

*Lake La Ann*

Property Owners Association

# **Bylaws**

**Revised June 2023**

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## **Article I**

### **Name**

The name of this Association shall be Lake LeAnn Property Owners Association (hereinafter, “the Association”).

## **Article II**

### **Purpose**

#### Section A. Purpose

(1.) To promote the health, safety and welfare of the residents within Lake Le Ann’s Subdivisions in Somerset Township, County of Hillsdale, State of Michigan and future additions thereto; and for this purpose

(2.) To own, acquire, build, operate and maintain parks, streets and recreational facilities in said subdivisions or additions thereto.

(3.) To establish, alter and enforce building and use restrictions for Lake Le Ann Subdivisions and additions thereto.

(4.) To administer and supervise the collection and expenditure of assessments against properties in the subdivisions.

(5.) To do all things necessary and incidental to promote the common benefit and enjoyment of the residents of the subdivisions and additions thereto.

#### Section B. Dues

(1.) The Association may set and collect annual dues, assessments, penalties and fees from members of the Association as permitted by law, and the Association’s Articles of Incorporation and By-laws.

(2.) Changes in annual dues and assessments shall be brought before the general membership where voting shall be as specified under these Bylaws, of those members in good standing present in person or via Absentee Ballot at the Annual Meeting or Special Meeting subject to Quorum requirements specified in Article VII, Section F of these Bylaws.

#### Section C. Non-profit status

The Association is organized not-for-profit. Any net income or earnings which may be derived from its operations, in pursuance of the purposes of the Association, shall be used in the furtherance of the purpose of the Association, and shall not be distributed to any member, director, or officer of the Association, or any private individual, except to pay reasonable compensation for services rendered to the Association.

## **Article III**

### **Length of Existence and Dissolution**

#### Section A. Length of Existence

The term of the corporation existence is perpetual.

#### Section B. Dissolution

(1.) The Association may be dissolved only with the assent given in writing and signed by members entitled to cast two-thirds of its membership vote.

(2) Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets shall be mailed to every member at least ninety (90) days in advance of any action taken.

(3) In the event the LLPOA is dissolved, all existing property liens and assessments will remain valid. Any assessment owed to LLPOA, at the time the Association is dissolved, will be collected and equally returned to the Members of the Association in good standing at the time of dissolution.

## **Article IV**

### **Membership**

#### Section A. Qualifications

(1). Every person or entity who holds an equitable or undivided equitable interest in any ownership unit or living unit within the Lake Le Ann subdivisions as platted, whether as land contract vendee or fee holder shall be members of the Association. All persons or entities possessing such an interest shall be subject to the recorded restrictions for Lake Le Ann, its subdivisions, properties, and uses thereof.

(2). All persons or entities possessing such an interest as set forth in the preceding paragraph who are in compliance with such restrictions and uses, the covenants in these By-laws and have paid all assessments\*, fees, fines and dues (financial obligations) called for by said restrictions and under these By-laws shall be members in good standing of the Association.

\*A Payment Plan may be authorized for Special Assessments for the general Membership, by the Board of Directors. Members would remain in good standing as long as the Payment Plan remains current.

(3). Any person or entity who holds an equitable interest or undivided equitable interest merely as a security for the performance of an obligation shall not be a member of the Association.

(4). Persons not holding an interest in any ownership unit or living unit may not become a voting member of the Association.

(5). Privileges are extended to the owner with legal or beneficial interest in the real property of the LLPOA. A maximum of two membership cards will be issued per property to anyone who is listed on the Deed or who has legal or beneficial interest in the property, except for voting and holding Association office as set forth under Article IV (B) (1) of these Bylaws.

### **Membership Rights and Privileges**

#### Section B. Voting Rights

(1.) The Association shall have one class of voting membership. Voting members shall be all those members in good standing as defined in Article IV. When more than one person holds such interest or interest in any ownership or living unit, only one vote shall be exercised as they among themselves determine. Each individual or entity owning a part of more than one lot is limited to one vote to be cast in a manner hereinbefore set forth. No fractional votes are permitted.

(2.) Each member in good standing shall be entitled to the use and enjoyment of the common facilities of the Association, as stated within each individual member's Subdivision Deed Restrictions, but not to the exclusion of others members.

(3.) Any member in good standing can hold any office of the Association in accordance with these By-Laws, if duly elected or appointed, in accordance with these By-Laws.

(4.) A member shall have the right to be heard by the Board by submitting his request in writing to a Director or President, three days prior to a regular Board meeting to be properly included on the agenda. The request must include stated business. The Director or President shall present such written request to the presiding officer of the Board at or before the commencement of such Board meeting.

(5.) Association members are encouraged to attend all open Board meetings.

