

LAKE OAKLAND HEIGHTS PARK ASSOCIATION, INCORPORATED

A Non - Profit Michigan Corporation

BY-LAWS

(Revised Jan 2007)

ARTICLE I

Name

The name of the Organization shall be "Lake Oakland Heights Park Association Incorporation," a non-profit Michigan Corporation.

ARTICLE II

Purposes

Section 1: To protect the investment and rights of property owners in the Lake Oakland Heights Subdivision, Waterford Township, Oakland County, Michigan, by enforcing the Restrictions and Zoning Laws in effect in relation to the subdivision.

Section 2: To promote the safety of the residents.

Section 3: To own legal title to the beach property and to manage and maintain the Recreation area for the rest of the members of this organization.

Section 4: To promote the social welfare, educational and recreational interest of the residents.

ARTICLE III

Reservation of Powers

All of the corporate powers of this Organization, not expressly reserved to the members by law, or by these BY-LAWS, shall be fixed in a Board of Directors. Nothing shall be construed as a restriction or limitation of such powers if not expressly hereinafter provided.

Revised 2005 / Effective 27SE05

ARTICLE IV

Membership

Section 1 - Qualifications: Any person who shall be an owner of property, or a Land Contract Purchaser in the Lake Oakland Heights Subdivision, Township of Waterford County of Oakland, State of Michigan, shall be eligible to become a member of this organization upon payment of the following dues and fees:

(a.) The payment of current dues in the sum of Eighty-Five (\$ 85.00) Dollars per year, in advance, beginning with the year 2007. * (See article IV, Section 7)

(b.) Any one in possession of property under a Lease Agreement shall be entitled to beach privileges, at no charge, providing the owner is a member in good standing, and does not exercise his beach privileges.

(c.) If an owner declines to become a member of the Association, the lessee may become a member, in only (with no voting rights), upon payment of the yearly dues.

(d.) If an owner or lessee has attained the age of Sixty-Five (65) years or older, he/she is entitled to a voluntary discount of Twenty (20%) percent off the current dues only. This discount does not apply to any other fees of the Association.

(e.) All membership terms shall run from January 1st through December 31st of each calendar year.

Section 2 - Transferability: If the owner of any membership has already paid the aforementioned initiation fees and dues, the new owner will not be required to pay the initiation fee and dues, except such fees and dues as may become due in the future, following such assignment of membership.

Section 3 - Provision of Membership: There shall be only one membership for each lot in the subdivision, however, every member of the family residing upon said lot shall be entitled to the use of the park, beach and any other Association facilities and are subject to the rules and regulations of the membership and any infractions of such rules and regulations. Only members in good standing shall be entitled to use the facilities.

Section 4 - Forfeiture of Membership:

(a) The membership of any member who shall fail to pay the "Annual Dues" for any current year, and any charges or assessments, on or before May 1st, shall continue to be in default of the payment for a period of Thirty (30) days shall be deemed a member not in good standing. In order for such member to become a member in good standing he must pay all arrearages. Any member in default for twelve (12) consecutive months shall automatically forfeit his membership. Notice of such forfeiture must be mailed to the member thirty (30) days prior the forfeiture date.

Section 5 - Reinstatement of Membership: Any person whose membership has been forfeited in accordance with the foregoing section, shall be entitled to reinstatement upon payment of the current yearly dues, including all late fees as are in force at time of reinstatement..

Section 6 - Persons: For the purpose of these By-Laws, a person shall constitute any natural person or any legal entity capable of owning property in the State of Michigan.

Section 7 - Inflation Adjustments: All dues and fees in this Article shall be subject to the following automatic inflation increase; in every calendar year starting with 2006, there will be an increase in the dues of Five (5%) percent over the previous year's dues amount, rounded to the nearest whole dollar.

ARTICLE V

Meetings

Section 1 - Regular Meetings: Regular meetings of the members shall be held the last Tuesday of September (Election Meeting), the first Tuesday of December (Budget Meeting) and the last Tuesday of April. All meetings are to be held at 7:30 p.m.

Section 2 - Special Meetings: Special meetings of the members may be held at such times as may be ordered by the Board of Directors, or called by the President upon request of a majority present and voting at any Regular Meeting; or in writing of the members in good standing at that particular time.

Section 3 - Place of Meetings: Meetings shall be held at such suitable place as shall be selected by the Board of Directors, within the Township of Waterford, County of Oakland, State of Michigan.

