

REVISED BY-LAWS OF FOREST LAKE PROPERTY OWNERS' ASSOCIATION OF ARENAC COUNTY

REVISED 2015

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ARTICLE I NAME, LOCATION, TERM AND PURPOSE

Section 1) The name of this Association shall be Forest Lake Property Owners' Association of Arenac County.

Section 2) The Corporation's registered office shall be located at 6180 Bobcat Trail, Alger, Arenac County, Michigan 48610. The corporation may change its registered office by resolution of the Board of Directors and by filing the appropriate statement with the Administrator of the Michigan Business Corporation Act.

Section 3) The term of existence of the corporation shall be perpetual.

Section 4) The purpose is:

1. To receive, govern, supervise and regulate the use, maintenance, and improvement of all real property and interests or rights in or upon real property, which shall be deeded, leased, conveyed or otherwise assigned to the corporation.
2. To sell, convey and dispose of any such property and to invest and reinvest the principal thereof, and to deal with and expend the income and principal of the corporation in such manner as in the judgment of the Board of Directors will best promote its objectives and purposes.
3. To receive, take title to, hold and use the proceeds and income of stocks, bonds, obligations of other securities of any corporation or corporations, domestic or foreign, but only for the foregoing purposes, or some of them.
4. In general, to exercise any, all and every power for which a non-profit corporation organized under the provisions of the Michigan Non-Profit Corporation Act can be authorized to exercise, for the benefit of the Community.
5. Notwithstanding any other provision of these by-laws, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried out by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and other applicable legislation and regulations as they now exist or as they may hereafter be amended. No part of the funds of this corporation shall inure to the benefit of any private member, or individual or their heirs or assigns.

ARTICLE II MEMBERSHIP

Section 1) Subject otherwise to the restrictions contained in Sections 2 thru 5 of this Article, every owner of record of an equitable interest in real property that is subject to the recorded restrictions of Forest Lake covenants, shall be entitled to membership in the Association. Any owner who holds title merely as security for the performance of any obligation shall not be a member.

Section 2) If an association, corporation, partnership, limited liability company, group operating under an assumed name, or any of these entities in combination shall become the owner of one or more lots or unplatted acreage, only one person from the entire ownership entity or group shall have voting rights and be entitled to membership. The name of such person shall be filed with the Secretary. Additionally, where two or more individuals shall jointly become the owner of one or more lots or unplatted acreage, only the first named owner of record shall be considered a full member of the association and be granted the full rights and privileges of membership.

Section 3) Membership privileges: Each full member, persons residing in his or her household and guests of the member shall be entitled to the use and enjoyment of the common properties of the Association, subject to the provisions of these By-Laws and such other rules as may be prescribed from time to time by the Board of Directors.

Section 4) Membership privileges shall only become valid upon payment of all annual and special assessments.

Section 5) Membership privileges may be suspended by action of the Board of Directors for any of the following reasons:

1. Non-payment of annual or special assessments provided that membership privileges shall be automatically restored when paid unless they are suspended under another provision of these By-Laws.
2. For conduct of members, their families, tenants and guests in violation of any of rules as posted in any of the parks, beaches, campground or other common property of the Association.
3. Hunting, baiting or any destruction of habitat upon any of the common properties of the F.L.P.O.A.
4. Operation of a watercraft in a grossly negligent manner endangering life or property by members, their family members, tenants or guests.
5. For commission of any crime or misdemeanor while on property owned by the F.L.P.O.A.
6. For conduct violating reasonable standards as determined by the Board of Directors.
7. Erection, Construction or use of any structure, tent, ladder stand, tree stand or scaffold on the common property of the F.L.P.O.A. Violation of this rule will result in removal and confiscation of any such equipment or structures.
8. Operation of motorized watercraft on Forest Lake without a current year Forest Lake licensing decal. Motorized Watercraft length restrictions are set at a maximum of 25 feet for Pontoon Boats defined as two or more round sealed floats called pontoons. All other watercraft (including deckboats) is set at a maximum length of 20 feet.
9. The operation of ATVs (all terrain vehicles), UTVs (utility-terrain vehicles), golf carts, mopeds, scooters, dirt bikes, snowmobiles or any other motorized vehicle upon any of the common properties, excluding roads maintained by F.L.P.O.A., without written permission from the Board of Directors. However, this does not mean fire, emergency and police vehicles. The failure of FLPOA to post or fence private property against ORV use does not imply consent to ORV operation on the property.