(6). Allowed Voting Methods:

- A. Vote in person at the Annual or Special Meeting in accordance with procedures adopted by the Board of Directors for a particular vote.
- B. Vote via Absentee Ballot. Absentee Ballots shall be delivered to the LLPOA no later than fifteen (15) days prior to the date of the meeting for which the Absentee Ballot has been given. Absentee Ballots may be delivered to the Association by personal delivery, U.S. mail, electronic transmission or by other Board-approved means.
- C. “Electronic transmission of a completed Absentee Ballot” means transmission not directly involving the physical transmission of paper, which creates a record that may be retrieved and retained and that may directly reproduce in paper through an automated process (e.g. facsimile, email), and that is authorized by the Association.

(7). Voting Procedures and Requirements:

- A. Absentee Ballot voting procedures, distribution, validation and compilation shall be determined by the Board of Directors.
- B. For each Annual or Special Meeting, the Board of Directors shall prepare an Absentee Ballot, the form of which shall be determined by the Board. No Absentee Ballot shall be valid unless it is presented on the Board’s approved Absentee Ballot form.
- C. Upon request of a member in good standing, an Absentee Ballot will be available for pickup at the LLPOA office or provided to the Member by the LLOPA.

(8). Voting Restrictions and Limitations:

- A. Absentee Ballots can only be utilized for motions on the agenda for Annual or Special Meetings.
- B. Voting for Directors is not allowed by Absentee Ballot.
- C. The Election Supervisor, as referenced in Article VI, Section A, shall be responsible for validating all submitted Absentee Ballots.

**Suspension of Membership**

Section C. Suspension of Membership in Good Standing

(1). Non-payment of all assessments\*, fees, fines and dues (financial obligations) by March 1 of each year constitutes an automatic suspension of a membership in good standing status. No action by the Board of Directors or a written request for such action is required for a non-payment suspension. Upon payment of said assessments\*, fees, fines and dues (financial obligations) both present and delinquent, the member’s rights and privileges shall be automatically restored.

\*A Payment Plan may be authorized for Special Assessments for the general Membership, by the Board of Directors. Members would remain in good standing as long as the Payment Plan remains current.

(2) The rights and privileges of any person or entity may be suspended for misconduct by action of the Board of Directors by a two-thirds vote. Violation of the restrictions, covenants, regulations, or By-laws constitutes misconduct, as well as other acts of omission or commission that are harmful to the health, safety and welfare of other Association members.

(3.) Any claim of misconduct against a member of the Association must be stated in written form, signed by not less than ten (10) members of the Association who are in good standing and presented to the Board of Directors. Upon receipt of such a claim of misconduct, the Board shall cause the same to be investigated and efforts shall be made to resolve the claim without a Board hearing. If such hearing is not resolved by the next regularly scheduled Board meeting, the Board shall then forward by certified mail, or cause to be personally delivered to the person or persons against whom such misconduct claim is made, a notice that a hearing will be held on such claim by the Board at a special meeting called for the purpose at least ten days after such notice is mailed or delivery made personally to the person or persons against whom such misconduct claim is made.

(4.) Such notice shall inform said person or persons of the nature of the misconduct claim and the date and time of the Board hearing thereon. Said notice shall also inform such person or persons of his or her right to a full hearing and opportunity to answer the claim of misconduct. The Board shall make its determination of the misconduct claim in written form. Should the Board, by a two-thirds (2/3) vote, find such a person or persons to be guilty of misconduct, as defined by these By-laws, it may suspend the membership rights and privileges of such person or persons for a time to be determined by the Board. The Board may, upon a two-thirds (2/3) vote, acquit all violations of misconduct, if remedied to the satisfaction of the Board, and restore such a person or persons to good standing at any regularly scheduled Board meeting, provided such person or persons is otherwise in compliance with the membership in good standing requirements.

#### Section D. Termination of Membership

Membership is terminated upon sale of all Lots. Failure to pay assessments or otherwise comply with the restrictions does not terminate membership; rather, the member instead will simply not be in good standing and will not otherwise have the privileges that attach to good standing status.

#### Section E. Expenses of Collection

All expenses incurred in collecting unpaid assessments and dues, including interests, fines, costs, actual attorneys' fees shall be chargeable to the owner in default.

### **Article V**

#### **Association Powers and Duties**

##### Section A. Powers

(1.) The Association has all the powers of a Michigan non-profit corporation, and as may be provided by this Corporation's Articles of Incorporation, the By-laws of this Corporation; the recorded covenants and restrictions of subdivisions within the justification of this Corporation; and, such other and further powers as shall be reasonably necessary to accomplish the purposes of the Association.

##### Section B. Supervisory Powers and Duties

(1.) The Association shall have the following supervisory powers and duties that shall be exercised for the mutual benefit of all members.