Section 4 - Annual Meeting: The annual meeting of this organization shall be held on the last Tuesday in September of each year and the election of Officers of the Board of Directors of Association shall take place.

Section 5 - Notice of Meetings: Notice of all meetings shall be given to the members of the Association at least seven (7) days prior to the date of such meeting. In the event of a Special Meeting being called, only that subject for which such meeting is called may be discussed. The notice shall contain an agenda for that Special Meeting.

Section 6 - Voting:

- (a) Only members in good standing shall be entitled to vote.
- (b) Voting at Regular or Special Meetings of this Association shall be by acclamation, except when a roll call vote is required.
- (c) Only one owner of each lot present at any meeting of the Association may vote.
- (d) The absence of any member from the Regular or Special Meeting shall be construed as a waiver of the right to vote.
- (e) The President shall order a roll call vote on any question, when such a demand is made by two different members.

Section 7 - Majority: A majority of the members eligible, present and voting shall be required to carry or pass any question.

Section 8 - Quorum: Any "Regulay / Special" membership meeting which has been called to order, the provisions of Article V shall be determined to meet any "Quorum" requirements, for all business conducted at said meetings, and shall be determined to have met any and all L.O.H.A. By-Law requirements.

Section 9 - Rules of Order: All business shall be carried out in accordance with "Roberts Rules of Order Revised," except where the same may be contrary to these By-Laws. The legal Director shall be empowered to act as Parliamentarian at all meetings.

ARTICLE VI

Directors and Officers

Section 1 - Election: At the Annual Meeting of this organization, the Board of Directions shall be elected, consisting of Ten (10) persons who must be members in good standing of this Association: Four (4) of which shall be elected to the Offices of President, Vice-President, Secretary and Treasurer. The remaining six (6) shall hold Directorships as follows; Boating , Expeditor, Legal, Promotional, Safety and Social. Officers and Directors shall hold office for one year or until their successors shall have been duly elected and installed.

Section 2 - Vacancy: In the event of a vacancy on the Board of Directors, because of death or resignation, or for any other reason, such vacancy may be filled by the remaining Directors for the unexpired term of the vacant office, or may be filled at a Special Meeting of the membership called for that purpose.

Section 3 - Place of Meetings: Meetings of the Board of Directors may be called at any time by the President or by two (2) Directors, and may be held at any place within the Township of Waterford, County of Oakland, State of Michigan.

Section 4 - Notice of Meetings: Two (2) days notice shall be given to all Officers and Directors of a meeting of the Board of Directors, either personally or by mailing a written notice thereof. Such notice shall state the object of such meeting, if there is any special objective. Any member of the Board of Directors may, in writing, waive notice of any meeting of the Board of Directors.

Section 5 - Quorum: A majority of Directors shall constitute a Quorum for the transaction of all business except as otherwise provided in these By-Laws.

Section 6 - Compensation and Removal: No officer shall be entitled to compensation for his service as such. Any Officer or Director may be removed from his office at any time by an affirmative vote of Two-Thirds (2/3) of the membership present and voting at a Special Meeting.

Section 7 – Service Year: Officers and Directors shall take offices on January 1st through December 31st, so as to run congruent with the fiscal and calendar year.

ARTICLE VII
Officers and Duties

Section 1 - Officers: The Officers of this Association shall be a President, Vice-President, a Secretary, and a Treasurer.

Section 2 - President: The President shall preside at all meetings of the Membership and Directors; shall sign the records thereof, and shall do and perform all duties pertaining to the office of President of a Corporation, as well as those required of him by the Board of Directors. He shall also appoint a committee, which will be responsible for an annual audit of the Association finances, within Four (4) months following the end of the Association's fiscal year. The outgoing President shall automatically serve a one-year term as an ex-officio member of the Board of Directors.

Section 3 - Vice-President: It shall be the duty of the Vice-President to do and perform all the duties of the President in the event of his absence, disability or vacancy in his office, as well as those required of him by the Board of Directors.

Section 4 - Secretary: It shall be the duty of the Secretary to keep a record of all the proceedings of the meetings of the members and of the Board of Directors; to keep or cause to be kept, books for the record of membership; to attest to instruments of the Association requiring attestation; to give all notices as required to be given, and to perform such duties as pertain to the office of the Secretary of a Corporation, as well as those required of him by the Board of Directors.

