

**BYLAWS
of the
WHITE LAKE ASSOCIATION**

**ARTICLE I
NAME AND ORGANIZATION**

Section 1.1 **Name.** The name of this organization is the “WHITE LAKE ASSOCIATION” (with a short title as the “WLA”). The WLA is herein referred to as the “Association” and White Lake is “Lake”.

Section 1.2 **Organization.** The Association is irrevocably dedicated to and operated exclusively for charitable, educational, and scientific purposes which are tax-exempt with the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of any subsequent federal tax laws. The Association is established as a non-profit, non-taxable corporation of Muskegon County, State of Michigan.

Section 1.3 **Fiscal Year.** Both the fiscal and membership years of this Association shall be the calendar year from January 1 to December 31.

**ARTICLE II
PURPOSES**

Section 2.1 **First Purpose.** This Association shall promote the education of riparian property owners and other Lake users about water quality and water safety.

Section 2.2 **Second Purpose.** This Association shall support issues which concern the welfare of the Lake in general, including the conservation of the water supply in the Lake and watershed, maintain the quality of water safety for swimming, and conducive to the renewal of the fish resources.

Section 2.3 **Third Purpose.** This Association shall support the measurement and evaluation of hydrological and other pertinent data of the Lake so that decisions and actions of the Association shall be in line with what is best for the Lake.

Section 2.4 **Fourth Purpose.** This Association shall monitor existing and proposed land and water developments with affect or may affect the Lake and speak for members before local government boards, councils, commissions, State government authorities, and courts regarding such matters deemed to be in the interest of the Members.

Section 2.5 **Fifth Purpose.** This Association shall foster and support those activities and actions which preserve the natural amenities of the Lake and public trust, including the rights accruing to the owners of riparian property; the preservation and protection of the public’s right to navigate and fish; and the protection of the air, water, and natural resources against pollution, impairment, and destruction.

**ARTICLE III
MEMBERSHIP**

Section 3.1 **Members.** Membership in the Association shall consist of both riparian property owners on White Lake and other persons interested in the care and preservation of the Lake, subject to the limitation that no less than 60% of the membership shall be riparian property owners on White Lake. Individuals who qualify for membership and who have paid their annual membership fee as established by the Board of Directors from time to time shall be considered members in good standing and entitled to vote.

Section 3.2 **Associate Members.** Should membership applications of non-riparian property owners at any time exceed 40% of the membership, those non-riparian owners shall be offered an Associate Membership in the Association. An Associate Member is not entitled to a vote in the Association, but otherwise is entitled to all rights

and privileges of regular members. If the membership percentage changes to less than 40% non-riparian property owners, any Associate Members would be moved to regular membership status according to dates of precedence on their membership enrollment form.

Section 3.3 **Voting.** There shall be one vote for each member and there may be only one member for each parcel or riparian property. Those riparian properties in joint ownership by partnerships, associations, condominiums, corporations, or clubs shall be entitled to only one vote. Individual memberships are available to property or resort association members and such members are entitled to a vote. Members owning more than one parcel of property are limited to one vote for all parcels so owned. Dockominium owners shall not be considered riparian property owners for the purposes of these Bylaws and this Association. Membership may be shared with a spouse, domestic partner, club or association members, or joint property owners.

Section 3.4 **Annual Dues.** The Annual dues are payable to the Secretary/Treasurer of the 1st day of January of each year. Dues shall become delinquent if not paid by the 1st day of March of each calendar year. A delinquent member shall be ineligible to attend meetings of the Association, and shall be removed by the membership list if the delinquent dues are not paid within a 30 day grace period.

ARTICLE IV OFFICERS

Section 4.1 **Officers.** The Officers of this Association shall be President, a Vice President, a Secretary/Treasurer, four (4) Trustees, and the Immediate Past President, except for the first year one (1) additional Trustee will be established in the stead of an Immediate Past President.

Section 4.2 **Terms of Office.** The term of office for each Officer shall be for two (2) years, except the first year the President and two (2) of the regular Trustees will be one (1) year for that year and become two (2) year terms thereafter. The term of the stead Trustee officer will be for the first year only.

Section 4.3 **Duties.** The duties of officers shall be as follows: (a) the **President** shall provide leadership, be the principal officer, and be the official spokesperson of the Association and as such: shall preside at all meetings of the Association and the Board of Director and shall cast the deciding vote in case of a tie; (b) the **Vice President** will assist the President, will sub-stitute during the absence of the President, and if the President's position is vacated move to the President's chair for the remainder of the term or until the next election at the Annual Meeting; (c) the **Secretary/Treasurer** shall keep the minutes of all meetings, maintain a clear record of the business of the Association and the membership roll, receive all monies paid to the Association, keep an accurate record of the member and their financial status in the Association, disburse such monies as approved by the Board of Directors by check from the Association's account, make an oral report of the financial status of the Association at each meeting of the Association and of the Board of Directors, prepare a written statement of cash receipts and disbursements annually and made available to the membership at the Annual Meeting, and deposit all monies paid to the Association in the bank account of the Association; (d) the **Trustees** will be voting members of the Board of Directors; and (e) the **Immediate Past President** will be an ex-officio member of the Board and shall serve as chairman of the Nominating Committee.