ARTICLE III MEMBERSHIP VOTING RIGHTS

- Section 1)** Members, as defined in Article II, Sections 1 and 2 shall be entitled to vote. Voting shall be based on one (1) vote per lot. Each member owning more than one lot is permitted to cast one vote per lot provided that no member may cast more, than a total of three (3) votes. For purposes of voting rights, a parcel of unplatted acreage shall be considered the same as one lot.
- Section 2)** At all membership meetings of this Association, any member (in good standing) may vote in person or by proxy, provided that no proxy shall be effective unless filed with the Secretary prior to the meeting.
- Section 3)** All proxies shall be in writing and shall be signed and dated by the member entitled to vote. No proxy shall extend beyond a period of eleven (11) months and every proxy shall automatically cease upon the sale by the member of his or her lot(s).
- Section 4)** Voting by members may be by way of vocal response, but any ten members present in person or by proxy may demand a roll call vote.

ARTICLE IV POWERS AND DUTIES

The Association shall have the following supervisory powers and duties:

- Section 1)** To promote the health, safety and welfare of the residents within the subdivisions of the Association and to do other things that, if permitted by law, will promote the common benefit and enjoyment of the residents and members of the Association.
- Section 2)** To keep and maintain common properties, including streets and pedestrian-ways thereon, 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.
- Section 3)** To exercise such control over streets and common properties, including the dam and the lake as may be within its powers 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, common properties, dam, and lake.
- Section 4)** To do all things necessary or incidental for the promotion and protection of plant and wildlife in the common properties, and in and about the subdivision.

Section 5) 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 subdivisions or any additions thereto.

Section 6) 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 Forest Lake Subdivisions, to-wit:

	Forest Lake No. 1		Forest Lake Forest Grove No.2
	Forest Lake No.2		Forest Lake River Ridge
	Forest Lake Heights		Forest Lake Blueberry Hills
	Forest Lake Heights No. 2		Forest Lake Arenac Hills
	Forest Lake River Bluffs		Forest Lake Highlands
	Forest Lake Hills		Forest Lake Panoramic View
	Forest Lake Crane Bay		Forest Lake 10 Acre Parcels
	Forest Lake Forest Grove		

or any additions thereto. This Association shall have full power and authority to bring proceedings in the name of any of the owners to enforce the restrictions; the expense of such proceedings, however, to be paid out of the general fund of the Association.

ARTICLE V ASSESSMENTS

Each owner of property that is subject to the Restrictive Covenants of Forest Lake Subdivisions and these By-Laws shall pay an annual assessment to the Forest Lake Property Association as outlined in Section 6) of the Restrictive Covenants of Forest Lake Subdivisions.

ARTICLE VI MEMBERSHIP MEETINGS

Section 1) Annual Meetings: The regular annual meeting of the members of the Association shall be held on the second Saturday in July, in the State of Michigan, at such time and place as the Board of Directors may determine.

Section 2) Thirty days notice of the annual meeting of the members of the Association shall be given to each member by mail, addressed to his or her last known address as recorded with the Association.

Section 3) If, for any reason, the annual meeting of the members of the Association shall not be held on the day hereinbefore designated, for lack of a quorum or otherwise, such meeting may be called and held as a special meeting. Proceedings at such a special meeting may be held the same, as at an annual meeting, provided, however, that notice of such meeting, shall be the same as required for the annual meeting, not less than thirty (30) days notice.

Section 4) The presence of fifty (50) members, either in person or by proxy, shall constitute a quorum for the transaction of business at an annual or special meeting of the members of the Association, except that any action governed by the Articles of Incorporation or by the Declaration of Covenants and Restrictions shall require a Quorum as provided therein.

Section 5) The notice of annual or special meeting of the members of the Association shall set out in reasonable detail the business to be brought before the meeting and each meeting shall be limited to the items sent out in the notice in order that those casting votes by proxy may be permitted to express their desires. Members present may make suggestions concerning issues, 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 meetings, such suggestions or requests as may be properly presented in writing and endorsed by fifty (50) or more members in good standing, provided such requests are received at least Ninety (90) days prior to the meeting date.

Section 6) Special membership meetings of the Association may be called by a majority vote of the Board of Directors and shall be called by the President whenever petitioned in writing by ten (10%) percent of the members at large, who are in good standing.

The petition shall clearly state the purpose for which a special meeting shall be called. 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.

Section 7) At least thirty (30) days notice of any special meeting shall be given to each member by mail, at his or her last known address as recorded with the Association.

Section 8) The order of business at the annual meeting of the members of the Association shall be established by the Board of Directors and printed in the newsletter.

