

POLICY BOOK

Revised June 10, 2025

GENERAL

ESTABLISHMENT.

- a. Presque Isle Harbor Association, established as a Michigan nonprofit corporation under the laws of the State of Michigan, is organized upon a membership basis as described in Section 304 of the Nonprofit Corporation Act (NCA), 1982 PA 162, MCL 450.2304. The Board of Directors shall operate Presque Isle Harbor Association in accordance with its bylaws, employee policies, restrictive covenants, these rules, Michigan laws, the corporation's articles of incorporation, and generally accepted business practices that will accomplish the Presque Isle Harbor Association's mission and goals. The Board of Directors shall enforce association by laws, policies, covenants, rules, laws, articles and practices.
- b. **PREVIOUS POLICIES, RULES, AND REGULATIONS.** These rules supersede all previous policies, practices, rules and regulations of the association or board of directors addressing the same subject matter.
- c. **DEFINITIONS.**

1. The term "Common Properties" in Article I, Section (I)(c) of the Restrictive Covenants shall include all those properties in the deed recorded by the Presque Isle County Register of Deeds at liber 214, pages 701-714.
2. "Owner" means the equitable owner of any original lot or lots in the Presque Isle Harbor Association, as set forth in Article I of the Restrictive Covenants of each subdivision.
3. "Primary Member" means the Owner of an Original Lot, or Original Lots, under common ownership, who shall be responsible for immediate family members' access to Association facilities and Common Properties. Where an Original Lot, or Original Lots under common ownership, are held by a corporation, limited liability company, partnership, trust, or other legal entity, one shareholder, member, partner, trustee, or other person shall be designated by that entity as the Primary Member. Such designation may only be changed annually, on or after April 1st.
4. "Secondary Member" includes immediate family members of a Primary Member.
5. "Immediate Family" means the spouse, or domestic partner of a Primary Member; their parents, grandparents, children, children's spouses, and grandchildren.
6. The term "domestic partner", as used in these rules, means a person who is in a committed relationship with, and is sharing a residence with a Primary Member.

Rule 1. GENERAL PRINCIPLES.

These rules are adopted pursuant to Sections 304 and 501 of the NCA to govern Association members by regulating their service on the Board of Directors and committees, establishing committee functions and revenue safeguards, controlling use of common properties, facilities and equipment, creating suitable conditions for the benefit of the whole, and applying the association restrictive covenants and by-laws. In performance of these functions the Board of Directors shall exercise authority to implement and carry into effect the Association's Restrictive Covenants and By-Laws. Although every effort has been made to cover the most obvious points, undoubtedly situations will arise which are not specifically addressed in these rules and the Board of Directors shall possess the

right, at all times, to take any action deemed to be in the best interests of the Presque Isle Harbor Association members as a whole.

Rule 2. (Removed to Definitions, above.)

Rule 3. MEMBERSHIP ELIGIBILITY

- a. Two (2) Member identification cards (one Primary and one Secondary) will be issued for each member household, where both individuals share the same household address.
- b. Additional Secondary Member identification cards may be obtained for Immediate Family members of the Primary Member who are at least 14 years of age, at the current cost, as established by the Board.
- c. All Membership identification cards shall bear the photograph of the person to whom they are issued. (Should members decline to have their photograph taken and placed on the card, other suitable positive identification will be required to access Association facilities at every visit.)
- d. Membership identification cards may only be presented and used by the Member to which the card was issued. Misuse or presentation of Membership identification cards by someone other than the person the card was issued to may result in the confiscation and/or deactivation of that card. Should a card be confiscated or deactivated, the Primary Member will be required to contact the Executive Director or his or her designee before the card will be returned or reactivated.
- e. Lost Membership identification cards can be replaced at the current cost, as established by the Board.
- f. Primary and Secondary members may use Association facilities, but must sign in with their Membership identification cards, as required, when using those facilities. They must also personally sign in any guests that are accompanying them.
- g. The maximum number of guests in Association facilities is limited to 10 people. Owners may not join together to avoid the 10-guests limit. (These rules also apply to all Association facilities.)
- h. No one under 18 years of age may sign in guests for the use of Association facilities.

COMMITTEES

Rule 4. COMMITTEES AND THEIR FUNCTIONS.

- a. All Committees recognized in the restrictive covenants and by-laws or by the Board of Directors are committees of the Presque Isle Harbor Association and therefore subject to these rules and the authority of the Board of Directors. Committee members are appointed by the respective committee but serve at the pleasure of the Board. Committees may adopt rules, regulations, policies or practices after they are approved by the Board. Committees shall not spend or incur obligations for more than \$500.00 on any one single item to purchase equipment or services without prior board approval. Committee funds shall be deposited in the Association general account and designated to the appropriate committee.
- b. The quorum for all committees is the majority of the total members of each committee that is appointed by the Board of Directors. All actions of the committees will be by simple majority vote.
- c. Committee actions are subject to review by and may require approval of the Board of Directors and it is expected that all committee activities will be performed in a businesslike, professional and responsible manner; and that the interests of the entire Association are paramount in all decisions.
- d. For those Committees that raise money, financial responsibility is expected and any solicitation of funds for committee activities must be determined to be legal and in accordance with high ethical practices.

- e. To provide an orderly usage of Association facilities, the Social Activities Committee is the only committee authorized to usurp usage of any facility.
- f. The following functional outlines are established to guide and direct the committee activities so as to encompass those activities most necessary at this time, eliminate overlaps of functions and provide for a controllable and responsible operation of the Association as a whole.

(ALL COMMITTEES)

COMPOSITION

- a. Volunteer members of Presque Isle Harbor Association
- b. Membership is recommended to be no fewer than five (5) persons.
- c. Officers to be elected by committee membership.
- d. Term of office is one year, coincident with Association fiscal year

OFFICERS TO INCLUDE:

- a. Chairperson
- b. Secretary
- c. Treasurer (*if committee handles money*)

OFFICERS DUTIES:

- Chairperson - Conduct committee meetings and other special meetings as needed. Provide leadership, appoint sub-committees as needed and generally manage the committee to assure that committee objectives are being met. Present a report of activities to the membership at the Association Annual meeting.
- Secretary - Keep minutes of all meetings and prepare a copy for the Board Liaison and Board Secretary.
- Treasurer - Maintain accurate financial records of income, disbursements, deposits and withdrawals from the Association account and committee petty cash fund, if applicable. Submit a financial report to the committee at each committee meeting. Submit financial data for Association annual audit.