Section 4.4 **Forfeiture of Office and Compensation.** Any Officer or Director becoming ineligible for membership in the Association shall automatically forfeit their office and such vacancy shall be filled as provided for in the Bylaws. The Officers shall serve without compensation; however, they may be compensated for reasonable expenses incurred on official Association business.

Section 4.5 **Assumption of Office.** Newly elected officers will take office on the 1st day of September immediately after the Annual Meeting.

ARTICLE V BOARD OF DIRECTORS

Section 5.1 **General Powers.** The business and affairs of the Association shall be managed by the Board of Directors, except as otherwise provided in the Michigan Nonprofit Corporation Act or its Articles of

Incorporation. The Board of Directors shall have control of the affairs and property of the Association and shall serve as the executive and policy making group of the Association.

Section 5.2 **Members.** The Board of Directors shall consist of the President, Vice-President, Secretary/Treasurer, the Trustees, and the Immediate Past-President.

Section 5.3 **Board Meetings.** The Board shall meet regularly at a minimum of once each quarter (4 times a year) and special meetings may be called by the President or any two (2) members of the Board. Board meetings are open to any member of the Association and the Board shall notify the membership in advance as far as is practicable of the time and place of all Board meetings.

Section 5.4 **Quorum.** A minimum of four (4) member of the Board of Directors are required to conduct official business at any Board meeting.

Section 5.5 **Vacancies.** If a vacancy occurs on the Board, the President with the approval of the Board shall appoint someone to fill the remainder of the term or until an election is held.

Section 5.6 **Committees.** The President or the Board may appoint standing committees, temporary committees, or liaison persons to represent or carry out functions of the Association.

Section 5.7 **Meeting Agenda.** (a) Call to Order; (b) Roll Call; (c) Approval of Minutes; (d) Treasurer's Report; (e) Report of Committees; (f) Old Business; (g) New Business; and (h) Adjournment.

Section 5.8 **Parliamentary Authority.** The rules contained in the current edition of *Robert's Rules of Order*, newly revised, shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules or order the Association may adopt.

Section 5.9 **Manifestation of Dissent.** A Director of the Association, who is present at a meeting of the Board of Directors at which action on any Association matter is taken, shall be assumed to have assented to the action taken unless their dissent shall be entered in the minutes of the meeting or unless a written dissent is filed to such action with the Secretary / Treasurer of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary / Treasurer of the Association immediately after the adjournment of the meeting. Such right dissent shall not apply to a Director who voted in favor of such action.

Section. 5.10 **Fiduciary Obligations.** Each member of the Board of Directors shall serve in a fiduciary capacity and shall exercise their powers in such manners as not to disqualify any gift from deduction as a charitable contribution, gift, or bequest in computing any federal income, gift, or estate tax of the donor or the donor's estate.

Section 5.11 **Limitation of Liability.** Neither the Board of Directors, nor any of its members individually, shall be liable for acts, neglects, or defaults, of any employee, agent, or representative selected with reasonable care, not for anything it may do or refrain from doing in good faith, including the following, if done in good faith: (a) errors in judgment, (b) acts done or committed on advice of counsel, or (c) mistakes of act or law.

ARTICLE VI

ELECTION OF OFFICERS

Section 6.1 **Nominating Committee.** A Nominating Committee comprised of the Vice President, the Secretary/Treasurer, two (2) at large members, and the Immediate Past President (Committee Chair) will be used to initiate the selection process, except during the first year the stead Trustee will be on the Committee and the Vice President will be the Chair.

Section 6.2 **Appointment.** Each year the President with the approval of the Board will appoint the Nominating Committee.

Section 6.3 **Nomination Process.** The Nominating Committee will report a list of candidates for officers to be elected to the membership at least fifteen (15) days prior to the Annual Meeting. The nominees must receive a

majority vote of the members present at the Annual Meeting. Before voting, the floor will be open for any additional nominations. A member receiving a nomination for any office and one second, shall have their name added to the ballot. Any person nominated shall have the right to withdraw their name.

Section 6.4 **Considerations.** When considering nominations for officers, the nominating committee should consider the willingness of the person to serve and whether they are available to attend the meetings of the Association.

ARTICLE VII MEETINGS

Section 7.1 Annual Meeting. Each year during the month of August an Annual Meeting of the Association will be held. The time and place shall be announced to the membership by mail (newsletter) at least fifteen (15) days prior to the meeting.

Section 7.2 Annual Meeting Agenda. The annual meeting will include in the agenda: (a) Election of Officers; (b) Treasurers Report; (c) Membership Report; (d) Other business placed on the agenda by the Board; and (e) Other general business, including any discussion of Association business from the floor.

Section 7.3 Special Meeting. Additional meetings may be scheduled for educational, informational, or discussion purposes for the membership.