(2.) The Executive Committee will have the right to suspend for misconduct, violations of the restrictions, covenants, regulations, or By-laws as well as other acts of omission or commission that are harmful to the health, safety and welfare of other Association members until such time as the regular Board of Directors can vote at the next regularly scheduled Board meeting.

(3.) In order for the suspension to take affect, one hundred percent (100%) of the Executive Committee will need to vote for suspension.

##### Section C. Association Properties and Lakes

(1.) To keep and maintain common properties in a clean and orderly condition, to cut and remove weeds, dead trees and grasses wherefrom, to control the weed level of the lake, to pick up loose materials, refuse, etc., and to do other things necessary or desirable to keep the same neat in appearance and good order.

(2.) To control the lake level in the best interest of the property owners and in accordance with all laws and court orders of judgment.

(3.) The board shall not sell any property owned by the association without a vote of the general membership were voting shall be as specified under these by-laws, of those members in good standing present in person at the Annual or Special meeting or by Absentee Ballot.

Section D. Roadways

(1.) To exercise such control over streets as may be deemed necessary or desirable with the membership and approved by the Association Board, but only to the extent that they are not in conflict with the County, Township or State Laws governing roadways.

(2.) To repair and maintain streets and pedestrian ways owned by the Association. (Note: the owners must maintain private waterways and roadways).

(3.) To provide for the removal or erection and maintenance of gateways or entrances and other ornamental features now existing or hereafter to be erected or created.

(4.) To maintain recreational facilities owned by the Association in the subdivisions or any additions thereto.

Section E. Environmental

To do all things necessary or incidental to the protection of plants and wildlife in the common properties in and about the subdivisions.

Section F. Enforcement of Restrictions:

(1.) To enforce, either in its own name, or the name of any property 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 Le Ann subdivisions or any additions thereto.

(2.) Failure of an owner or their guests or invitees to comply with the Subdivision Documents shall entitle the Association to recover from such owner all damages, fines, expenses, pre-litigation costs and actual attorneys' fees (including pre-litigation costs and fees) incurred in obtaining their compliance with the Subdivision Documents. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations. As used in these Bylaws, "Subdivision Documents" means any and all building, use and other restrictions recorded against the lots located within the Lake LeAnn Subdivisions, the Association's Articles of Incorporation, and any Association Rules and Regulations.

Section G. Rules and Regulations:

The Board of Directors shall establish reasonable rules and regulations concerning the use of the lakes and of properties and facilities of the Association, and shall enforce these rules and regulations.

Section H. Conduct of Association Business:

The management, affairs, and policies of the Association shall be vested in the Board of Directors of the Association whose powers and duties shall be those stipulated by the By-Laws.

Section I. Fiscal Year:

The Association shall conduct business on a yearly basis that shall be from January 1 to December 31.

Section J. Audit:

An annual review or compilation of the Association's financial records by a certified public accountant, approved by the Board, shall be completed by May 15 of each year and the findings of said review/compilation shall be presented to the Board of Directors.

## **Article VI**

### **The Board of Directors**

#### Section A. Powers & Duties

The Board of Directors shall constitute the governing body of the Association and is empowered to act in representing the Association in all matters, including, but not limited to the following:

The Board of Directors shall:

- (1.) Have the authority to borrow funds, to mortgage, pledge or otherwise encumber the assets of the Association as security for the properties of the Association, together with the right to assign, as further security, assessments due or to become due to the Association, which total amount of indebtedness shall not exceed 50% of the annual maintenance fees;
- (2.) At the next regularly scheduled Board of Directors meeting following the Annual Meeting of the membership, after review of the Annual Meeting in New Business the directors shall select a President, one or more Vice Presidents, a Secretary, and a Treasurer;
- (3.) Have the power to appoint such other officers and agents and to hire such employees as may be necessary for the carrying out of the purpose of this Association;
- (4.) Appoint, or authorize the President to appoint, from their own number or from members of the Association, such committees as not stipulated by these By-Laws as the Board deems necessary to carry on the affairs of the Association, and shall define the powers and duties thereof. Said committees shall hold office at the pleasure of the Board.
- (5.) Have such powers as are set forth in these By-Laws or as are necessary and incidental in carrying out the general affairs of the Association and the Declaration of Restrictions, except as herein prohibited.
- (6.) An Election Supervisor (ES) shall be appointed by the Board of Directors annually at the first Board of Directors meeting following the Annual Meeting. The ES shall report to the Executive Committee and serves at the pleasure of the Board of Directors.