ARCHITECTURAL CONTROL

OPERATING PROCEDURES AND DUTIES

- a. Review all building plans as to their conformance with the Restrictive Covenants.
- b. Provide a system for the committee to determine and correct covenant violations.
- c. Be a resource for Owners who may have questions about construction requirements and limits as set forth in the covenants.
- d. Plans will require two (2) signatures of the committee for approval.
- e. Keep a record of all plan review requests and the disposition of each matter for 24 months.
- f. Make a report at the Association Annual Meeting.

OBJECTIVES

Review plans for conformance with the Restrictive Covenants of the Presque Isle Harbor Association and enforce Restrictive Covenant.

SOCIAL ACTIVITIES COMMITTEE

OPERATING PROCEDURES AND DUTIES

- a. A "Calendar of Coming Events" shall be submitted to the (Communications Chair) Newsletter Editor.
- b. Meet at a minimum twice per year.
- c. Additional meetings may be held at the call of the Chair.

OBJECTIVES

Provide, or otherwise arrange, seasonally appropriate social activities to encourage fraternal relationships among members and friends of the Association. These activities shall embrace the needs of all age groups.

CAMPERS' VILLAGE

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.

OBJECTIVES

- a. Make recommendations to Executive Director on activities related to promotion and administration of the campground.
- b. Advise Executive Director of possible improvements, maintenance requirements and operational procedures.
- c. Review rules and regulations at the fall meeting and submit proposed changes to the Executive Director.
- d. Review fee schedule relative to other campgrounds and make appropriate recommendations.

CLUBHOUSE - BEACH & POOL

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.

OBJECTIVES

- a. The Committee will make recommendations to the Board of Directors to establish procedures and conditions for the best utilization of the clubhouse, beaches and pool.
- b. Engage in activities which will promote maximum utilization of the facilities.
- c. Recommend to the Executive Director, maintenance and repair projects that will enhance utilization of Association facilities.

LONG RANGE PLANNING

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.

OBJECTIVES

- a. Look 2-10 years ahead for needs of Association.
- b. Study long term capital improvements.
- c. To address the future health of the Association in anticipating changes and preserving stability.
- d. To study the need for and feasibility of expanding Association facilities.
- e. To present a long-range plan to the Board of Directors as a guide for meeting member interests.

MAINTENANCE

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.
- c. Provide assistance to the Association staff on maintenance projects.

OBJECTIVES

- a. Perform maintenance, repair and construction on Association property that is within the scope of the available manpower and skills of committee members, available equipment and time.
- b. Work sessions build a spirit of camaraderie among the members while saving the Association money by using donated labor and equipment.

COMMUNITY RELATIONS COMMITTEE

OPERATING PROCEDURES AND DUTIES

- a. Review Newsletters and Web site material for accuracy and policy adherence prior to publication.
- b. Meetings to be held at least twice per year.
- c. Additional meetings may be held at the call of the Chair.

OBJECTIVES

- a. Work with Social Activities Committee in order to provide appropriate member services.
- b. Foster a sense of community by participating in the greater community as well as being an advocate for the Association.
- c. Responsibilities to include: (1) Newsletter, (2) Website, (3) Others as directed by the Board.
- d. To publicize availability and desirability of Presque Isle Harbor Association properties.

NATURAL RESOURCES COMMITTEE

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.

OBJECTIVES

Formulate plans to manage, preserve and protect to the greatest extent possible, the surrounding forests, fauna, water and wildlife for the enjoyment of not only the present generation, but for our children and children's children.

RULES AND BY-LAWS

OPERATING PROCEDURES AND DUTIES

- a Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.

OBJECTIVES

Establish, review or revise various Association rules including the published Association By-Laws and submit recommended changes to the Board.

SECURITY – Inactive at this time

FINANCIAL PROCEDURES

- a. Funds are solicited from subscribers to cover the cost of services.
- b. Security volunteers are reimbursed an amount for mileage costs established by the Board of Directors.
- c. Vehicle signs, hats and jackets are provided to volunteers

OPERATING PROCEDURES AND DUTIES

- a. Meetings to be held at least twice per year.
- b. Additional meetings may be held at the call of the Chair.
- c. Make random inspections of subscribers' properties within the Association.
- d. Any evidence of damage or danger is promptly reported to the Executive Director and Committee Chairman.
- e. Liaison with governmental law enforcement agencies.

OBJECTIVES

- a. To provide a safe environment for Association Members in cooperation with law enforcement agencies.
- b. To recommend to the Executive Director any conditions which are in need of correction to make safe and secure.
- c. To provide a "good neighbor" neighborhood watch building check program.

Rule 5. REVENUE GENERATED BY STANDING COMMITTEES.

The volunteer work done by members on standing committees and the revenues generated by such efforts provide a vital contribution to the success of the Association. It also makes possible a relatively low member dues schedule for the number of services and kind of facilities provided. To obtain the maximum benefit from such revenue for all members, the following practices shall be followed:

- a. All revenues are credited to the account of the Committee that raised the funds.
- b. All revenues are deposited to the general account of the Association
- c. Each committee should decide how it wishes to use the funds (those currently credited and those to be raised by future endeavors) by a majority of its members. The Committee should also decide when such expenditures should take place. If a single item is over \$500.00, the committee will need approval from the Board of Directors prior to committing funds.
- d. The Board will attempt to accede to the amount and time of the recommended expenditure if it is felt to be in the best interest of the membership.
- e. The Board may postpone or deny authorizing the recommended expenditure if budgetary restraints or the use of employee personnel may cause a conflict with other Board authorized projects it deems to have a higher authority.

MANAGEMENT AND USE OF FACILITIES AND EQUIPMENT

Rule 6. CAMPGROUND USE.

Storage of boats, snowmobile (when not in use), and all other vehicles or miscellaneous equipment are not allowed on the campsite. All boats and other vehicles must be stored in the designated storage area. Seasonal Campers will not be charged storage fees, but transients will have to pay the fees in force at the time of storage.

