Association.

(f) The Board of Directors shall establish reasonable rules and regulations concerning the use of The Properties and facilities of the Association.

(g) 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 expense of those receiving the service where the services are of such a character so as not to be mutual benefit to all owners.

~~(h) The Association shall not sponsor or engage in any social, athletic or sporting activities.⁸~~

SECTION 10. DELEGATION OF POWERS. For any reason deemed sufficient by the Board of Directors, whether occasioned by absence or otherwise, the Board may delegate all or any of the powers and duties of any officer to any other officer or director, when no officer or director shall execute, acknowledge or verify instruments in more than one capacity.

ARTICLE XIII

OFFICERS

SECTION 1. PRESIDENT. The President shall be elected by the Board of Directors. He shall be the chief executive officer of the Corporation, and shall preside at all meetings of Association Membership and directors. He shall have general charge of the business of the Corporation and see that all orders and resolutions of the Board are carried into effect. He shall be ex officio a member of all standing committees and shall have general powers and duties of supervision and management usually vested in the office of President of a Corporation.

SECTION 2. VICE PRESIDENT. The Vice President shall be chosen by the membership of the Board and shall perform the duties and exercise the powers of the President during the absence or disability of the Vice President or Vice Presidents.

SECTION 3. SECRETARY. The Secretary shall be elected by and from the membership of the Board of Directors. He shall preside at all meetings of the Board and shall keep the minutes of all meetings of the Association and of the Directors and executive committee, and shall preserve in the books of the Association true minutes of the proceedings of all of such meetings. He shall give all notices required by statute, By-Law or resolution. He shall keep a record of names and addresses of all Members of the Association, the property owned by each, of all transfers of Membership and shall be custodian of the Association's seal. He shall send to the Lot owners all notices as to amounts due the Association for dues and assessments. He shall advise the Board as to all delinquencies, and he shall keep the Board informed regarding the properties of the Association, the liability insurance thereon and shall perform such other duties as are delegated to him by the Board of Directors.

SECTION 4. TREASURER. The Treasurer shall have custody and keep accounts of all money, corporate funds and securities of the Association and shall keep in books belonging to the Association full and accurate accounts of all receipts and disbursements, he shall deposit all moneys, securities, and other valuable effects in the name of the Association in such depositories as may be designated for that purpose by the Board of Directors. He shall keep in a like fashion separate accounts for all tax receipts, all monies received from Lot owners together with an accurate account of all of the money received from each Lot owner and disbursement for taxes upon each owner's Lot. He shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the Association. If required by the Board, he shall deliver to the President of the Corporation, and

⁸ This paragraph was repealed by a majority vote of the Members of the Lake Shores Association, enacted March 6, 1995.

shall keep in force a bond in form, amount and with the surety or sureties satisfactory to the Board, conditioned for faithful performance of the duties of his office, and for the restoration or removal from office, of all papers, books, vouchers, money and property of whatever kind in his possession or under his control belonging to the Association. He shall perform such other duties as are delegated to him by the Board of Directors.

SECTION 5. ADDITIONAL OFFICERS. The Board of Directors **shall have the power to appoint officers** of the Corporation or confer special designations upon officers of the Corporation from time to time as they shall see fit.

ARTICLE XIV

EXECUTION OF INSTRUMENTS

SECTION 1. CHECKS, ETC. All checks, drafts, orders for payment of money and any and all other negotiable instruments shall be signed by either the President, the Treasurer, or such party as the Board of Directors shall designate from time to time in writing.

SECTION 2. CONTRACTS, CONVEYANCES, ETC. When the execution of any other instrument has been authorized without specification of the executing officers, the President and the Secretary shall sign the instruments and affix the Corporation seal thereto. The Board of Directors shall have power to execute any instrument in behalf of this Corporation.

ARTICLE XV

CORPORATE SEAL

SECTION 1. CORPORATE SEAL. The seal that has been imprinted hereon shall be the seal of the Corporation.

ARTICLE XVI

AMENDMENT OF BY-LAWS

SECTION 1. AMENDMENT, HOW EFFECTED. These By-Laws may be amended, altered, changed, added to or repealed by the affirmative vote of a majority of the Association Membership entitled to vote at any regular or special meeting of the Association Membership, if notice of the proposed amendment, alteration, change, addition, or repeal be contained in the notice of the meeting or by the affirmative vote of a majority of the Board of Directors if the amendment, alteration, change, addition, or repeal be proposed at a regular or special meeting of the Board and adopted by a subsequent regular meeting; provided, that any By-Laws made by the affirmative vote of a majority of the Board of Directors as provided herein may be amended, altered, changed, added to or repealed by the affirmative vote of a majority of the Members entitled to vote at any regular or special meeting of the Association Membership; also provided, however, that any change of the date for the annual meeting of the Association Membership shall not be made within thirty (30) days before the day on which such meeting is to be held, unless consented to in writing, or by a resolution adopted at a meeting, by all Association Members entitled to vote at the annual meeting. However, no change in the By-Laws shall be made which will in effect revoke, change, or alter any Declaration of Covenant and Restriction made by this Association, an instrument dated July 7, 1966, recorded July 8, 1966, Liber 428, Page 163, and any supplements to this Declaration of Covenants and Restrictions.

ARTICLE XVII

CONSTRUCTION OF BY-LAWS

SECTION 1. Nothing in these By-Laws shall be construed in any way as to make these By-Laws inconsistent with the Declaration of Covenants and Restrictions signed by this Corporation July 7, 1966, and recorded July 8, 1966, in Liber 428, Page 163, and any supplements to this Declaration of Covenants and Restrictions, nor shall these By-Laws alter or derogate from any subsequent Declaration of Covenants and Restrictions subsequently recorded as to any plats which come under and join the Lake Shores Association.

TIM SLAVENS

President

Lake Shore Association

Posted approximately 1995

Amendments noted and current as of May, 2019.