Section 9) Members may cast their vote(s) either in person or by proxy when duly filed with the Secretary and/or designated representative, prior to the annual meeting.

Section 10) A member must be in good standing to participate and vote at any meeting. A members dues and other assessments must be current within ten (10) days prior to the annual meeting each year in order for a member to participate in the annual membership voting. Voting at special meetings is permitted if a member's dues and assessments are current within twenty (20) days prior to the special meeting.

Section 11) Prior to each annual or special meeting of the membership, it shall be the duty of the Treasurer to prepare a list of the members entitled to vote at each meeting. All members voting, whether by proxy or in person, shall be verified with the list either by the Secretary or by one or more individual member(s) designated by the Board of Directors.

Section 12) Voting shall be by majority vote of those members present in person or by proxy.

Section 13) The President, or in his or her absence the Vice President, shall preside over the annual and special meetings of the Members of the Association.

Section 14) Special assessments may be levied upon a two-thirds (2/3) affirmative vote of the Board of Directors at an annual meeting or any special meeting called for that purpose, or upon the favorable vote of the members present in person or by proxy at an annual or special meeting of the membership.

Section 15) Nominations for the Board of Directors: Members of the Association in good standing may be nominated for the Board of Directors. Nominations shall be opened on April 1st of each fiscal year, and shall be in writing and signed by a member in good standing for the current fiscal year. Nominations shall be filed or placed with the Secretary no later than ninety (90) days prior to the date of the election. Nominees who accept nomination must be a member in good standing for the current fiscal year and must file their acceptance with the Secretary no later than May 1st. Employees of Forest Lake can be nominated for a position on the Board of Directors, provided that, if elected, they must terminate their employment with Forest Lake.

ARTICLE VII BOARD OF DIRECTORS

Section 1) The management affairs and policies of the Association shall be vested in the Board of Directors, each of whom must be a member of the Association in good standing. The number of Directors shall be Nine (9). They shall elect a President, Vice-President, Treasurer and Secretary. It shall be permissible for an elected or appointed county or township official to also serve on the Forest Lake Board of Directors, provided that in the event of a conflict of interest between county or township business and Forest Lake business, then such Board member shall excuse him or herself from any and all meetings and discussions concerning the issue in conflict and shall abstain from voting on all matters affecting the issue in conflict. The Board shall have, by majority vote, the power to determine whether or not an issue is in conflict.

Section 2) Directors shall be elected each year at the annual meeting of membership and shall hold office until their successors are elected. Term lengths shall be for three years and terms shall be staggered so that no more than three terms will expire at the end of each election year.

Section 3) In the event a vacancy occurs in the middle of a term, such vacancy may be filled by a majority vote of the Board of Directors then in office, though less than a quorum. Nominations for any vacancy may be made by any Board member at any regular or special meeting of the Board of Directors. All voting for vacancies on the Board shall be by secret ballot unless voted by acclamation. Directors chosen to fill a vacancy shall hold office until the next annual election and until their successors are duly elected to complete the unexpired term of the director originally elected to a three (3) year term. At each annual election, term lengths shall be awarded based on whoever obtains the highest number of votes.

Section 4) Powers: The business of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not prohibited by law or Articles of Incorporation or by these By-

laws, or directed or required to be exercised or done by the shareholder/members. The power of the Board of Directors shall include the power to authorize the making and execution on behalf of the corporation of any lawful contracts, to employ agents and employees, to fix their compensation, to prescribe their duties, to dismiss any agent or employee without previous notice and generally control all the affairs of the corporation. Any employee, who is terminated by a vote of the Board of Directors, may only be rehired by a unanimous vote of the entire Board. This section shall not apply to any employee that resigns or who leaves in good standing voluntarily. The Board of Directors shall also have the power to borrow funds, to mortgage, pledge or otherwise encumber the assets of the Association as security, including dues and capital assessments due or to become due the Association.

Section 5) Meetings: Each year the Board of Directors shall establish a schedule of regular meetings to be held throughout the year. Such schedule shall include a minimum of one meeting to be held in each calendar quarter. This schedule of regular meetings shall be posted on the clubhouse bulletin board and published in any regular newsletter or publication that is sent to the membership. Special meetings of the Board of Directors may also be called by the President or any two (2) directors at such time and place as may be specified in the notice of such meeting.