- * No Structure of any kind, including storage sheds, stairs or porches not a part of the original equipment on a recreational vehicle, will not be erected without prior permission from the Executive Director or his or her designee. At any time in the future if the structure is deemed not to fulfill the aesthetic or structural standards of the campground by the Executive Director they must be removed at the Seasonal Campers Expense within thirty days. Transient Campers will not be allowed to erect any structures on the site.
- * The Executive Director should examine and revise if necessary, all the rules of the campground, and when complete have them posted on the outside bulletin board outside the office. They should be passed out to each camper when they check in each year.
- a. 5 MPH limit within campground or you could be asked to vacate.
- b. All pets must be under the immediate control of the owner. Pets must not be left un-attended at the campsite if continually barking or is a nuisance. Clean up after your pet.
- c. No outside appliances.
- d. No surface dumping of gray or black water on site.
- e. Limit of 1 guest campsite on holiday weekends.
- f. No doubling up on campsites.
- g. A tent is allowed on a campsite along with a major unit.
- h. Trash must be placed in dumpster. Do not store trash outside your unit.
- i. Sites are to be kept neat and clean. Personal items must be kept inside or be approved by manager for storage under rear of RV only.
- j. Seasonal camping season begins May 1st and ends December 1st each year. Services may be limited, depending upon weather. Seasonal campers must have their site cleaned and all material stored by your last visit of the season but no later than December 1st.
- k. If notified that maintenance work will be forthcoming on your site, your trailer must be put in a ready to move position. Notifications will be made to affected sites prior to October 1st of each year.

- l. Sub-leasing of seasonal sites is prohibited. Immediate removal from campground and loss of any future seasonal camping sites for violation of this rule.
- m. No permanent individual utility hook-ups allowed, i.e., phone, water, cable tv, electric.
- n. Loose items will be removed by camp manager and disposed of after 24 hours.
- o. All motorized vehicles may ride only to their site or to enter or exit-the campground.
- p. 2 motorized vehicles (other than camping unit) allowed per site.
- q. Overflow parking is available only at pavilion or storage area.
- r. All Owners are responsible for their guest's actions.
- s. Bicycles are not allowed on paths.
- t. Check out time 1 P.M.
- u. Quiet time is 10 P.M. to 8 A.M.
- v. No Fireworks, other than “novelty” fireworks, such as sparklers or “snakes”, that do not launch into the air, explode, make loud noises, or emit large amounts of smoke.
- w. Vandalism will not be tolerated and will be cause for immediate eviction.
- x. Parents are responsible for their child's behavior and safety.
- y. Failure to follow established rules will result in eviction from campground.
- z. Campfires are permitted in the campsite fire pit only.
- aa. The campground manager shall have and exercise authority to stop unsafe conditions, practices or conduct.
- bb. Campground facilities may have limited availability depending on freezing weather conditions.

Rule 7. CAMPGROUND MANAGEMENT

- a. Purpose.** The following subsections identify rules for the management of the Presque Isle Harbor Association Camper's Village. The Executive Director and Campsite Manager shall have authority to rent empty campsites to non-member campers. The board hereby grants non-voting memberships to such campers. These non-voting memberships shall be limited to use of the campground only, shall not include use of any other common facilities or equipment, shall be for daily transient camping only and reviewed on a daily basis for availability, and shall expire when the camping stay ends.
- b. On Site Sewage Disposal.** Priority of site assignment will be to current seasonal campers who will be given the opportunity to accept or decline such service. The remaining sites may be allocated to transient campers. Charges and surcharges or differentials in charges shall be determined by the Board of Directors during the budgeting process. Should a transient camper decline the service on an available improved site, the camper must fill an unimproved site. If an unimproved site is not available, the camper may camp on an improved site but must not connect to the sewer system. The Campground Manager will inform the camper that connection to the system is not allowed.
- c. Reservations.** Site reservations may be made not more than 180 days prior to arrival and must include a credit card guarantee. Campground management may accept cancellation of reservation up to 5:00 p.m. 14 days prior to the day of scheduled arrival.
- d. Seasonal Site Waiting List.** The Executive Director will maintain the waiting list for the sites currently identified for seasonal use. When a seasonal site is vacated, the Executive Director or Campground Manager will offer the site to the next association member in order of application date. The Executive

Director is responsible to determine the seasonal and transient site availability ratio and may adjust such ratio from time to time to accommodate the maximum number of members in good standing. The seasonal/transient site mix may be periodically adjusted to reflect site demand and to enhance income potential.

Rule 8. CLUBHOUSE USE.

- a. Primary and Secondary Members must sign in with their Membership identification cards when using the Clubhouse. They must also personally sign in any guests that are accompanying them.
- b. A member whose rights to use common properties has been suspended for nonpayment of assessments or infraction of rules, may not use the Association's common properties, whether in his or her own right or as an immediate family member or as the guest of another. Where a member may not use common properties, neither may his or her spouse, his or her immediate family, nor any of his or her guests. No former member or member's spouse shall be eligible to use the Association's common properties as a guest or immediate family member of another so long as that person owes the Association money.
- c. For positive identification, clubhouse staff may require a patron to show a photo I.D.
- d. No one under 18 years of age may sign in guests for the use of the facilities.
- e. Children under 14 years of age must be registered by the person responsible for their actions. They cannot be left unattended at the Clubhouse.
- f. Anyone 14 years of age or older must register.
- g. Smoking is not permitted in the Clubhouse.
- h. Rowdiness, littering, profanity, excessive alcohol consumption or other such acts will not be tolerated in the facility.
- i. Shoes and shirts must be worn at all times in the Clubhouse unless in the pool area. Roller skates, roller blades, and cleated sport shoes shall not be worn inside the Clubhouse and use of heelies or other similar shoes is prohibited in the Clubhouse.
- j. Organized groups, i.e. civic, fraternal, etc. may not be entertained at the Clubhouse by Owners without approval of the Executive Director.
- k. Small private family parties exceeding 10 guests may be approved by the Executive Director who shall have the authority to implement restrictions on the usage. Social Activities Committee functions do not fall under these rules.
- l. Any costs for damage will be charged against the Owner responsible for the damage after review by the Executive Director.
- m. The attendant in charge or the Executive Director may eject any person from the premises for non-compliance with these Rules, for creating unsafe conditions, or for engaging in unsafe practices, conduct, or loitering.
- n. Use of clubhouse rooms and equipment for personal gain is prohibited unless a fee, established by the Board, is paid and approved by the Executive Director.
- o. Reservations of the craft room, activities hall and second floor room for private functions may only be reserved for use by members, and, must be coordinated with the reservation calendar and require payment of a fee approved by the Board of Directors. Local tax exempt and community organizations may be exempted from payment of the fee, in the discretion of the Executive Director.
- p. The fireside lounge kitchen may not be reserved except by Committees for association functions, and it is open to use by members when not reserved. The following rules govern its use:

- Kitchen is limited to one family at a time.
 - Kitchen use is limited to a maximum of 30 minutes.
 - Only simple meals, such as sandwiches, hot dogs, hamburgers, or warm-ups may be prepared.
 - Upon completion of use, the kitchen shall be cleaned by the user and then inspected by an employee.
- q. The activities hall kitchen may be used only by Committees for association functions and members reserving the activities room.
- r. Basketballs, volleyballs, and pickleballs only are permitted in the activities room, and the game of kickball is prohibited. Clean athletic shoes or other clean, soft-soled shoes are permitted for basketball or volleyball, but street shoes are prohibited. Sitting on the activities room counters is also prohibited.
- s. Clubhouse hours are determined by the Board of Directors.