Section 5 - Treasurer: It shall be the duty of the Treasurer to exercise supervision over the finances of the organization, to collect dues, to furnish the Board of Directors with an accurate statement of the financial condition of the Association at such times as the Board of Directors may request. To prepare annually for the consideration of the members, a financial statement showing the financial condition of the Association at the end of the fiscal year just closed; and to perform such other duties as pertain to the office of Treasurer of a Corporation, as well as those required of him by the Board of Directors.

Section 6 - Budget:

- (a) It shall be the duty of the Board of Directors to formulate an annual budget, not to exceed eighty (80%) percent of the previous annual income and present it to the membership for approval by the December meeting.
- (b) Any expenditure in excess of the approved budget may be made only by the approval of the membership present and voting at any regular or special meeting.

ARTICLE VIII

BOAT DOCKS

Section 1 - Qualifications: Any member in good standing of the organization may be eligible to rent a boat slip on an annual basis, limited by the availability of the boat slips.

Section 2 - Fees: The annual fee to rent a boat slip shall be Three-Hundred (\$300.00) Dollars. This fee must be paid in advance of occupying the assigned boat slip.

Section 3 - Inflation Adjustments: All fees in this Article shall be subject to the following automatic inflation increase: in every third consecutive calendar year beginning with 2005, there will be an increase in the boat slip fees of Eighteen (18%) over the previous year's boat slip fee amounts, rounded to the nearest whole dollar.

ARTICLE IX

SEAL

No formal seal shall be adopted by the Organization.

ARTICLE X

Fiscal Year

The Fiscal Year of the Corporation shall end on December 31st of each year. It will be congruent with the calendar year.

ARTICLE XI

Finances

Section 1 - General Account: During the Association's Fiscal Year, all income, excluding interest earned in Special Accounts, shall be placed in the General Account.

Boat Fund: The Boat Fund is monies paid by L.O.H.A. members for the use of the boat docks. The Boat Fund is used for upkeep of the boat docks and boating area.. The Boat Director may authorize the use of up to One Thousand (\$1,000.00) Dollars for repairs and upkeep per year. Any additional monies used must be approved by a Two-Thirds (2/3) majority of the members currently contributing to the Boat Fund. Authorization of money in such fund shall not exceed the amount available in the Boat Fund.

Interest earned by the Morgan Stanley Account: The Interest earned by the Morgan Stanley Account is available to be used by the Association's Board of Directors, with a Two-Thirds (2/3) majority vote by the Board of Directors. The principal from the account shall not be affected by the use of the interest.

Section 2 - Special Account:

- (a) Twenty (20%) percent of all General dues, initiation fees and profits from other activities shall be transferred to the Special Account. Boat Slip dues are exempt from the Twenty (20%) percent transfer. Income earned on Special Accounts shall remain in said account. All monies set aside in any account or investment other than the General Account, Boat Fund, and Interest earned from the Morgan Stanley Account (for budget over-runs only), shall be considered a Special Account and subject to all rules in these By-Laws governing Special Accounts. Monies in any Special Account shall be used as hereinafter provided.
- (b) The monies in this account may be withdrawn at any time for any purpose, at a Special Meeting by Two-Thirds (2/3) vote of the members present and voting.

Section 3 - Special Charges and Assessments: Special Charges or Assessments may be placed upon the membership by a two-thirds (2/3) affirmative vote of the members present and voting at a special meeting.

Section 4 - Deposits and Withdrawals:

- (a) All General Account Funds shall be placed in a bank checking account of the Board of Directors choosing and withdrawals there from shall be made only by check and all checks shall be signed by two of the following three Officers: President, Vice-President, and Treasurer.
- (b) Monies for the Special Account shall be placed in an interest-bearing saving account.

ARTICLE XII

Masculine Gender

Wherever in these By-Laws a pronoun denoting the masculine gender has been used, it shall equally apply to the feminine gender.

ARTICLE XIII

Profits

In the Event that this Association shall conduct any activities from which a profit is derived, there shall never, at any time, be any profit, dividend, or share of anything of value returned to or paid to any member of this Association. All such profits shall be used by this Association for the purpose of the Association exclusively.

ARTICLE XIV

Amendments

These By-Laws may be amended by an affirmative vote of Two-Thirds (2/3) of the members present and voting at any Regular or Special Meeting of the Association provided notice of such intention to amend these By-Laws has been given to the membership by mail Seven (7) days prior to such meeting. All amendments to these By-Laws shall be incorporated into the existing wording of the document. The revised By-Laws must then be signed and dated by the officers and kept on file by the Secretary.