Section 6) Notice of meetings: Posting and publication in the newsletter and bulletin board of the time, date, and place of regular meetings shall constitute full notice of meetings to Members of the Board. Notice of the time, date, and place of each special meeting of the Board of Directors shall be given by mail, telephone, fax or e-mail at a minimum of seventy-two hours before the scheduled day of the meeting. Presence of a Board member at any Board of Directors meeting constitutes a waiver of notice to him or her of the meeting, unless he or she, at the beginning of the meeting, or upon his or her arrival, objects to the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

Section 7) In an emergency any action required or permitted by these by-laws which must be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of all Directors, provided that any action so taken must be announced and duly recorded at the next regular Board Meeting.

Section 8) Quorum: At all meetings of the Board of Directors, the quorum necessary to transact business shall be seven (7). A Board member may participate in a Board of Directors meeting by a conference telephone or by other similar communications equipment through which all persons participating in the meeting may communicate with the other participants. Participation in such manner constitutes presence at a Board of Directors meeting. The act of the majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors.

Section 9) Power to elect officers: The Board of Directors shall select from its members a President, one or more Vice-Presidents, Secretary and Treasurer. These officers shall be elected at the next meeting, and they shall hold their respective offices until the next annual meeting and until their successors are elected. Any officer so elected may be removed by the Board of Directors whenever in its judgment the best interest of the Association will be served thereby.

Section 10) The Board of Directors shall appoint or authorize the President to appoint from their own number or from members of the Association such committees and the power and duties thereof, as the Board deems necessary to carry on the affairs of the Association. The committee so appointed shall hold office during the pleasure of the Board of Directors.

Section 11) Any member of the Board of Directors may be removed for cause by a vote of two-thirds (2/3) of the other members of the Board of Directors, and any member of the Board of Directors may be removed without cause by a unanimous vote of the other members of the Board of Directors. Such action can only be taken at a meeting called for that purpose and all Board Members must be present, except the Board member whose removal is being voted on.

Section 12) Order of meetings: "Roberts Rules of Order Revised" shall be used as the standard of conducting the order for procedure of meetings, so long as they are not inconsistent with these By-Laws. Rules may be suspended by a two-thirds (2/3) vote of the Board members voting. Unless otherwise determined by the President or Chairman, the order of business at all membership meetings shall be: 1) Call of the meeting to order; 2) Roll call; 3) Presentation of proof of proper notice of meeting; 4) Determination that a quorum is present; 5) Reading of the minutes of the previous meeting (reading may be waived by unanimous vote); 6) Approval of or any additions, deletion or corrections to minutes; 7) Reports of officers, Board members and committees; 8) Transaction of business - a. Unfinished business - b. New business; 9) Transaction of such other business as may properly come before the meeting; 10) Adjournment

Section 13) Action by unanimous written consent: Any action required or permitted to be taken at any Board of Directors meeting or a Committee of the Board meeting may be taken without a meeting if, before or after the action, all members of the Board then in office or of the committee consent in writing to the action. The written consent shall be filed with the minutes of the proceedings of the Board or Committee. The written consent shall have the same effect as a vote of the Board or Committee.

ARTICLE VIII OFFICERS

Section 1) President: The President shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect. He or she shall sign all legal documents authorized for his signature by the Board of Directors. In conjunction with the treasurer, he or she shall have authority to authorize all disbursements. In times of emergencies caused by any fire, flood or act of God, he or she shall have authority, in absence of other Board of Directors to authorize disbursement of such moneys required to stem the loss, destruction or damage to any common properties of the Association. The President shall appoint a chairman for all standing committees and shall be an ex-officio member of said committees. The President shall also preside over all annual and special meetings of the membership and all meetings of the Board of Directors.

Section 2) Vice- President: The Vice-President shall act in the place of the President in his or her absence. The Vice-President shall succeed the President in the event the office of the President shall become vacant by death, resignation or otherwise, or due to the inability of the President to discharge the duties, of his or her office. The Vice-President shall also perform such other duties as may be delegated by the President or the Board of Directors. Vice-Presidents in absence of the President in above described emergencies shall have the authority to authorize disbursements of funds as required and set forth above.

Section 3) Secretary: The Secretary shall keep the minutes of all meetings of the Association, the Board of Directors and Executive Committee, if one is established, and shall preserve in the books of the Association true minutes of the proceedings of such meetings. He or she shall give all notices required by statute, law or resolution. The Secretary shall keep a record of the names and addresses of all members of the Association, the property owned by each, and all transfers of membership. The Secretary shall have copies of all minutes forwarded to all members of the Board of Directors as soon as practical after each meeting. A signed copy of all minutes shall be kept in a locked file in the Office of the Association. Upon the cessation of the Secretary's duties whether by resignation, removal, or otherwise, he or she shall turn over a complete and accurate set of minutes to the new secretary as soon as possible.