Rule 9. POOL USE.

- a. No person(s) under 14 years of age shall be permitted in pool or pool area except under the direct supervision of a responsible person 18 years of age or older.
- b. You must shower before entering pool.
- c. Swimming suits only - no cutoffs.
- d. Infants in diapers must wear suitable protective pants.
- e. No food or beverages permitted in pool area.
- f. Safety flotation devices only – only toys or equipment provided by PIHA may be used.
- g. No running or rowdy behavior allowed.
- h. Pool and equipment are used at your own risk.
- i. Hours are determined by the board.

Rule 10. SPA USE.

- a. Elderly persons, pregnant women, infants, those with health conditions requiring medical care should consult a physician before entering spa/hot tub.
- b. Unsupervised use by children not permitted.
- c. Do not use spa/hot tub under the influence of alcohol, tranquilizers or other drugs that cause drowsiness or lower blood pressure.
- d. Long exposure may result in nausea, dizziness or fainting.
- e. Observe reasonable time limits of 10-15 minutes; leave water to cool down before returning for another brief stay.
- f. Hours are determined by the board.
- g. Spa and equipment are used at your own risk.
- h. No children under 5 years of age in the spa
- i. Children 5-13 years of age must be accompanied by a responsible adult.

Rule 11. EXERCISE ROOM USE.

- a. Be courteous of others waiting for equipment.
- b. Must use clean athletic shoes or other soft soled shoes on the equipment.
- c. No open beverages (must have sealable cap).
- d. Users of the exercise room under 16 years of age must be accompanied by an adult.
- e. Equipment is used at your own risk.
- f. Hours are determined by the board.

Rule 12. EQUIPMENT AND FACILITIES USE.

- a. Equipment, furniture and fixtures are to be used for sanctioned association activities.
- b. To obtain pool table cues, ping pong table, paddles and balls, and basketballs, etc. see the staff. If the equipment is damaged when returned, the Owner will receive a bill and must pay for the repair or replacement of the damaged equipment.
- c. There is a charge established by the board for personal use of the copy machine. There is no charge for copies made by committees or activities sanctioned by PIHA, the Social Activities Committee or the Board of Directors.
- d. PIHA personnel are available to assist with sanctioned activities, but will not move furniture, equipment or fixtures for private parties.
- e. Closure of the clubhouse for sanctioned activities must have prior approval of the Executive Director.
- f. The deck and deck equipment at the clubhouse will be available only on a first come - first served basis.
- g. Activities sanctioned by the PIHA Social Activities Committee will have priority in the utilization of the North Bay Beach House. Other private gatherings held there must sign the approved agreement and will be charged a fee established by the Board.
- h. The Grand Lake Beach, North Bay Beach, Presque Isle Harbor Beach, Crystal Point, and the Bayshore, Burnham's Landing and Esau Parks are for use by the PIHA members and their guests. Priority will be given to sanctioned PIHA activities and functions at each of these locations. Groups of ten or more must register with the Association Executive Director.

Rule 13. CRYSTAL POINT USE.

- a. Overnight parking of vehicles, trailers or boats is prohibited.
- b. Only vehicles and trailers allowed in "Long Term Parking" area, no boats.
- c. Use of "Long Term Parking" area requires you to register at the Clubhouse.
- d. Camping is not permitted.
- e. Fires are allowed only in grills or fire pits.
- f. All-terrain vehicles are permitted on the entry road and parking area only.

Rule 14. HUNTING WITHIN ASSOCIATION PROPERTIES.

- a. Firearm hunting is not permitted on any properties in the Development, other than hunting activity permitted by 14 (c.), below.
- b. Bow and arrow hunting of deer is permitted on the Crystal Point common area only.

- c. Small game and waterfowl hunting with a shotgun, #2 shot or smaller, is permitted only on Crystal Point.
- d. Archery hunters may hunt from a portable raised platform or tree stand.
- e. Steps or ladders to such a platform or stand cannot be affixed or attached to any tree by nails, screws or bolts. However, manufactured screw-in tree steps may be used.
- f. Your tree stand or platform must have your name and address affixed to it, legible and readable from the ground. All tree stands or platforms must be removed by the end of bow season.
- g. Ground blinds built only with natural, dead and downed material from the area are permitted. Such blinds must be removed or dismantled by the end of hunting season. Hunters building blinds must register at the clubhouse.

Rule 15. TRAILS.

No wheeled motorized vehicles shall be used on any Association trails, other than PIHA maintenance vehicles performing maintenance operations.

ASSESSMENTS

Rule 16. LATE FEES FOR PAST DUE ASSESSMENTS.

- a. Assessments are delinquent after April 1. Delinquent assessments shall incur a late fee April 2 through April 30 and another late fee as of May 1, with the fees to be determined by a Board Schedule.
- b. No Owner may exempt himself or herself from liability for any assessments by waiver of the use or enjoyment of his or her property or any of the common properties.
- c. Owners of property for which assessments are delinquent shall not be entitled to utilize any of the common properties, facilities or equipment so long as such delinquency continues.

REMEDIES FOR RULE VIOLATIONS

Rule 17. SUSPENSION OF MEMBERSHIP PRIVILEGES.

- a. The Association, as provided in its Articles and By-laws, shall suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations.

CONDITIONS FOR THE BENEFIT OF THE WHOLE

Rule 18.

a. LESSORS, TENANTS AND OTHER NON-OWNER OCCUPANTS.