#### Section B. The Board Composition

The Board of Directors shall consist of one Director representing each of the following subdivisions:

Grand Point	Highland Hills	Westdale
Grand View	Cherry Park	Plaza
Maquago Hills	Greenbriar	Laguana Park
Indian Hills	Lakeview	Crystal Estates
Royal Shores	Fairway Hills	Highland Green

#### Section C. Requirements of Directorship

- (1) Directors shall be a property owner in the subdivision to be represented; however, if there are no nominations from the said subdivision the Directorship shall be opened to the general membership for a one-year term;
- (2) Directors shall be a member in good standing as set forth under these By- Laws;
- (3) Members on the Board shall be restricted to only one member of an immediate family;
- (4) Directors shall have reached the age of majority before the Annual Meeting at which he or she seeks office;
- (5) Membership on the Board of Directors shall be limited to only one member or associate of any corporation, company, agency, business or other commercial enterprise or organization.



#### Section D. Nomination and Election of Directors

(1) Nominations. Nominations for open Directorships may be brought before the general membership at the annual meeting by addressing the nomination to the President of the Association in writing at any time before the annual meeting. Nominations will also be taken from the floor at the annual meeting. Nominations will be accepted for at least as many positions as there are vacancies. The nominees shall be composed of members of the Association in good standing. Those, whose names are placed in nomination, must be present at the annual meeting or provide the LLPOA with written notice of his/her acceptance of such nomination two weeks prior to the Annual Meeting, in order to be considered for a position by the membership. Any nominees not present at the Annual Meeting, but who provided written notice of acceptance may provide a statement to be read by the president on his/her behalf at the Annual Meeting. The nominated slate shall not be proposed to the general membership prior to the annual Meeting.

(2) Election. The Directors shall be elected to a three (3) year term by the general membership at the Annual Meeting, unless otherwise specified in these By-Laws. Only members in good standing may cast a vote.

The Directors shall be elected in three (3) rotating groups as follows:

Elected in 1969 and every three years thereafter;

Grand Point, Grand View, Highland Hills, Cherry Park, and Fairway Hills

Elected in 1970 and every three years thereafter;

Lakeview, Westdale, Plaza, Crystal Estates, and Highland Green

Elected in 1971 and every three years thereafter;

Maquago Hills, Indian Hills, Royal Shores, Greenbriar, and Laguana Park

#### Section E. Resignation or Vacancy.

(1) A Director may resign by written notice to the Association. A Director resignation is effective when it is received by the Association or at a later time if a later time is stated in the notice of resignation.

(2) The Board of Directors may elect a successor to fill any vacancy until the next Annual Meeting, at which time a successor shall be elected by the general membership to fill the remaining portion of the vacated term.

#### Section F. Removal of a Director.

(1) Misfeasance, malfeasance, non-feasance, neglect or other inattention to or incompetence in the performance of duty on the part of a Director, shall be grounds for his or her removal as such. Charges shall be entertained in writing to the Board of Directors and signed by not less than eight (8) members in good standing of the Association. The Board shall then, upon due notice to the person against whom the charges are preferred, conduct a Special Board Meeting duly called for the purpose of disposing of the charges. At such meeting, accused shall have full and ample opportunity to be heard, and the final status of the accused determined by a vote of the Board of Directors; whereby, a two-thirds (2/3) vote of the Directors is necessary for removal of the Director.

(2) The Director, if removed, may appeal to the general membership by presenting to the Board a written request for appeal at least sixty days (60) in advance of the next Annual Meeting. However, in this instance, the Director shall be suspended from participation as a Director until disposition of the charges has been made by the general assembly. The Board may, at its discretion, name a replacement for the suspended Director.

(3.) A Director who misses more than four (4) regularly scheduled monthly Board meetings in any 12 month period shall be automatically removed without the opportunity to be heard or otherwise appeal the removal. The Secretary shall be required to provide the historical attendance records of regularly scheduled monthly Board meetings.

#### Section H. Director Attendance.

Directors shall not be permitted to miss more than four (4) regularly scheduled monthly Board meetings in any 12-month period. A Director who misses more than four (4) regularly scheduled monthly Board meetings in any 12 month period shall be automatically removed from the Board in accordance with section F (3) of Article VI.

#### Section I. Undertaking the Duties of Directorship.

All newly elected Directors are considered as official Directors upon the start of the first regularly scheduled Board meeting following the Annual Meeting. All newly elected Directors will be seated at the dais (as Directors) and their presence counted toward establishment of a quorum of nine at the next Board of Directors meeting following the Annual Meeting. Outgoing Directors remain seated and shall continue, whenever possible, with all duties, responsibilities, and assignments until the start of the next Board of Directors Meeting following the Annual Meeting.

### **Conduct of Business**

#### Section A. Meetings.

(1) The Secretary or designee shall call the roll and record attendance of Directors.

(2) The presiding officer or any Director in attendance shall make a determination whether the present meeting constitutes a fifth missed meeting by any Director in accordance with section F (3) of Article VI. In the event a Director is found to have missed more than four (4) regularly scheduled monthly Board meetings, the presiding Officer shall note for the record the automatic removal of the affected Director.