Section 7.4 Quorum. The presence of one-third (1/3) or more of the voting members and a minimum of two (2) of the principal officers (President, Vice-President, or Secretary-Treasurer) of the Association shall constitute a quorum for the Annual Meeting or any Special Meeting. If upon calling a meeting to order, a quorum is not present, the meeting will not constitute an official meeting for the transaction of business; however, the President, or presiding officer may proceed, but no action shall become official until voted upon with a quorum present, except for adjournment or recess. The President, or presiding officer, at the meeting will be counted as part of a quorum.

ARTICLE VIII LIABILITY AND INDEMNIFICATION STATEMENTS

Section 8.1 Liability to Association. A Director who is a volunteer director (as defined in the Michigan Nonprofit Corporation Act) is not personally liable to the Association for monetary damages for breach of Director's fiduciary duties; provided, however, this does not pertain to and the Director remains liable for: (a) breach of the Director's duty of loyalty to the association; (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (c) a violation of Section 551 (1) of the Michigan Nonprofit Corporation Act; (d) a transaction from which the Director derived an improper personal benefit; (e) an act or omission that is grossly negligent; or (f) an act or omission occurring before this article is effective.

Section 8.2 Claims by Third Parties. The Association assumes no liability to any person other than the Association for actions or omissions of a Director who is a volunteer Director (as defined in the Michigan Nonprofit Corporation Act) incurred in good-faith performance of the Director's duties.

Section 8.3 Indemnification. The Association shall indemnify all Directors and Officers of the Association in any action, suit or proceedings referred to in Section 561 and 562 of the Michigan Nonprofit Corporation Act in the manner permitted and to the extent not prohibited by Sections 561 and 565 of that Act. The Board of Directors may contract for the purchase of insurance against liability as permitted by Section 567 of that Act.

Section 8.4 Reimbursement. To the extent that a Director, Officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 8.1 or in defense of any claim, issue, or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection therewith. Any indemnification under Section 8.1 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee or agent is proper in the circumstances

because they met the applicable standard or conduct set forth in Section 8.1. Such determination shall be made in either of the following ways: (a) by the Board of Directors with a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceedings; or (b) if such quorum is not obtainable, or even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

Section 8.5 Advancement of Expenses. Expenses incurred in defending a civil or criminal action suit or proceeding described in Section 8.1 may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in subsection (b) of Section 8.4 upon receipt of an undertaking by or on behalf of the Director, Officer, employee or agent to repay such amount unless it shall ultimately be determined that they are entitled to be indemnified by the Association.

Section 8.6 Limitations. The Association shall make no provisions to indemnify directors, officers, employees or agents in any action suit or proceeding referred to in Section 8.1 which shall be in conflict with the provisions of this Article. Nothing contained in this Article shall affect any rights to indemnification to which persons other than directors and officers may be entitled by contract or otherwise by law. The indemnification provided for in this Article shall continue as to a person who has ceased to be a Director, Officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 8.7 Insurance. The Board of Directors may, in the exercise of its discretion, from time to time authorize by resolutions duly adopted, purchase and maintain insurance on behalf of any person who is serving or was serving at the request of the Association as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against them and incurred by them in any such capacity or arising out of their stature as such, whether or not the Association would have power to indemnify them against such liability under Section 8.1 of this Article.

Section 8.8 Application of this Article. The provisions of this Article shall apply except to the extent they may be inconsistent with and prohibited by the Internal Revenue Code and the Regulations promulgated thereunder or any other applicable law or regulation.

ARTICLE IX COMMUNICATIONS

Section 9.1 Open Communication. The Officers should be aware that open communication with members is important to this Association. A newsletter to members at least two (2) or more times per year is an important function of this Association.

Section 9.2 Member Viewpoints. Members are encouraged to share their viewpoints or ideas with Officers.

ARTICLE X AMENDMENTS

Section 10.1 Procedures. Amendments may be initiated as follows; (a) a two-thirds (2/3) vote of the Board of Directors shall place a proposed amendment before the general membership; or (b) a petition of 25% of the entire membership brought to the Board, shall place the proposed amendment before the general membership.

Section 10.2 Copies. A copy of any proposed amendment shall be provided to members before voting.

Section 10.3 Vote. A two-thirds (2/3) vote of the entire general membership is required to amend the Bylaws. A mail ballot may be used or a vote taken at an Annual Meeting with a mail ballot sent to all members not present. At least thirty (30) days shall be allowed to return mail ballots.

ARTICLE XI DISSOLUTION

Section 11.1 Dissolution of the Association. The Association may be dissolved upon a unanimous vote of the Board of Directors of this Association. Upon dissolution or winding up of the Association, the assets of the

Association then remaining in the hands of the Board of Directors, after all debts have been satisfied, shall be distributed as may be specified in a plan of dissolution exclusively to charitable organizations or local public health agencies. Any assets not so distributed shall be distributed by the circuit court of the county in which the administrative office of the Association resides, exclusively for such purposes or to such organization or organizations as the court designates which are operated for such purposes.