- 1. An Owner may lease his or her property for single-family residential use. Lessees, tenants and non-Owner occupants shall comply with the bylaws, covenants, and these rules, and all leases and rental agreements shall so state.
- 2. Only tenants and non-Owner occupants who obtain a non-voting membership from the Board of Directors and pay the established fee may access Association common properties, facilities and equipment for the term of their occupancy.

- b. HOUSE TRAILERS, MOBILE HOMES, RVs AND VEHICLES.** No house trailers, mobile homes, RVs, vehicles or similar type structure may be placed upon otherwise vacant or undeveloped properties

in the Association, except in the Association storage area adjacent to the campground. No house trailers, mobile homes, RVs, vehicles, out-buildings, garages or similar type structure shall at any time be used as a residence, temporarily or permanently.

- c. **ACTIVITIES.** No sexually offensive activity, the using of profanity or the utterance of vulgar terms or unreasonably noisy activity shall occur in or upon any of the common properties and facilities.
- d. **POLITICAL STATEMENT POLICY.** Political speeches, actions or activities at Association sponsored group activities will not be permitted at any Association facility. The Board of Directors may sponsor a political issue /event at an Association facility but only after authorization at a Board meeting. If approved, the event will be assigned a facility to use for a "town hall" type meeting which allows for organized debate.

Member(s) may sponsor a legal political event but only at the North Bay Beach House facility during normal operational hours. The North Bay Beach House rental fee will apply for each day of each event. The event sponsor must post a sign at the entry way that must state the event is not an event sponsored by the Presque Isle Harbor Association. The sign must be legible from a minimum 25 feet in each direction of the entry way.

- e. **ESTHETICS.** Trash receptacles shall be maintained out of sight from the roadway except for such time as reasonably necessary for periodic collection.
- f. **LANDSCAPING.** No Owner shall perform any landscaping, place or remove minerals, plant or remove any trees, shrubs or flowers, or place any ornamental materials upon any common properties without approval of the Executive Director.

PROOF OF OWNERSHIP AND VOTING

Rule 19.

- a. **PROOF OF OWNERSHIP.** Owners who have not been issued an identification card by the Association may not access the common facilities. Each person accessing the common facilities must show his or her identification card or be accompanied by an Owner showing his or her identification card. Identification cards shall not be issued to an Owner until he or she has presented evidence of ownership consisting of a copy of his or her deed, or so much of the deed as shows the owners, property description, signature(s) and date.
- b. **VOTING.** No person shall be eligible to vote at any meeting of the Association until his or her membership is in good standing and he or she has presented evidence of ownership as defined in this rule and, if necessary, he or she has been designated as the voting Owner.

Rule 20. PLAN APPROVAL PROCEDURES.

- a. Presque Isle Harbor Association's Architectural Control Committee functions on behalf of the Owners. This Committee is charged with the review and approval of all construction work as defined under Article VI "ARCHITECTURAL CONTROL COMMITTEE" and Article VII "BUILDING AND USE LIMITATIONS" of the Restrictive Covenants imposed upon the Presque Isle Harbor Community. This review shall include all proposed buildings, garages, storage buildings, septic tanks, wells docks, fences, signs and additions or exterior changes to existing buildings or approved plans. It is a purpose of the Committee to protect the Owners from buildings that are not in harmony in design or location as related to surrounding structures and topography and to assist Owners in obtaining a residence in accordance with the Covenants. The Committee does not intend to get involved in details of construction, and in no way assumes any liability for construction deficiencies or errors.

- b. Owners are directed to mail or deliver two complete copies of the property survey and site plans, and two complete copies of building plans to:

Architectural Control Committee
C/O Presque Isle Harbor Association
P.O. Box 60
Presque Isle, MI 49777
Office (989) 595-2411

- c. Plans shall include the following information:

1. A plot plan of the property showing the location of the home, deck, garage, driveway, sign(s), septic tank and field, fuel tank, TV dish, and any other proposed construction. This plan shall be drawn to scale, preferably 1" = 20' - 0", and indicate property lines and dimensions, lake and/or road frontage and route of utilities to the building.
2. Floor plans of each level of the structure drawn at a scale of 1/4" = 1' - 0". Floor plans shall include basic dimensions of the structure.
3. Front, rear and both side elevations drawn at 1/4" = 1' - 0" scale indicating building materials, existing ground elevation, building height and intended grade line.
4. Adequate building sections to reveal construction materials and architectural arrangement.
5. Identification of plans indicating the name, address and telephone number of the Owner and lot location.
6. Name, address and telephone number of the builder.
7. Start and completion date of construction.

- d. The Committee shall make decisions on plans as soon as possible. However, the Restrictive Covenants allow a 30-day limit for the decision. A satisfactory set of plans and specifications will be stamped "APPROVED," and one set will be returned to the Owner. If the plans are not approved, the Owner will receive the Committee's reason and recommendation for their correction. Changes to approved plans are not permitted until re-submitted for approval. After plan approval, permits may be obtained from the following:

Presque Isle Township, Presque Isle County, Presque Isle Road Commission, Krakow Township or other governmental agencies.

- e. In addition to the one single family dwelling and the one private garage or boathouse allowed upon a lot, one shed shall be allowed upon the lot after review and approval by the Architectural Control Committee, provided that the following criteria are Satisfied:

- A single family dwelling is located upon the lot
- The shed is not attached to a foundation. However, the shed may be anchored to the ground or a ground level base, as long as the shed remains readily removeable.
- The shed complies with all applicable municipal zoning requirements, and all necessary municipal zoning permits have been obtained.
- The shed shall not exceed 200 square feet
- The shed shall be constructed of conventional building materials and have conventional framing, such as would be used with customary wood framing, steel construction, or a prefabricated storage building.

- The exterior finish of the shed shall be in harmony with the exterior design in relation to surrounding structures and shall be in compliance with the requirements for exterior building finishes as set forth in the applicable restrictive covenants.
- The location of the shed shall be in compliance with all applicable municipal zoning requirements and the requirements for building location and setbacks as set forth in the applicable restrictive covenants.

The Architectural Control Committee may inspect the property during construction.

Rule 21. ARCHITECTURAL CONTROL COMMITTEE PLAN REVIEW STANDARDS.

The Architectural Control Committee shall not approve construction plans if they are inconsistent with Presque Isle Harbor Association Restrictive Covenants or are not in harmony with the surroundings.

All proposed plans must be submitted, along with a completed Presque Isle Harbor Association ***Plan Approval Check List***, in accordance with Rule 20, to the Architectural Control Committee for approval prior to commencement of any construction work.