#### Section B. Quorum.

A quorum of nine (9) members of the Board of Directors is necessary for the transaction of any business.

#### Section C. Presiding Officer.

The President shall chair the meeting. In the event the President is incapable of chairing the meeting, the following order of precedence shall be used for determining a chairperson pro-tem: First Vice President, Second Vice President.

#### Section D. Rules of Order.

Roberts Rules of Order shall be used as a guideline for the conduct of business.

#### Section E. Association Member Participation at Board Meetings.

A time shall be set aside at each regularly scheduled Board meeting for the purpose of providing Association Members who are in good standing with an opportunity to address the Board in matters concerning Association business. This time shall not exceed ten minutes and shall immediately follow roll call. At the discretion of a majority of the Board this time may be extended in additional increments of ten minutes. The Board shall not be required to take action pursuant to the comments of the Association members. Any Association Member desiring Board action shall adhere to the provisions of Section B (4) of Article IV.

#### Section F. Closed Meetings and Hearings

(1) The President or any three Directors may call a closed meeting or hearing of the Association for the following reasons:

- (a) Legal discussions that may affect the Association.
- (b) Employee disciplinary hearings.
- (c) Member in good standing hearings.
- (d) Other matters that may require discretion.

(2) Such meetings shall be limited to Officers and Directors of the Association, Association attorney(s), and invited guests as determined by a majority of the Board.

## Article VII

### Membership Meetings

#### Section A. Annual Meeting

(1) The regular Annual Meeting of the Association shall be in June on a date to be set annually by the Board of Directors, at such time and place as the Directors may determine.

(2). A notice of the Annual Meeting shall be posted to the LLPOA website and mailed to each member, no less than forty-five (45) days prior to the Annual Meeting, addressed to his or her last known address as recorded with the Association.

(3). If, for any reason, the Annual Meeting of the members 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 and proceedings may be held thereat as an Annual Meeting, provided however, that the notice of such meeting shall be the same as required for the Annual Meeting, mailed and posted on the website no less than forty-five (45) days prior to the meeting.

#### Section B. Notice

(1) The notice shall set out in reasonable detail the business to be brought before the membership and each meeting shall be limited to the items set out in the notice. Members present may make suggestions covering items that 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 Board of Directors for resolution at the next regular or special meeting.

(2). It shall further be the duty of the Secretary to include with the notice of any Regular or Special Meetings such suggestions or requests as may be properly presented in writing and endorsed by fifty (50) or more members in good standing, providing such requests are received at least sixty (60) days prior to the meeting date.

#### Section C. Special Meetings

(1) A Special meeting of the Association may be called by the President, or any three Directors or upon written request of no less than fifty (50) Association members in good standing. Such requests shall clearly state the purpose for which the meeting is to be called by the President, providing said purpose is germane to the purpose for which this Association is organized and for the improvement thereof.

(2). A written notice of any Special Meeting shall be mailed no less than forty-five (45) days to each Association member, addressed to his or her last known address, as recorded with the Association.

#### Section D. Order of Business.

(1) The order of business at the Annual Meeting of the members shall be as follows provided and that this order of business may not be changed by the Chairperson or by a majority vote of the members present:

- (a) Roll Call
- (b) Reading Consideration of the minutes of the previous meeting and approval thereof
- (c) Stated New Business (business as called for by due notice to the membership)
- (d) Reports of the Officers
- (e) Reports of the Committees
- (f) Election of Directors
- (g) Unfinished business
- (h) Suggestions and/or resolutions by the general assembly

(2) Only at the Annual Meeting or a Special Meeting will the agenda be changed to move the discussion and voting of proposed motions (that require a vote to be taken) to the start of the meeting right after Approval of previous minutes. Voting on motions brought to the Annual Meeting or Special Meeting must start to take place in the first 15 minutes of the meeting. In addition, no other motions may be made by the Board or other attendees, which were not properly noticed, prior to this meeting.

#### Section E. Participation at Annual or Special Meeting

(1) A member must be in good standing as specified under Article IV of these By-Laws to participate in the affairs of the Annual or Special Meetings.

(2). Voting shall be by majority vote of the members in good standing attending the Annual Meeting or Special Meeting or, if applicable, voting by Absentee Ballot, unless otherwise specified under these By-Laws.

(3). It shall be the duty of the Secretary to determine all members in good standing and prepare a list of the Members entitled to participate and vote at each meeting. This list shall be compared against a list of all Members voting in person or, if applicable, by Absentee Ballot, which shall be checked, either by the Secretary, Election Supervisor or some individual designated by the Board of Directors.

