

**PRESQUE ISLE HARBOR ASSOCIATION**  
(a Corporation)

**By-Laws**

**ARTICLE I**  
**Definitions**

The name of the corporation is Presque Isle Harbor Association.

**Section 1.** The following words when used in these By-Laws or supplemental By-law (unless the context shall prohibit) shall have the following meanings:

- A. “Presque Isle Harbor”** shall mean and refer to the Platted Subdivisions located in Presque Isle Township and Krakow Township in the State of Michigan as set forth in the Restrictive Covenants for Presque Isle Harbor and further additions thereto.
- B. “Association”** shall mean and refer to PRESQUE ISLE HARBOR ASSOCIATION.
- C. “Properties”** shall mean and refer to all such existing properties, and additions thereto, as are subject to the By-Laws or any supplemental By-Laws.
- D. “Common Properties”** shall mean and refer to those areas designated by the Developer as “Common Property” on the Platted Subdivisions referred to in Section 1a above. These areas are intended to be devoted to the common use and enjoyment of the owners of the Properties.
- E. “Original Lot”** shall mean and refer to any lot or plat of land shown upon the recorded subdivision map of the Properties after the same has been sold by the Developer, or its representatives or assigns, by land contract or by deed but shall not include Common Properties as heretofore defined nor any lot that the Developer has re-acquired following the sale of same as a result of default by the purchaser and which the Developer or its assigns holds for the purpose of resale.
- F. “Owner”** shall mean and refer to the equitable owner whether one or more persons or entities holding any original lot situated upon the Properties whether such ownership be in fee simple title or as land contract vendee, and notwithstanding any applicable theory of the mortgage, shall not mean nor refer to the mortgagee except if the mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- G. “Board”** shall mean and refer to the Board of Directors of the Presque Isle Harbor Association.

**ARTICLE II**  
**Purpose**

The purpose of the Association shall be to promote the health, safety and welfare of the residents and property owners within the Presque Isle Harbor subdivisions in Presque Isle and Krakow Townships, Presque Isle County, State of Michigan and future additions thereto and for this purpose to: own, acquire, build, operate and maintain common properties, parks, streets, and recreational facilities; to administer and enforce the covenants and restrictions contained in the Declaration of Restrictive Covenants and in these By-Laws; to collect and disburse assessments and charges as permitted by the Declaration of Restrictive Covenants and these By-Laws; and to do all things necessary and incidental as permitted by law and under the Articles of Incorporation, to promote the common benefit and enjoyment of property owners of the Association.

**ARTICLE III**

## **Member**

**Section 1.** Ownership of one or more lots within Presque Isle Harbor shall constitute and establish the owner thereof as a member, "Member" of the Association. Ownership of a lot shall mean, ownership in fee, or equitable ownership as land contract vendee when lot is being purchased on a land contract. For purposes of this Article, no lot can have more than one owner, and any interest held as security only, will not constitute ownership. In cases where there are unrelated multiple owners of a lot, only one of the owners shall be recognized as the Member and entitled to all of the rights and privileges of the Association. All other owners shall be considered guests.

**Section 2.** Persons not holding such an interest in any lot may become non-voting members of the Association under terms and conditions prescribed by the Board of Directors.

**Section 3.** The exercise of membership use privileges is conditioned upon the payment of annual and special assessments according to a schedule established by the Board of Directors. Any assessment not paid on the due date are delinquent and the Executive Director or such other person as may be authorized by the Board may enforce payment in accordance with the Restrictive Covenants.

**Section 4.** Each member in good standing shall be entitled to the use and enjoyment of the common properties and facilities. A member shall not be considered in good standing unless all annual and special assessments are current on each lot owned by the member. Membership privileges, including but not limited to the ability to exercise voting rights on any matter addressed by these By-Laws, shall be automatically suspended during any period that an assessment is due and unpaid. Additionally, the right to membership privileges may be suspended for a period not to exceed thirty (30) days by action of the Board of Directors for infraction of any published rules and regulations of the Association.

**A.** The right to membership may be suspended by action of the Board of Directors for infraction of the published rules and regulations of the Association

**B.** Any assessments not paid on the due date are delinquent and shall, together with penalties and reasonable expenses of collection, become a continuing lien on the property which shall bind such property in the hands of the owner, his heirs, devisees, personal representatives and assigns

## **ARTICLE IV**

### **Voting Rights**

A Member, as defined in Article III above, shall be entitled to one vote for each lot owned by said Member. Each lot shall represent one (1) vote irrespective of the number of joint or common owners thereof.

## **ARTICLE V**

### **Membership Meetings**

**Section 1. *Annual Meetings.*** The annual meeting of the Association shall be held on the Saturday following the third Sunday in June, at such time and place in the State of Michigan as the Board of Directors shall determine.