The Plan Approval Check List is provided as a service, to assist Owners and/or their builders in submitting complete information for approval, avoiding unnecessary delays. The Plan Approval Check List may be obtained at the Clubhouse, or it may be downloaded at <https://presqueisleharbor.org/owners/downloadable-forms/>

Incomplete submissions may be returned for additional information and result in unnecessary delays.

BOARD OF DIRECTORS

Rule 22. BALLOT FOR ELECTION TO AND AUTHORITY OF THE BOARD OF DIRECTORS.

The Secretary or Executive Director shall prepare a ballot for election to the Board of Directors permitting a vote for not more than three of the candidates. The ballot shall, at a minimum, contain the names of all the candidates, which will include no more than one candidate per immediate family or immediate family member of a sitting member of the Board of Directors unless that Board members term is expiring at the end of that term and is not seeking re-election. It may designate and list in alphabetical order by category, first candidates nominated by the nominating committee followed by all other candidates properly nominated. It may also contain biographical sketches not to exceed 150 words obtained from the candidates by the nominating committee or the Secretary. The Nominating Committee or the Secretary shall edit each sketch as necessary and as practical to conform to the word limitation; to contain strictly factual, accurate and historical information about the candidate; and to eliminate all campaign slogans, promises, rhetoric and policy statements, or other commentary. Any changes made will be discussed with the candidate before publishing. The Executive Director will publish and mail the ballots at the direction of the Board of Directors.

Rule 23. STANDARD OF CARE APPLICABLE TO DIRECTORS

A director or an officer shall discharge the duties of that position in good faith and with that degree of diligence, care, and skill which an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging the duties, a director or an officer, when acting in good faith, may rely upon the opinion of counsel for the corporation, upon the report of an independent appraiser selected with reasonable care by the board, or upon financial statements of the corporation represented to the director or officer as correct by the president or the officer of the corporation having charge of its books or account, or as stated in a written report by an independent public or certified public accountant or firm of accountants fairly to reflect the financial condition of the corporation.

Rule 24. BOARD MEMBER REMOVAL AND RIGHTS.

- a. Members of the Presque Isle Harbor Association Board are granted certain specific rights. All board members have the right to:
 1. receive notice of board meetings and the agenda.
 2. attend and participate in board meetings.
 3. examine Presque Isle Harbor Associations books, records, meeting minutes.
 4. examine financial statements and contracts.
 5. place items on the board meeting agenda at the appropriate time.
- b. At any meeting of the Board of Directors duly noticed for such purpose, any officer may be removed with or without cause, and his or her successor elected upon a majority vote of the members then sitting. The officer(s) proposed to be removed shall be given an opportunity to be heard at the meeting. Removal from office shall not affect the person's status as a Director.

Rule 25. RULE AND POLICY ESTABLISHMENT.

- a. **GENERAL.** The board, as the Presque Isle Harbor Association governing body, is entrusted with the authority to establish rules and policy for the governance of Presque Isle Harbor Association. Rules and Board policy establishes the parameters and guidelines for board members, committees, management and staff.

The purposes of our rules and policies are to:

- inform everyone of board intent, goals and aspirations.
 - prevent confusion among board members, staff and the public.
 - promote consistency of board action.
 - eliminate the need for instant (crisis) policy making.
 - reduce criticism of the board and management.
 - improve public relations.
 - clarify board member, executive and staff roles.
 - give management a clear direction from the board.
- b. **MANAGEMENT POLICIES ARE NOT BOARD POLICIES.** The Presque Isle Harbor Association board makes an important distinction between board policies and management policies. Board policies establish the broad parameters within which board, management and staff will operate. Management policies, developed and implemented by the executive, outline the specifics of how the organization and staff will operate within board policy.
 - c. **SOURCE OF RULES AND POLICIES.** All proposed policies and rules will be researched to ensure that they are legal, and do not contradict already established covenants, rules, policy or bylaws of Presque Isle Harbor Association. If approved by the board, rules and policies will be Written and included in all copies of the board rules and policy manuals.
 - d. **CONSIDERATIONS FOR ALL RULES AND POLICIES.** All rules and policies proposed to the board should be tested to consider if the proposed policy is:
 - really necessary for good operation of Presque Isle Harbor Association?

- consistent with our mission statement?
 - within the scope of board authority?
 - consistent with local, state and federal law?
 - compatible with other policies of this board?
 - practical?
 - broad enough to cover the subject completely?
 - enforceable?
- e. **ACCOUNTABILITY FOR CARRYING OUT RULES AND POLICIES.** The Executive Director will be accountable to the board for carrying out these rules and policies, ensuring that all rules and policies are effectively explained to the employees and making every reasonable effort to see that they are understood, accepted and complied with.

Rule 26. BOARD MEMBER COMMITMENT.

Serving as a board member of Presque Isle Harbor Association involves a very special commitment. To meet that commitment, board members are expected to:

- ensure adherence to Presque Isle Harbor Association's mission statement.
- attend and actively participate in all of the board's meetings and notify the executive or board chairperson of anticipated absence.
- when absent from a meeting, review minutes and results of the missed meeting.
- do their homework to be prepared to participate fully in board and committee meetings.
- serve actively on at least one committee.
- act only with the full board, not individually unless authorized to do so by the full board.
- speak for the full board only when the full board sanctions their doing so.

Rule 27. ETHICS.

- a. A member of the Presque Isle Harbor Association Board shall:
- listen carefully to other Board members, and those served by the Association.
 - respect the opinion of other board members.
 - respect and support the majority decisions of the board.
 - recognize that all authority is vested in the board when it meets in legal session and not with individual board members.
 - keep well-informed of developments that are relevant to issues that may come before the board.
 - participate actively in board meetings and actions.
 - call to the attention of the board any issues that he or she believes will have an adverse effect on the Association or those we serve.
 - attempt to interpret the needs of Owners and interpret the action of the Association to its Owners.
 - refer constituent or staff complaints to the proper level on the chain of command.
 - recognize that the board member's job is to ensure that the Association is well managed, not to manage the Association.

