

**BYLAWS
OF
COBMOOSA SHORES ASSOCIATION, INC.**

**ARTICLE ONE
NAME**

The name of the Corporation shall be the Cobmoosa Shores Association, Inc., organized under Act 137 of the Public Acts of 1929, as amended.

**ARTICLE TWO
PURPOSE**

The purpose of the Corporation shall be to form a property owner's association to:

- a) Consider and deal by all lawful means with events common to the general welfare and interest of the association.
- b) Raise the necessary funds to maintain and/or improve roads and beach accesses and other common areas.
- c) Do anything necessary and proper for the accomplishment of the above slated purpose within the context of the provisions set forth in this document.

The boundaries of Cobmoosa Shores Association (CSA) property are as shown on the plat map and the specific tracts of CSA property are: **the roads**, 66 feet wide (33 feet each side of the center line and 100 feet wide at the north and south extremities of Ottawa Trail for a turn-around); **the beach**, a private park owned by the membership of CSA, stretching from the northernmost and southernmost lot boundaries and extending to the lakeshore from the westernmost platted property lines to the mean high water mark of Lake Michigan, **two lake accesses**, one located between lot numbers 266 and 267 (known as the north access) and the other between lot numbers 9 and 10 (known as the south access); one lot designated as **park/playground** use (lot no. 285); **two lots** of unspecified use on Erie Trail (lot nos, 315 and 316); and **two lots** on Ottawa Trail (lot nos. 293 and 294) serving as the entrance to Apache Trail.

**ARTICLE THREE
LIMITATIONS AND RESTRICTIONS**

The property, business and affairs of the Corporation shall be managed and controlled by the Board of Trustees. The Board of Trustees shall exercise all the powers that may be exercised or performed by the Corporation under the statutes of the State of Michigan, in the Articles of Incorporation of these Bylaws and specifically Public Act 137,1929 and Public Act 162, 1982. (These acts as cited are the Summer Resort Owner's Act and Michigan Non-Profit Act.)

These powers include but are not limited to the following:

- a) The Board of Trustees shall be required to present a balanced budget to the membership at the annual meeting
- b) The Board of Trustees shall not acquire additional properties either by way of purchase or annexation or by any other means of conveyance.

- c) The Board of Trustees shall not authorize, approve, or consider requests for expenditures of funds for non-budgeted items when such requests exceed the lesser of ten percent of the current year's budget or any budget surplus. In the event such matters are being considered, the Board of Trustees must submit to the membership in writing, by mail, for vote and decision, their intent to do so thirty days prior to the annual meeting.
- d) No special meeting shall be called for the express purpose of raising dues or assessments,
- e) Assessments shall not be considered for any purpose when the association's funds are not in surplus or in balance.
- f) The Corporation, its officers, trustees, employees, or agents shall not enter into any agreement requiring the use of borrowed funds for association business.

ARTICLE FOUR FUNDS

The association shall use its funds only for the purposes specified in these Bylaws, Articles of Incorporation or as permitted by Public Act 137, 1929 and Public Act 162, 1982.

ARTICLE FIVE MEMBERSHIP

Membership.

Ownership of property in the plats of Cobmoosa Shores, Cobmoosa Shores No. 1 or Cobmoosa Shores No. 2 constitutes membership in the association.

Voting.

At each annual meeting there shall be elected such number of Trustees whose terms of office then expire, and all vacancies on such board. Such election shall be by ballot and choice of Trustees shall be by a majority of all votes cast. For the election of trustees each member shall be entitled to one vote. Husbands and wives, owning property by entireties and therefore both members, shall be entitled to one vote each. In the election of Trustees, as in all other voting on the business of CSA, no more than two votes may be cast from any property, regardless of ownership.

Voting on the business affairs of the Association (excluding the election of Trustees, which is outlined above) will be on a per lot basis, with two votes being cast from each lot. Members may not vote on the business affairs of the association unless their dues payment is current, according to CSA guidelines, at the time of the vote.

Members may vote in person or by proxy filed with the secretary prior to the beginning of said meeting.

Duration of Membership.

Membership shall terminate upon the sale or other disposition of the property.

Obligations.

All members shall be subject to the Bylaws of the association and the rules and regulations and protective covenants of the association.

ARTICLE SIX DUES AND ASSESSMENTS

Dues.

The Board of Trustees shall submit at the annual meeting a balanced budget and a proposal for dues that must be

- a) ratified by a simple majority vote of eligible votes cast.
- b) for the purposes stated in Article Two, paragraphs (b) and (c),

Assessments.

The Board of Trustees may submit at the annual meeting proposals of assessments that must be:

- a) ratified by a majority vote of all eligible votes cast.
- b) for the purposes stated in Article Two.

Due Dates

Statements shall be mailed to the membership no later than Labor Day. All dues and assessments shall be paid on or before October 1st of each year. Failure to send or receive a statement shall not in any way prejudice the right to collect or force the payment of any membership dues or assessments.