**Section 2. *Special Meetings*** of the Association may be called by the President or the Board of Directors. A Special Meeting shall be called by the President upon written request of one hundred (100) or more Members who are in good standing. Such request shall state clearly the purpose for which the Special Meeting is to be called.

**Section 3.** At least thirty (30) days prior to all membership meetings a notice of such meeting shall be either mailed or emailed to all members in good standing to their last known address or email address as recorded with the Association.

**Section 4.** If for any reason a membership meeting shall not be held on the day designated, for lack of a quorum or otherwise, such meeting may be called again by the President upon proper notice as set forth in Section 3 of Article V.

**Section 5.** The notice shall set out in reasonable detail the business to be brought before the meeting and each meeting shall be limited to the items set out in the notice in order that those casting proxy ballots may be permitted to express their desires. Members present may make suggestions covering items which they feel should be brought before the membership. If any such suggestions are approved by proper resolution of those members present, it shall be the duty of the Secretary to present such resolution to the members for consideration and action at the next regular or special membership meeting. It shall be the duty of the Secretary to include with the notice of any regular or special membership meeting such suggestions or requests as may be properly presented in writing and endorsed by one hundred or more members in good standing, providing such requests are received at least sixty (60) days prior to the meeting date.

**Section 6.** The order of business at the annual meeting shall be as follows:

1. Roll Call
2. Reading and Approval of the Minutes of the Previous Meeting
3. Counting of Ballots
4. Reports of Officers
5. Report of Auditor
6. Report of Manager
7. Reports of the Committees
8. Presentation of Awards
9. Unfinished Business
10. New Business
11. Report on Election and Installation of Directors
12. Adjournment

Robert's Rules of Order shall be followed.

**Section 7.** Members may cast their votes either in person or by proxy when duly filed with the Secretary of the election committee appointed by the Board of Directors. The form of the proxy shall be determined by the Board of Directors.

**Section 8.** A member must be in good standing in order for the member to participate in voting.

**Section 9.** It shall be the duty of the Secretary to prepare a list of the members entitled to vote at each meeting against which list all members voting, whether by proxy or in person, shall be checked, either by the Secretary, by some individual or the election committee designated by the Board of Directors.

**Section 10.** The presence of one hundred votes, either in person or by proxy, shall constitute a quorum for the transaction of business, except when the subjects of special assessments for capital improvements and change in basis and maximum of annual assessments are considered, wherein the quorum shall be as required in Article V of the Declaration of Restrictive Covenants.

**Section 11.** Voting shall be by majority of the votes present as represented by persons and/or proxies.

## **ARTICLE VI Election of Directors**

**Section 1.** Thirty (30) days prior to the annual meeting, the Secretary shall mail a list of nominees to the Board of Directors with biographical resumes to each member of the Association. Nominees shall be members of the Association in good standing. The Secretary shall prepare a proxy ballot listing all

nominees and shall include the proxy ballot with the biographical resumes and notice of the annual meeting.

**Section 2.** Three directors are to be elected each year for terms of 3 years.

**Section 3.** Ballots shall be provided, as requested, to each member in attendance and voting in person at the annual meeting. The nominees receiving the highest number of votes shall fill the vacancies. In the event of a tie vote, the tie shall be decided by vote of the Board of Directors, including any newly elected directors.

**Section 4.** No officer or director, except the Secretary and Treasurer, shall be eligible to succeed himself more than once.

**Section 5.** A minimum of two (2) judges shall constitute an election committee and will be appointed by the presiding officer to receive and count the ballots. The results shall be made known to the presiding officer during the meeting and the winners declared elected. Each nominee shall have the right to appoint a member in good standing to be present during the receipt and counting of the ballots.

## **ARTICLE VII Board of Directors**

**Section 1.** The Board of Directors shall consist of nine (9) members of the Association and shall have a general power to carry on the affairs of the Association.

**Section 2.** The directors shall fill all vacancies on the Board of Directors. All vacancies shall be filled for the unexpired term.

**Section 3.** The President shall recommend to the Board of Directors members of a nominating committee. The Board shall approve a nominating committee of five members. The nominating committee shall be formed not later than September 15th each year.

The nominating committee shall nominate at least as many persons as there are positions on the Board to be filled at the annual meeting. Members of the Association may nominate other members as candidates for directors. Such nominations shall be in writing, signed by at least four (4) members of the Association. Members submitting nominees must obtain the prior written consent of the nominee, which consent shall accompany the nomination. Said nominations shall be placed in the hands of the Secretary, along with the nominees of the nominating committee no later than sixty (60) days prior to the date of the election.

**Section 4.** After the annual meeting, the Board of Directors shall elect from the membership of the Board a President, a First Vice President, a Second Vice President, a Secretary, and a Treasurer.