- represent all Owners of the Association and not a particular geographic area or special interest groups.
 - consider themselves a "trustee" of the Association and do their best to ensure that the Association is well maintained, financially secure, growing and always operating in the best interests of Owners.
 - always work to learn more about the board member's job and how to do it better.
 - declare any conflict of interests between their personal life and their position on the Association board and avoid voting on issues that appear to be a conflict of interests.
- b. A member of the Presque Isle Harbor Association Board shall not:
- engage in personal attacks against another Board member or hold him or her up to ridicule.
 - use the Association for his or her personal advantage or the personal advantage of their friends or relatives.
 - discuss the confidential proceedings of the board outside the board meeting.
 - promise prior to a meeting how his or her will vote on any issue in the meeting.
 - interfere with duties of the Executive Director or undermine the Executive Directors' authority.

Rule 28. BOARD MEETINGS.

- a. **QUORUM.** A majority of all currently elected members of the Presque Isle Harbor Association board will constitute a quorum for the purpose of conducting official board business.
- b. **VOTING.** All members of the Presque Isle Harbor Association board who are present when a question is put will vote upon the question unless excused by the other members present or unless disqualified by conflict of interests. Results of the vote will be recorded. Voting on all motions will be by voice unless requested otherwise by a member of the board, at the direction of the president, or required by these policies. All voting by which Presque Isle Harbor Association funds are appropriated for capital projects, must be by roll call vote. Voting to elect officers of the board may be by secret ballot.
- c. **DISQUALIFICATION FOR VOTING.** No member of the Presque Isle Harbor Association board may vote on any matter in which the board member has a direct or indirect financial interest. No member of the board of Presque Isle Harbor Association will have proprietary business dealings with Presque Isle Harbor Association which directly or indirectly results in gain or profit to such board member unless he or she first files a sworn statement with the president of the board of the intent to have such business dealings, and states therein the nature, type, and extent of the transaction and interest of the board member. Remaining board members must, by majority vote, give approval.
- d. **MINUTES OF THE BOARD MEETING.** Records of all actions of the board will be set forth in the minutes of the meeting. Minutes will be kept on file as the official record of the Presque Isle Harbor Association board. The office of Secretary of the Board will be custodian of the minutes. However, it is vital that all members of the board and the executive be able to fully participate in the discussions and deliberations, so minutes will be recorded in writing during each meeting by an appointee of the Board.

Minutes of the meeting are a record of the actions of the board, not a record of discussion. Minutes of Presque Isle Harbor Association board meetings will include:

1. The date, time and place the meeting was called to order.
2. The type of meeting-regular, special or continued.
3. The name of the presiding officer.

4. A statement that a quorum was or was not present.
5. The names of those board members present and the names of those board members absent from the meeting.
6. The exact wording of all motions, whether passed or failed.
7. Disposition of each motion made-passed or failed. (If the vote is by roll call, each board member's vote will be recorded by name. When a ballot vote is taken, the number voting for and the number voting against will be recorded. No views, protests or explanations from board members about the vote will be recorded in the minutes unless the full board votes to allow such entries.)
8. Notation of each committee report.
9. Notation that financial reports were examined by the board.
10. Notation of time of adjournment of the meeting.
11. Signature of the Board Secretary and Recorder if the Board Secretary did not record the meeting.

Committee reports or resolutions may be attached to the minutes if these items are important clarification for the minutes of the meeting.

- e. **ELECTRONIC RECORDING OF MEETINGS.** To ensure free discussion and debate at meetings of the board, no electronic recording devices may be used by individual board members, Executive Director or anyone else attending the meetings. Only the recorder may use such a device to aid in the preparation of the written minutes.
- f. **PARLIAMENTARY AUTHORITY.** Meetings of the Presque Isle Harbor Association Board will be governed by the parliamentary rules as outlined in Robert's Rules of Order Newly Revised in all cases where current bylaws and current board policies do not apply.

Rule 29. CONDUCT OF MEETINGS.

- a. **AUDIENCE PARTICIPATION.** So that meetings may be conducted in the most orderly manner, discussion of agenda items will be limited to communications among board members, between the board and the executive, and among the board, executive and those the board and executive request to make presentations.
- b. **REGULAR MEETINGS.** Regular meetings of the board will be held monthly. So that board members can schedule for the meetings well in advance, the specific dates will be established for the full year at the board's organizational meeting each year. The board will make every effort to maintain those dates as board meeting dates.
- c. **SPECIAL MEETINGS.** Special meetings of the board should be called only rarely when the business to be addressed cannot wait until the next regularly scheduled meeting. A special meeting of the board may be called by the president of the board or by any two board members. A call for a special meeting will state the business to be addressed by the board at the special meeting. Every member of the board must be notified of the special meeting at least five days prior to the established meeting time.
- d. **EMERGENCY MEETINGS.** When circumstances warrant, the Board may meet without advance notice when an emergency exists. An emergency meeting of the board may be called by the president of the board or by any two board members. A call for an emergency meeting will state the business to be addressed by the board at the emergency meeting. Every effort will be made to give as much notice as

practically possible.

- e. **OPEN BOARD MEETINGS.** It is the policy of the Presque Isle Harbor Association Board to hold open board meetings using the following guidelines:
- Agendas will be provided to guests at the beginning of the meeting.
 - Guests may comment to the board only at the designated "Open Forum" section on the agenda or when the board requests public comment.
 - When dealing with confidential matters the board may elect to go into closed session.
- f. **CLOSED MEETINGS.** All regular meetings of the board will be open to members, -except as specified below. The board will close its meetings only when:
- discussion by the board could harm the reputation and character of any person.
 - information discussed by the board could have an adverse legal impact on the organization's legal position if the information were public knowledge.
 - information discussed by the board could have an adverse financial impact on the organization if the information were public knowledge.
- To close a meeting, a motion must be made and approved by a majority of the board stating the specific reasons for closing the meeting. Business conducted in the closed session must pertain directly to the stated purpose for closing the meeting.
- g. **MEETING AGENDA PACKET.** Matters to be considered by the board at the meeting will be included on the agenda and in the board packets delivered to board members as reasonably possible prior to the meeting. The board may vote to waive this policy.

Rule 30. COMPENSATION.

Board members will serve without compensation. Only out of pocket expenses will be reimbursed and only for Board authorized expenses. Board members will not be compensated to attend meetings at Presque Isle Harbor Association.

Rule 31. FINANCIAL MANAGEMENT.

- a. **GENERAL.** Financial resources of Presque Isle Harbor Association are the responsibility of the Board of Directors.