(4). The Secretary must make available the detail for Absentee Ballots received from the Election Supervisor and when registering at the Annual Meeting, such Members will be given a voting card signifying those current agenda items that they have already submitted an Absentee Ballot.

(5). If the Annual or Special Meeting is not held, due to a lack of quorum or other reasons, all validated Absentee Ballots will be kept and used when the meeting is rescheduled or returned to Member upon written request.

#### Section F. Quorum.

The presence of fifty (50) voters in person, shall constitute a quorum for the transaction of business at the Annual or Special Meeting. Absentee Ballots do not count towards determining quorum.

#### Section G. Presiding Officer.

President shall chair the Annual or Special meeting. In the event the President is incapable of chairing the meeting, the following order of precedence shall be used for determining a Chairperson pro-tem: First Vice President, Second Vice President.

#### Section H. Rules of Order

Roberts Rules of Order shall be used as a guideline for conduct of business.

## **Article VIII**

### **Association Officers**

#### Section A. Enumeration

The Officers of the Association shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer.

#### Section B. Selection

The Officers shall be elected by the Board of Directors at the next regularly scheduled Board of Directors meeting following the Annual Meeting of the membership. A majority vote is required to be elected to office.

### Section C. Term

The term of all officers shall be for one year from the date elected by the Board. Election of new officers shall be the first item of new business right after Annual Meeting review, at which time the elected officers will assume their duties and responsibilities and oversee the balance of the meeting.

### Section D. Resignation

An Officer may resign by written notice to the Association. A Director resignation is effective when it is received by the Association or at a later time if a later time is stated in the notice of resignation. The Board of Directors may elect a successor to fill any vacancy for the remaining term of office

### Section E. Removal

(1) An Officer may be removed for misfeasance, malfeasance, non-feasance, neglect and other inattention to or incompetence in the performance of duty. Charges may be preferred in the manner specified in Article VI, Section F, Paragraph 1, of these By-Laws by not less than ten (10) Board Members.

(2) The action of the Board shall be final.

### Section F. Duties and Responsibilities.

(1) President. The President upon election shall be a member of the Board of Directors. 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 are carried into effect. The President shall sign all legal documents authorized for his signature by the Board of Directors. The President shall be an ex-officio member of all committees. The President shall not be eligible to succeed himself/herself for more than two consecutive terms in office. The President shall also perform such other duties as necessary and incidental to promote the common benefit of the Association and as designated by the Board. The President shall not be permitted to vote on matters coming before the Board except instances where it is necessary to break a tie or to create a tie.

(2) Vice President. The Vice-President, upon election, shall be a member of the Board of Directors. The Vice President shall act in the place of the President in his or her absence; or in the event the office of President shall become vacant by death, resignation, or otherwise, or due to the inability of the President to discharge the duties of his office and the Vice President shall also perform such other duties as may be delegated by the President or the Board of Directors.

(3) Secretary. The Secretary, upon election shall be a member of the Board of Directors. The Secretary shall be present at all meetings of the Board. The Secretary or designee shall keep minutes of all meetings of the Association, Directors, and Executive Committee; and shall preserve in the books of the Association true minutes of the proceedings of all such meetings. The Secretary shall furnish all notices required by statute, these By-Laws, or Resolution. The Secretary shall keep a record of the names and addresses of all members of the Association, the real property owned by each, all transfers of membership, and shall be custodian of the Association's Seal. The Secretary shall send to the lot owners all notices as to the amounts due the Association for Annual and Special Assessments. The Secretary shall keep the Board informed regarding the properties of the Association, the liability insurance thereon, and attendance of Directors at regularly scheduled monthly meetings, and shall perform such other duties as are delegated to the Secretary by the Board of Directors or President.

(4) Treasurer. The Treasurer, upon election shall be a member of the Board of Directors. The Treasurer or designee 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. The Treasurer or designee 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 or designee shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers, 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

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

## **Article IX**

### **Committees**

#### **Section A. Standing Committees.**

(1) Purpose. Standing committees are responsible for the operational affairs of the Association and shall be directed by the Board of Directors and as stipulated in these By-laws.

(2.) Composition. The Standing Committees are comprised of appointed Association members in good standing and a Chairperson. The Standing Committees are as follows: Budget and Finance, Rules and Regulations, Lake Control, Maintenance, and the Executive Committee.

#### **Section B. Chairperson.**

Initial appointment of the Chairperson and/or co-Chairpersons shall be made by the President of the Association and shall be ratified by the Board of Directors. All Standing Committee Chairpersons or co-Chairpersons must be Directors, however Officers shall not be permitted to serve as Chairpersons or co-Chairpersons. At no time shall a Director be permitted to serve as a Chairperson of more than one Standing Committee. Removal of a Standing Committee Chairperson requires a majority vote of the Board.