**Section 5.** The Board of Directors shall have the power to appoint such other officers and agents and to hire such employees as may be necessary for carrying out the purposes of the Association.

**Section 6.** Any officer or agent may be removed and replaced by the Board of Directors.

**Section 7.** The Board may, at its discretion, request the resignation of any director who has not met the responsibilities of Board Membership (E.G. Absence from 3 or more regularly scheduled consecutive Board Meetings, non performance of assigned duties or action contrary to the stated wishes of the Board or Association).

**Section 8.** A quorum of five members of the Board of Directors is necessary for the transaction of any business. All resolutions of the Board of Directors shall be adopted by a simple majority of directors present.

**Section 9.** The Board of Directors shall authorize the President to appoint such committees as the Board deems necessary to carry on the affairs of the Association, and it shall define the powers and duties thereof. The committees so appointed shall hold office during the pleasure of the Board of Directors.

**Section 10.** The Board of Directors may appoint an Architectural Control Committee pursuant to Article VI of the Declarations of Restrictive Covenants of the Presque Isle Harbor Development.

**Section 11.** To the extent permitted by Michigan law from time to time in effect and subject to the provisions of this Section 11: The Association shall indemnify any 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 (other than an action by or in the right of the Association) by reason of the fact he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association or its shareholders, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, he termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of No Contest or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association or its shareholders and, with respect to any criminal action or proceedings, had reasonable cause to believe his conduct was unlawful.

## **ARTICLE VIII**

### **Officers**

**Section 1. *President.*** The President shall be the executive officer of the Association, and shall preside over all meetings of the Association and the Board of Directors. The President shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Association and Board are carried into effect. The President shall have the authority to sign checks and to sign all legal documents authorized for his signature by the Board of Directors. The President shall be an ex officio member of all committees except the Nominating Committee and the Rules Committee. The President shall conduct the affairs of the Association in accordance with the recorded Declarations of Restrictions, the Articles of Incorporation and these By-Laws. The President shall be responsible for the preparation of the State of the Association report to be submitted to the annual meeting and shall file said report with the Secretary fifteen (15) days prior to the annual meeting, so that it will be available for inspection by the membership.

**Section 2. *First Vice President.*** The First Vice President, shall, in the absence of the President, preside at all meetings of the Association and of the Board of Directors. The First Vice President shall be responsible for the coordination of the efforts and reports of such committees as the President may assign and shall be on ex officio member of all such committees. The First Vice President shall also perform such other duties as the President may assign.

**Section 3. *Second Vice President.*** The Second Vice President shall, in the absence of the President and the First Vice President, preside over all meetings of the Association and of the Board of Directors. The Second Vice President shall be responsible for the coordination of the efforts and reports of such standing committees as the president may assign and shall be an ex officio member of all committees. The Second Vice President shall perform such other duties as the President may assign.

**Section 4. *Secretary.*** The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, and shall preserve in the books of the Association true minutes of all proceedings of all such meetings. The Secretary shall keep a record of the names and addresses of all members of the Association.

**Section 5. Treasurer.** The Treasurer shall have the responsibility for the following:

**A.** Collection and custody of all funds paid to the Association, and depositing of same in depositories authorized by the Board of Directors.

**B.** The filing of reports as may be legally required, including reports or returns to Internal Revenue Service.

**C.** Payment of all bills and disbursement of funds as may be authorized by the Board of Directors, subject, however, to the limitation provided in Article XI, Section 4 of these By-Laws.

The Treasurer's books shall be open to inspection at reasonable times by the President, Board of Directors, and authorized auditor. The Treasurer shall make a full and true report of the financial condition of the Association in accordance with information furnished pursuant to Article XI, Section 3 at the annual meeting. The Treasurer shall establish bookkeeping, accounting and purchase order systems to cover all purchases, material, and labor required for or in behalf of the Association.

**Section 6.** All people handling funds for the Association shall be placed under surety bond, the fee for said bond to be paid by the Association. Upon approval of the Board, the officers of Secretary and/or Treasurer may be paid positions, with the amount of pay to be determined by the Board of Directors. All other officers will serve without compensation, except that they shall be reimbursed for reasonable expenses incurred in furthering Association business, subject to the approval of the Board of Directors.

## **ARTICLE IX Committees**

**Section 1.** The following standing committees may be appointed:

- Architecture Control
- Budget and Finance
- Maintenance
- Security Patrol
- Activities
- Campers' Village
- Clubhouse, Beach, and Pool
- Natural Resources

**Section 2.** At the time of the notice of Annual Meeting, the Secretary of the Board may also send a questionnaire to each member whose name and address is on file with the Association inviting application for committee assignment. The Board of Directors may appoint additional members at their discretion. The officers of each committee shall be selected by the membership of that committee. Committee members shall be subject to removal by the Board of Directors for good cause shown.