The board shall:

1. Have a clear plan for acquisition of financial resources to pay for the programs and services provided by Presque Isle Harbor Association.
 2. Provide guidelines for management and allocation of :financial resources which will produce optimum benefit for those we serve.
 3. Monitor and evaluate the :financial plans and guidelines of Presque Isle Harbor Association to ensure its financial integrity.
- b. **BUDGETING.** An annual operating budget will be prepared by the Executive Director and **Treasurer**; presented to the board for approval at least 60 days prior to the beginning of the next fiscal year. The budget will reflect the cost of carrying out the programs and services of the Presque Isle Harbor Association for the next fiscal year. This budget will also reflect the anticipated revenues of Presque Isle Harbor Association. The budget will be viewed by the board as their :financial plan and approval of the budget by the board will be authority for the Executive Director to manage Presque Isle Harbor Association's finances according to the plan without seeking further approval of the board. However, the

executive will keep the board well informed of the ongoing status of the financial plan and will not make expenditures outside of the budget plan without seeking board approval to amend the budget.

Amendments to the budget will be presented to the board for approval for any of the following reasons:

1. Management or the Board proposes a major expenditure that was not included in the approved budget.
 2. Significant unanticipated revenues are received, or cost overruns occur.
- c. **WORKING CAPITAL RESERVES.** A working capital reserve sufficient to keep Presque Isle Harbor Association operating for at least a 60-day period should be the goal to be maintained at all times.
- d. **ACCOUNTING.** The accounting system used by Presque Isle Harbor Association will utilize generally accepted accounting practices that are required and/or recommended by regulatory agencies and the Presque Isle Harbor Association auditor. The accounting practices and procedures used by Presque Isle Harbor Association will allow for adequate management of Presque Isle Harbor Association's revenues and expenses and will provide adequate systems of monitoring by the Board of Directors as well as outside auditors.
- e. **FINANCIAL REPORTS AND AUDITS.** Reports reflecting the financial condition of Presque Isle Harbor Association will be presented to the board monthly. These financial reports will include:
1. At least quarterly status of expenditures on major capital projects.
 2. Monthly statement of cash flow.
 3. Monthly revenue and expense statement for the month and year-to-date with comparison to the budget.
 4. The executive will report, at least quarterly, any significant findings to the board. Gross violations or breach of trust will be reported to the board immediately upon discovery.

An annual audit of Presque Isle Harbor Association's finances will be conducted by an independent auditor appointed by the board. The board will approve an accounting firm to do the audit.

- f. **SIGNING CHECKS.** Authorized signatories for all general fund accounts must include two of the following: the president of the board, the treasurer of the board, other board members designated as signatories by the board, or the Executive Director.

It is the responsibility of the Executive Director to ensure that signatures can be gained from appropriate signatories so that payment can be made on the obligations of Presque Isle Harbor Association. It is also the responsibility of the Executive Director to ensure that adequate controls and safeguards have been established to ensure disbursement of funds only for proper purposes.

It is the responsibility of all check signers to ensure that there is adequate documentation, consistent with good internal controls, for valid payment of checks they sign.

- g. **INVESTMENT PRACTICES.** Presque Isle Harbor Association funds that are not required for current operations may be invested as follows: The board must approve all investments related to the funds. The board may request investment recommendations from the Executive Director, the Treasurer, and/or a committee. The funds may be invested in obligations issued by the United States of America ("U.S. obligations") and in accounts and certificates of deposit that are fully insured by an agency of the United States of America ("U.S. insured accounts"). The board may use other types of investments, in addition to U.S. obligations and U.S. insured accounts, but such other types of investments must be obtained through and with the assistance of a certified financial advisor who commits to following the fiduciary standard with respect to all such investments. The Executive Director shall be responsible for implementing the investment decisions made by the board.

- h. **EXECUTIVE LIMITATION.** The Treasurer and the Executive Director may not risk financial losses to Presque Isle Harbor Association beyond those that may occur in the normal course of business. The Executive Director will:
1. Purchase such insurance against casualty and liability losses as directed by the Board.
 2. Ensure that all personnel with access to significant amounts of Presque Isle Harbor Association money are appropriately bonded.
 3. Ensure that facilities and equipment are properly maintained.
 4. Limit exposure of Presque Isle Harbor Association, the board or staff to claims of liability.
 5. Disburse funds only under controls sufficient to meet the board-appointed auditor's standards.
 6. Invest operating capital only as described in Rule 31 (g.) above.
 7. Ensure off-site backup of all computer and other financial records necessary for uninterrupted operation of Presque Isle Harbor Association.
- i. **SPENDING AUTHORIZATIONS.** The Executive Director may make expenditures consistent with the board-approved budget without further board approval. However, expenditures that are not within the board approved budget must be formally approved by the Board of Directors. A list of anticipated major capital expenditures should be included with the annual budget that is submitted to the board for approval. Unbudgeted emergency repairs to the physical plant or equipment that must be completed immediately and cannot be practically submitted to the board for approval, may be authorized by the Executive Director. The Board of Directors will be informed of the expenditures as soon as possible.
- j. **BAD DEBTS OWED TO PRESQUE ISLE HARBOR ASSOCIATION.** The Executive Director may authorize the debt to be written off if he or she believes the debt is uncollectible or in error. Delinquent accounts may be assigned for collection to either legal counsel or a collection agency or taken to small claim court as the Executive Director deems appropriate. Collection efforts will continue even after write off until actually collected or the attorney, collection agency or small claims court deems further efforts will be futile or not cost effective.
- k. **BORROWING.** The Association may borrow money only from, and mortgage common properties only with, a regulated, publicly held and traded financial institution. The members' rights and easements in the common properties shall be subordinate only to such a mortgage and only such indebtedness shall be an obligation of the Association.
- l. **MEMBER INTERACTIONS WITH PIHA VENDORS.** If a non-board member contacts a PIHA professional service (IE: PIHA Attorney or Accountant) or a PIHA vendor and incurs a cost, those costs will be billed to the member and must be paid timely to remain in good standing.

Rule 32. ESTABLISHING POSITIONS.

All positions at Presque Isle Harbor Association shall be established by the Board of Directors of Presque Isle Harbor Association. There shall be a position of Executive Director and the Executive Director shall hire personnel to fill positions within the salary schedule established by the Board of Directors.

Rule 33. EFFECTIVE DATE, AMENDMENT AND REPEAL. These rules shall become effective on June 10, 2025. These rules may be amended or repealed by the Board of Directors.