Section 4) Treasurer: The Treasurer shall send to the lot owners all notices as to amounts due the Association for dues and assessments. He or she shall advise the Board of Directors as to all delinquencies and shall keep the Board of Directors informed regarding the properties of the Association, the property/casualty insurance thereon and shall perform such other duties as are delegated to him or her by the Board of Directors. The Treasurer shall have custody and keep accounts of all money, corporate funds and securities of the Association. He or she shall keep in books belonging to the Association full and accurate accounts of all receipts and disbursements; he or she shall deposit all monies, 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. The Treasurer shall disburse the funds of the Association in a manner as may be ordered by the Board of Directors, taking proper vouchers for such disbursement and shall render to the President and Directors at regular meetings of the Board of Directors and whenever requested by them an account of all of his or her transactions as Treasurer and of the financial condition of the Association. If required by the Board of Directors, the Treasurer shall keep in force a surety bond in form and amount satisfactory to the Board of Directors, with provisions for faithful performance of the duties of his or her office. Such bond shall also provide for the restoration and return of all papers, books, vouchers, money and property of any kind in his or her possession or control belonging to the Association. He or she shall perform such other duties as are delegated to him or her by the Board of Directors. The Treasurer shall oversee the filing of all federal and state tax returns in conjunction with professional accountants employed by the association and shall advise the board as to the status of all required tax documents and shall take whatever action that may be necessary for the association to maintain its non-profit status under section 501(c)(4) of the Internal Revenue Code or any other applicable legislation and regulations as they now exist or may be hereafter amended.

ARTICLE IX INDEMNIFICATION

Section 1) Each person who acts as a Director or Officer of the corporation shall be indemnified by the corporation against expenses actually incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of his being or having been a Director or Officer of the corporation, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance, and except any sum paid for the corporation in settlement of any action, suit or proceeding based on gross negligence or willful misconduct on the performance of his duties.

Section 2) The right of indemnification provided herein shall inure to each Director and Officer referred to in Section 1 whether or not he is such Director or Officer at the time such costs or expenses are imposed, and in the event of his death shall extend to his legal representatives.

ARTICLE X DISSOLUTION

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 XI hereof) shall be mailed to every member at least ninety (90) days in advance of any action taken.

ARTICLE XI DISPOSITION OF ASSETS UPON DISSOLUTION

Upon dissolution of the Association, the Assets, both real and personal of the Association, shall be dedicated to the Township of Moffatt, located in the County of Arenac, State of Michigan 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 provision of such covenants and deeds.

ARTICLE XII AMENDMENTS

Section 1) These By-laws may be altered, amended, repealed or added to at an annual or special membership meeting called for that purpose or by two-thirds (2/3) vote of those Directors present at a Board of Directors Meeting called for that purpose.

Exception: Annual assessments may only be changed in accordance with article 6) of the Restrictive Covenants of Forest Lake Subdivisions which state that after 1975, the basis and amount of the assessment may be increased or decreased by an affirmative two-thirds (2/3) vote of the owners. The Quorum for such action shall be sixty (60) percent of the members, voting, either in person or by proxy thirty (30) days after written notice has set forth the purpose of such meeting.

Section 2) Any provision of these By-Laws that is governed by the Articles of Incorporation may not be amended except as provided by the Articles of Incorporation or applicable law. It is further provided, that any matter stated in these By-Laws, which is in fact governed by the Restrictive Covenants of Forest Lake Subdivisions may not be amended except as provided therein or by Judicial Decree.

Section 3) In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Restrictive Covenants and these By-Laws, the Restrictive Covenants shall control.

Forest Lake POA By-Laws Revisions

Approved at the Board of Directors Meetings

Article II	August 10, 2002
Article VII	September 14, 2002
Article VI	October 12, 2002
Articles I, III & V	November 9, 2002
Articles IV, VIII & XII	December 14, 2002
Article II, sec 7	October 11, 2003
Article II, sec 1	August 11, 2012
Article VI, Sec 15	August 11, 2012
Article II, Sec 5-3	March 9, 2013
Article II, Sec 5-8	March 9, 2013
Article II, Sec 5-9	March 9, 2013
Article VII, Sec 12- 8a	December 14, 2013
Article II, Sec 5- 7	March 14, 2015
Article II, Sec 5- 8	March 14, 2015
<u>Articles unchanged from at least November 22, 1996</u>	
Article IX	Indemnification
Article X	Dissolution
Article XI	Disposition of Assets Upon Dissolution

Revised 2015