**Section 3.** Reports and recommendations of all committees shall be made in writing and a copy filed with the Secretary.

## **ARTICLE X Assessments**

**Section 1.** Every Owner of a lot within Presque Isle Harbor subject to these By-Laws shall pay an annual assessment to the Association for each lot owned. Every owner shall also pay such special assessments as are approved by the Association.

**Section 2. Purpose of Assessment.** The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the property owners in subdivisions of the Association and, in services and facilities devoted to this purpose and to the use and enjoyment of the common properties and improvements thereon and thereto, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management, and supervision thereof.

**Section 3.** Annual Assessments become due and payable on the first day of April each year. There shall be no adjustments or pro-rations of assessments. For purposes of levying the assessment, assessments shall be considered as paid in advance. The due date of any special assessment shall be fixed in the resolution adopted by the Association authorizing such assessment.

**Section 4. Duties of Board of Directors.** The Board of Directors shall prepare a roster of the properties and assessments applicable thereto at least thirty days in advance of such assessment due date. Such assessment roster shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto. The Association shall, upon demand at any time, furnish to owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid.

## **ARTICLE XI Finance**

**Section 1.** The fiscal year of the Association shall begin on the 1st day of April each year.

**Section 2.** Not later than March 1st of each year a budget of estimated income and expenditures for the fiscal year commencing on April 1st shall be adopted by the Board of Directors. This proposed budget shall be available for inspection by the members at the office of the Association. A summary of the approved budget shall be available to each member in attendance at the annual meeting of the Association to be held in June of each year.

**Section 3.** The Board of Directors shall employ a certified public accountant to conduct an annual audit of all books and accounts of the Association. The certified public accountant shall submit a report of his audit and a certified financial statement showing the financial condition of the Association in writing to the Secretary of the Association not later than May 15 of each year, and said report and statement shall be available for review by members. In addition, said report shall be given at the annual meeting of the Association.

**Section 4.** All checks shall be signed by any officer or person authorized by the Board of Directors. The Treasurer is authorized to issue checks for approved expenditures of the Association, providing that the amounts of any checks do not exceed the amount authorized by the budget.

## **ARTICLE XII Annual Special Meeting of All Committees and Board of Directors**

**Section 1.** Annually on the Saturday following the third Sunday in June, a special collective meeting of all standing committees and of the Board of Directors may be held preceding the regular annual meeting.

**Section 2.** Notice of such meeting shall be mailed or emailed to members of all committees and to the Board of Directors by first class mail or to current email on file not later than twenty days prior to the date of said meeting.

**Section 3.** The purpose of such meeting may be primarily informational in nature. Reports shall be submitted by each committee as to its respective activities, programs or plans. In addition to the exchange

of information, the Board of Directors may conduct such business relative to the reports of the various committees as may appear appropriate and as authorized by these By-Laws.

**ARTICLE XIII**  
**Conducting Business Meetings by Mail**

**Section 1.** With the approval of the Board of Directors, business of the Association may be conducted by mail or email to those members providing current email addresses. Notice of the proposed action shall be mailed to the membership by first class mail or emailed to those members who have chosen electronic communication. A statement setting forth the question at issue shall be included in the mailing along with the ballot. A minimum of twenty-five percent of bona fide ballots must be returned. If twenty-five percent or more of said ballots are returned, a majority of the votes cast shall decide the question at issue, and the Board of Directors shall thereupon declare the result binding upon the Association, unless these By-Laws or the Declaration of Restrictive Covenants provide for some other method for adoption of the question at issue.

**ARTICLE XIV**  
**Distribution of Assets After Dissolution**

**Section 1.** In the event of dissolution or other termination of this Association, the Board of Directors shall suggest, for approval by the membership, that all of the assets of the Association be assigned to **the Township of Presque Isle, Presque Isle County, Michigan, or some other governmental unit of the State of Michigan.** A special meeting shall be called, which will follow all the rules set out in Article IV regarding the procedure for membership meetings. In the event that such membership approves the Board of Directors suggestion, such dissolution and termination of the Association shall occur.

**ARTICLE XV**  
**Severability Clause**

**Section 1.** In the event any portion of the written By-Laws is declared to be or becomes inoperative under State or Federal Law, the balance of these By-Laws shall remain in full force and effect.

**ARTICLE XVI**  
**Amendments**

**Section 1.** These By-Laws may be amended by the Membership at any regular or special meeting of the Association, providing that the notice for such meeting contains a full explanation of the proposed amendment. A majority of Members present, either in person or by proxy, shall be required to adopt the proposed amendment.

Revised June 26, 2021