Delinquency

In any case in which there are unpaid dues and assessments of any member, the treasurer may prepare and cause to be recorded in the Oceana County Register of Deeds a lien against the property of such member for the amount of such unpaid dues and assessments plus interest thereon at seven percent per annum beginning at the due dates. A copy of the lien shall be sent to the member, in any case in which there are unpaid dues and assessments of any member, proceedings to enforce such lien or liens may be started. Such proceedings shall be by complaint in the proper Oceana County court and notice of lis pendens recorded in the office of the Oceana County Register of Deeds, Procedure for enforcement shall conform to the requirements for the enforcement of judgements by levy of a writ of execution on real estate as set forth in the Michigan revised Judicature Act, as amended. Act 237 of the Public Acts of 1961, Sections 6051 et seq., as amended. The amount of the levy shall include such unpaid dues and assessments, interest thereon at seven percent annum beginning at the due dates, and the costs of recording the lien or liens and of such levy and writ of execution proceedings including reasonable attorney's fees.

ARTICLE SEVEN MEETINGS

Annual Meeting.

The annual meeting shall be held no earlier than the month of June or later than the month of August for the purpose of electing Trustees, adopting a budget, receiving reports and transacting other association business. The annual meeting shall be held within the County of Oceana, Michigan, at a time and place set by the Board of Trustees.

Notification.

The secretary shall provide written notice and appropriate proxy ballots through the mail to every property owner at the address last recorded with the association secretary at least thirty days before the time appointed for the meeting.

Quorum.

Representation by the membership in person or by proxy of no less than one hundred lots shall constitute a quorum at any regular or special meeting, and in the event a quorum is not present, the presiding officer may adjourn from time to time until a quorum is reached.

Special Meetings.

Special meetings of the association may be called at any time by the president, and must be called by the president, or in the president's absence by the vice-president or secretary, on written request of a majority of the Board of Trustees, or on the written request of the membership representing not less than twenty five percent of all properties in the association. Special meetings shall be upon the same notice and in the same location as the annual meeting and shall set forth the purpose and no other business shall be transacted.

Order of Business.

The order of business at the annual meeting shall be as follows:

- Call to order
- Reading of the minutes of the previous annual meeting
- Receiving communications
- Reports of officers
- Reports of committee heads
- Election of Trustees
- Adoption of a budget
- Unfinished business
- New business
- Adjournment

The order of business may be altered or suspended at any meeting by a majority vote of the members present. The usual parliamentary rules as laid down in Robert's Rules of Order shall govern, when not in conflict with these Bylaws.

ARTICLE EIGHT BOARD OF TRUSTEES/OFFICERS

Election.

The Board shall consist of nine Trustees. The election of Trustees shall take place annually at the time and place of the regular annual meeting. At each annual meeting three Trustees shall be elected, each for a term of three years. Any member shall be eligible for Trustee. Any member shall be eligible for re-election.

Duties.

The members of the Board of Trustees shall, on election, immediately enter on the performance of their duties. The Board of Trustees shall have supervision, control, and direction of the affairs of the association, shall execute the policies and decisions of the membership, shall actively prosecute the association's objectives and shall have discretion in the disbursement of funds; subject only to restrictions or limitations imposed by these Bylaws and any special restrictions or limitations which may be imposed by a vote of the members at any annual or special meeting of the membership.

Meetings.

The Board of Trustees shall have a regular meeting immediately following the annual meeting to elect a president, vice-president, secretary and treasurer from their members. It shall meet on the call of the president. It shall also meet at the request of any five Trustees, Two thirds of the members of the Board of Trustees must be present and shall constitute a quorum for the transaction of business.

Vacancies.

Vacancies that occur on the Board of Trustees by reason of death, resignation, or otherwise may be filled by the Board of Trustees until the next annual meeting of the membership. The remaining board members may fill vacancies that occur among the officers for the remainder of the term,

Terms.

Each Trustee, elected by a plurality of eligible votes cast by the membership, shall serve for a term of three years or until his or her successor is duly elected.

President.

The president shall preside at all meetings of the association and of the Board of Trustees and, subject to the control of the Board of Trustees, shall have general supervision of the affairs of the association, its property and employees. He/she shall be an ex officio member of all committees. The president shall, with the treasurer, sign all contracts and other obligations of the association approved by the Board of Trustees,

Vice-President.

The vice-president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties, as the Board of Trustees shall prescribe. If both the president and vice-president are absent from any meeting, the members present may select a presiding officer pro tem.

Treasurer.

The treasurer shall keep an account of all monies received and expended for use of the association and shall make disbursements authorized by the Board of Trustees. All sums received shall be deposited in the bank or banks approved by the Board of Trustees and the treasurer shall make a report at the annual meeting. The accounts shall be audited annually by a committee of the association appointed by the president.

Secretary.

It shall be the duty of the secretary to give notice of and attend all meetings of the association and Board of Trustees, to make provision for the keeping of a record of proceedings, and to keep a list of the members of the association,

Sec. 1 Proceedings Against Corporate Agents.