#### **Section C. Committee Members.**

Members shall be appointed by the Committee Chairperson or co-Chairperson and shall be ratified by the Board of Directors. The Chairperson, with mutual consent of the Board, will recommend replacement members who are in good standing.

#### **Section D. Committee Membership.**

Excluding the Executive Committee, all Standing Committees shall be comprised of no less than seven (7) members whenever possible.

#### **Section E. Duration.**

Standing Committees exist until the Board ratifies the next committee after the Annual Meeting and not later than second board meeting after the Annual Meeting.

#### **Section F. Budget and Finance.**

(1) The members of this committee to be all chairs of the other standing committees and others assigned as necessary.

(2) The following duties and responsibilities of this Committee shall be, but are not limited to:

- (a) To prepare and present to the Board of Directors a budget for the fiscal year by the November meeting;
- (b) To have the annual review or compilation made for the financial records as required by Article V, Section J of these By-Laws;
- (c) To collect all delinquent assessments in a manner approved by the Board;
- (d) To recommend proper contractual procedures to the Board of Directors;
- (e) To maintain a budgetary control system over the finances of the Association and to inform the Board if the budget is being exceeded;
- (f) To perform other functions as the Board so wishes;
- (g) The Treasurer of the Association shall be a standing member of this Committee, but may not be its Chairperson.

### Section G. Rules and Regulations

- (1) The duties and responsibilities of this Committee shall be to review, update, delete, and/or augment those rules and regulations that are necessary for the good and welfare of the Association and to present these rules to the Board for approval;
- (2) To recommend appropriate methods and actions with which these rules may be enforced.
- (3) To perform other functions as the President or Board of Directors request.

### Section H. Lake Control.

- (1) The duties and responsibilities of this Committee shall be, but are not limited to the following:
  - (a) To establish and implement a weed control program approved by the Board, for both lakes.
  - (b) To recommend for Board approval and maintain a program for boat usage on the lakes and to prevent persons not belonging to the Association from using the lake and its properties.
  - (c) To develop a comprehensive lake and watershed management plan to be implemented for the short-term improvements and long-term improvements and sustainability of the Lake LeAnn ecosystem and its community.
- (2) The committee will be responsible for the following areas: Water Quality, Lake Patrol, and Launch Sites.

### Section I. Maintenance.

- (1) The duties and responsibilities of this Committee shall be, but are not limited to the following:
  - (a) To maintain the parks and outlots as directed by the Board and prevent persons not belonging to the Association from using Association properties.
  - (b) To keep and maintain common Association properties in a clean and orderly condition as directed by the Board.
  - (c) To maintain all drainage tiles owned by the Association.
  - (d) To perform such other functions as the President or Board of Directors shall request.

### Section J. Nominating Committee.

- (1) The duties and responsibilities of this Committee shall be, but are not limited to the following:

(Note: This committee is not a permanent committee but will be initiated as needed.)

  - (a) Preparation of the annual slate of Directors for election at the Annual Meeting.
  - (b) To present in nomination replacement Directors as vacancies on the Board occur.
  - (c) To present in nomination a slate of Officers at the Board meeting following the Annual Meeting.
  - (d) Perform such other functions, as the President or Board of Directors shall request.

### Section K. Executive Committee

- (1) The purpose of this committee is to provide leadership, coordination and direction for the Board and to act for and by the authority of the Board during the period between regularly scheduled meetings.
- (2). The composition of the Executive Committee shall consist of the elected officers of the Board, i.e.: the President, Vice-President(s), Secretary, and Treasurer.
- (3) The Executive Committee may act for the Board during the period between regularly scheduled meetings only when given their express permission.

## Article X

### **Indemnification**

#### **Section A. No liability to Association.**

No director, officer, employee or other agent of the Association and no person serving at the request of the Association as a director, officer, employee or other agent shall be liable to the Association for any loss or damage suffered by it on account of an action or omission by such person as a director, officer, employee or other agent if such person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of this Association; unless with respect to an action or suit by or in the right of the Association to procure a judgment in its favor, such person shall have been adjudged to be liable for gross negligence or misconduct in the performance of his or her duty to this Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled, including rights contained within the Association's Articles of Incorporation.

#### **Section B. Indemnity**

(1.) The Association shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed civil, criminal, administrative or investigative action, suit or proceeding (other than an action by or in the right of the Association), by reason of the fact that such person is or was a director, officer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other Association, partnership, joint venture, trust or other enterprise, against expenses, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The terminating of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *novo contendere* or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; and with respect to any criminal action or proceedings, had reasonable cause to believe that his or her conduct was unlawful.