The Corporation shall indemnify a person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal (other than an action by or in the right of the Corporation), by reason of the fact that the person is or was a trustee, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a trustee, officer, partner, director, employee or agent of another or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit. The indemnification shall be against expenses (including reasonable attorney's fees), judgements, penalties, fines and amounts paid in settlement, actually and reasonably incurred in connection with the action, suit, or proceeding. The Corporation shall indemnify the trustee, officer, employee, or agent of the Corporation, only if he or she 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 Corporation or its membership, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by Judgement, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, of itself shall not create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was lawful.

Sec. 2 Proceedings by or in the Right of the Corporation.

The Corporation shall indemnify a person who was or is a party to, or is threatened to be made a party to, a threatened, pending, or completed action or suit by or in the right of, the Corporation to procure a judgement in its favor by reason of the fact that the person is or was a trustee, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, officer, partner, director, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not. The indemnification shall be against expenses (including actual and reasonable attorney's fees) and amounts paid in settlement incurred by the person in connection with the action or suit. The Corporation shall indemnify any person only if that person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation or its membership. However, indemnification shall not be made for a claim, issue, or matter in which the person has been found liable to the Corporation unless, and only to the extent that, despite the adj indication of liability, but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses which the court considers proper.

Sec. 3 Corporate Agent Successful in Proceeding.

To the extent that a trustee, officer, employee, or agent of the Corporation has been successful on the merits or otherwise in defense of an action, suit, or proceeding, referred to above, or in defense of a claim, issue, or matter in the action, suit or proceeding, the successful party shall be indemnified against expenses (including actual and reasonable attorney's fees) incurred in connection with the action, suit or proceeding and in any action, suit, or proceeding brought to enforce the mandatory indemnification provided in this section.

Sec. 4 Determination that Indemnification is Proper.

Unless ordered by a court, any indemnification under Sec. 1 and Sec. 2 of this Article shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the trustee, officer, employee, or agent is proper in the circumstances because that person has met

the applicable standard of conduct set forth in those sections. Such determination shall be made in either of the following ways: (a) by the Board of Trustees upon a majority vote of a quorum consisting of board members who were not parties to such action, suit, or proceeding; or, (b) if such quorum is not obtainable, then by a majority vote of a committee of trustees who are not parties to the action, such committee to consist of not less than two disinterested trustees; or (c) by independent legal counsel in a written opinion; or (d) by the membership.

Sec. 5 Indemnification for Portion of Expenses.

If a person is entitled to indemnification under Sec. 1 or Sec. 2 for a portion of expenses including attorney's fees, judgements, penalties, fines, and amounts paid in settlement but not for the total amount thereof, the Corporation may indemnify the person for the portion of the expenses, judgements, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Sec. 6 Expenses Payable in Advance.

Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sec. 1 and Sec. 2 of this Article may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the trustee, officer, employee, or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by the Corporation. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured.

Sec. 7 Rights Not Exclusive.

The indemnification or advancement of expenses provided under Sec. 1 to 4 of this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under the articles of incorporation, bylaws, or a contractual agreement. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

Sec. 8 Continuation of Indemnification.

The indemnification provided in this Article continues as to a person who causes to be a trustee, officer, or agent and shall inure to the benefit of the heirs, executors and administrators of the person.

Sec. 9 Construction.

For purposes of this Article, "Corporation" includes all constituent Corporations absorbed in a consolidation or merger and the resultant or surviving Corporation or business Corporation, so that a person who is or was a director, trustee, officer, employee, or agent of the constituent Corporation or is or was serving at the request of the constituent Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation or business corporation as the person would if the person had served the resulting or surviving corporation or business corporation in the same capacity.

Sec. 10 Liability Insurance.

The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, partner, officer, employee or agent of another foreign or domestic Corporation, business Corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against any liability asserted against that person and incurred by that person in any such capacity or arising out of that person's status as such, whether or not the Corporation would have power to indemnify that person against liability pursuant to the Michigan Nonprofit Corporation Ad.

**ARTICLE NINE
AMENDMENTS**

These bylaws may be amended, repealed, or altered in whole or in part, by a majority of all eligible votes in the association at any duly organized meeting of the association. Proposed amendments must be submitted in writing with the notice of the meeting.

**ARTICLE TEN
DISSOLUTION**

In the event of the dissolution of the Corporation, all funds then remaining in the hands of the treasurer of the Corporation after the payment of all obligations of the Corporation shall be distributed to any successor Corporation which shall have been organized for substantially similar purposes as the Corporation involving the said plats, and in the event there is not such Corporation in existence at the time of dissolution, the remaining assets of the Corporation shall be distributed in accordance with Michigan Public Act 137,1929 and Public Act 162, 1982 of the State of Michigan.

I, Norman H. Heintz, Secretary of Cobmoosa Shores Association, Inc., certify that these bylaws were adopted as of July 3, 1999.