(2.) The Association shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suitor proceeding by or in the right of the Association by reason of the fact that such person is or was a director, officer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other Association, partnership, joint venture, trust or other enterprise against expenses and attorneys' fee actually and reasonably incurred by such person in the defense or settlement of such action or suit if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; provided, that no indemnification shall be made in respect of any claim, issue, or matter as to which such person is adjudged to be liable for Committees gross negligence or misconduct in the performance of his or her duty to the Association unless and only to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses and attorneys' fees which such court deems proper. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled, including rights contained within the Association's Articles of Incorporation.

(3.) To the extent that a person seeking Indemnification under Section A (1) or B (1) above has been successful on the merits or otherwise in defense of any action, suit or proceeding, or any claim, issue or matter therein, the Association shall indemnify such person against expenses and attorneys' fees actually and reasonably incurred in connection therewith.



(4.) The Association shall make Indemnification payments to or on behalf of the person seeking them only if authorized in the specific case upon a determination that indemnification of such person is proper because such person meets the applicable standards of conduct set forth in Section A (1) or B (1) above. Such determination may be made

- (a) By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or
- (b) If such quorum is not obtainable, or if a quorum of disinterested directors so directs, By independent legal counsel in a written opinion to the Association, or
- (c) By the court in which such action, suit or proceeding was pending upon application made by the Association or person seeking indemnification or the attorney or other person rendering services in connection with the defense, whether or not such application is opposed by the Association.

(5.) The Board of Directors may authorize payment in advance of final disposition of an action, suit, or proceeding for the expenses and attorneys' fees incurred by a person seeking indemnification under Section A (1) or B (1) above, provided that such person delivers a written undertaking to repay such amount unless it is ultimately determined that such person is entitled to be indemnified under this Section (B).

(6.) The indemnification provided by this Section (B) shall not be deemed exclusive of any other rights to which those seeking indemnification are entitled under any By-law, agreement, and vote of disinterested Directors; or otherwise, both as to action in a person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who ceases to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators.

(7.) The Association may purchase and maintain insurance on behalf of any person described in Section A (1) or B (1) above against any liability asserted against or incurred by such person in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify the person against such liability under this Section (B).

(8.) This Section (B) shall be effective with respect to any person who is a director, officer, employee or agent of the Association or is serving in such capacity at the request of the Association in any other Association, partnership, joint venture, trust or other enterprise, at any time on or after the effective date of these By-Laws with respect to any action, suit or proceeding pending on or after that date against such person based upon his or her acting in such capacity before or after that date.

## **Article XI**

### **Miscellaneous Articles**

#### Section A. Amendment to the By-Laws.

The Association By-Laws may be amended, altered, changed, added to, or repealed by a two-thirds (2/3) vote of the Association membership voting in person or by Absentee Ballot at any Annual or Special Meeting. Proposed amendments shall be presented to the membership in accordance with Article VII of these By-Laws.

#### Section B. Building "Restriction" Amendment.

No recorded "Restrictions" for any subdivision may be rescinded, repealed, altered, or amended by the Association unless so ordered by the Circuit Court for the County of Hillsdale, or unless by final judgment or judicial determination such restriction is declared unlawful. Approval to petition the Circuit Court for a revision to the "Restrictions" requires approval of the Association membership present at any Annual or Special meeting. Proposed revision shall be presented to the membership in accordance with Article VII of these By-Laws.

Section C. Hunting.

No Hunting is permitted on or within Lake LeAnn's subdivisions or on the waters of Lake LeAnn, except that which is approved by the Board and is permitted by Law.

Section D. Vehicle Parking.

Parking of motor vehicles in residential districts shall be limited to passenger vehicles, and not more than one (1) commercial vehicle of the light delivery type, not to exceed one ton shall be permitted per dwelling unit. The parking of other type of commercial vehicles is prohibited in a residential zone.

Section E. Special Assessments.

A quorum of fifty (50) members in good standing is necessary at either an Annual or a Special Meeting before any special assessment may be voted upon. Absentee Ballots do not count towards determining quorum.

Section F. Personal Property

All personal property is to be removed from all outlots before November 15 of each year. Items remaining on the outlots after that date will be removed and stored by the Association at the owner's expense.

Section G. Septic Systems

LLPOA Board must have the approval of the LLPOA membership at an annual meeting to enact a bylaw, rule or regulation that has any effect upon the maintenance or operations of any LLPOA members' septic system (i.e. septic tank, drain fields, or piping association with septic systems).

Section H. Fines & Fees

To require a majority vote of the members present or, if applicable, voting by Absentee Ballot at either an Annual or Special Meeting before the following existing fees or charges may be raised except Non-Sufficient Fund Bank Fees. To require a majority vote of the members present or, if applicable, voting by Absentee Ballot at an Annual or Special Meeting is required before fees or charges not currently in force as of this date June 2015, can be created and levied on the membership.