

By-Laws of the HARBOR DRIVE HOMEOWNERS ASSOCIATION

Article I – Name

This Association will be known as the HARBOR DRIVE HOMEOWNERS ASSOCIATION, and will hereinafter be referred to simply as the "ASSOCIATION".

Article II – Purpose

The purpose of this ASSOCIATION is to promote the best interests of the property owner and residents of Harbor Drive and, in a broad way, to foster, further, advocate and protect the welfare of the area as a residential section; to encourage all propositions that may be deemed helpful to the development of the area; to discourage and oppose all propositions that may be detrimental to the residents and property owners of the area; provided, however, the powers granted herein be confined to those permissible by a nonprofit corporation which is to exempt under Section 501 (c)(3) of the Internal Revenue Code.

In clarifying the ARTICLES, the purpose of the ASSOCIATION, in addition, is to maintain and improve the relations of the members of the ASSOCIATION and their enjoyment of the area and also:

1. To maintain the ASSOCIATION as a nonprofit corporation in Michigan.
2. To provide and promote the maintenance and improvement of Mann Road and Harbor Drive as deemed necessary by the ASSOCIATION.
3. To promote fellowship of the members of the ASSOCIATION.

Article III – Definitions

Section 1. Owner

The term "owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is located along Harbor Drive, Chesterfield Township, Macomb County, Michigan, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2. Member in good standing

The term "member in good standing" shall refer to an owner of a lot who is not delinquent for payment of fees assessed by the ASSOCIATION.

Article IV – Membership

Any owner whose property is located along Harbor Drive, Chesterfield Township, Macomb County, Michigan shall be considered a member of the ASSOCIATION.

In addition, membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to the ASSOCIATION.

Article V - Governing Body

Section 1. Number

The property and lawful business of the ASSOCIATION shall be held and managed by the Board of Directors, consisting of seven (7) Members: namely, the President, Vice-president, Secretary, Treasurer and three (3) members at large. Such directors/officers must be members of the ASSOCIATION.

Section 2. Elections

The Directors/Officers shall be elected for a term of one (1) year with such election to take place at the annual meeting of the membership to be held during the 2nd week of November. In the event that a holiday conflicts with a meeting date, then the meeting date shall be changed accordingly.

Election to each position shall be by a majority of the members present and who are also in good standing.

Section 3. Nominations

Nominations for office shall be made from the floor at the election meeting by any member of the ASSOCIATION in good standing.

Section 4. Vacancies

Vacancies in the Board of Directors/Officers shall be filled by appointment by the remaining members of the Board, and each person so appointed shall be a Director/Officer until their successor is elevated by the members entitled to vote in an election, who make such election at the next annual meeting of the members, or at any special meeting thereof duly called for that purpose and held prior thereto.

Section 5. Compensation

No Director/Officer shall receive compensation for any service rendered the ASSOCIATION. However, any Director/Officer may be reimbursed for actual expenses incurred in the performance of their duties.

Section 6. Removal of Officers

Any Director/Officer or Director may be removed, with or without cause, by a majority vote of the members of the ASSOCIATION in good standing and present at the meeting duly called for that purpose.

Article VI - Meetings of the Directors

Section 1. Regular Meetings

Regular meetings of the Board of Directors shall be held monthly at such date, place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings

Special meetings of the Board of Directors shall be held when called by the President or any two (2) Directors after not less than two (2) days notice to each Director.

Section 3. Quorum

A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of such Board: Provided that if the Directors shall severally and/or collectively consent in writing to any action to be taken by the ASSOCIATION, such action shall be as valid a corporate action as though it had been authorized at a meeting of the Board.

Article VII - Powers and Duties of Directors

Section 1. Powers

The Board of Directors shall have the power to:

- a) Exercise for the ASSOCIATION all powers, duties and authority vested in or delegated to this ASSOCIATION and not reserved to the membership by other provisions of these by-laws, the Articles of Incorporation or the declarations recorded with the Macomb County Register of Deeds.
- b) Appoint and/or employ such agents or other persons or committees in a rational manner as may be deemed necessary for the transaction of the business of the ASSOCIATION.
- c) Spend such sums as are reasonable and necessary for, but not limited to, snow plowing, water weed removal, surveillance, and general maintenance.
- d) For all other items not otherwise provided for, to expend up to \$500.00 without the prior approval of the Board. All such expenditures shall be reviewed by the Board at its next meeting for purposes of ratification.

Section 2. Duties

It shall be the duty of the Board of Directors to:

- a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at each annual meeting or any special meeting.
- b) Supervise all officers, agents and employees of the ASSOCIATION, and to see that their duties are properly performed.

Article VIII – Officers

Section 1. President

The President shall be the chief executive of the ASSOCIATION and shall preside over all the meetings of the Board and of the members. The President shall have the general and active

management of the business of the ASSOCIATION and shall see that all orders and resolutions of the Board and members are carried into effect. The President shall be the spokesperson for the ASSOCIATION.

Section 2. Vice-President

The Vice-President shall be an aide to the President and shall perform the duties and exercise the powers of the President during the absence or disability of the President or the refusal of the President to act and shall exercise and discharge any other duties as may be required by the Board.

Section 3. Secretary

The Secretary shall have the possession of the books and records of the ASSOCIATION and shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep accurate and current records showing the members of the ASSOCIATION with their addresses; serve notice of meetings of the Board of Directors and of the members; and shall perform any other duties as required by the Board.

Section 4. Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the ASSOCIATION and shall disburse funds as directed by resolution of the Board of Directors; keep proper books of account and shall render an account of all transactions as the Treasurer and the financial condition of the ASSOCIATION whenever requested by the President or the Board of Directors. The Treasurer shall be bonded for an appropriate amount decided upon by the Board; however the Board can waive the bonding requirements should it see fit.

Article IX – Meetings

Section 1. General

Any business brought before the members for voting at an official meeting shall require a majority vote of those members present who are eligible to vote, except as otherwise provided in these by-laws or by declaration or by statute which by-laws are unable to amend for use, in order to pass.

Section 2. Voting

Each household in good standing with the ASSOCIATION shall have one (1) voting member; however, only members present at a meeting shall be entitled to vote.

Section 3. Notice of Meetings

At least ten (10) days prior to each regular or special meeting of the members, notice of the time, place and purpose of such meeting shall be e-mailed by the Secretary to each member or served personally upon such member. The Secretary shall further file a proof of service with the ASSOCIATION by placing such in the file, indicating that service was made upon all members.

Section 4. Annual Meetings

An annual meeting of the membership shall be held during the 2nd week of November at a time and place designated by the Board of Directors. In the event that a holiday conflicts with a meeting date, then the meeting date shall be changed accordingly.

Section 5. Order of Business

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

- a) Roll call.
- b) Reading of the notice and proof of mailing or service.
- c) Reading of minutes of the last meeting.
- d) Report of Directors/Officers.
- e) Election of Directors/Officers where necessary.
- f) Old business.
- g) New business.
- h) Adjournment.

Conduct and procedure for the meetings, general or special, shall be in accord with Robert's Rules of Order.

Section 6. Agenda

The agenda for each meeting shall be prepared by the Board. Any member of the ASSOCIATION wishing to place an item on the agenda shall notify the President in writing of the substance of such item and such item shall be placed on the agenda for the next membership meeting. In the case of the annual meeting, such notification to place such an item on the agenda shall be made to the President in writing at least 15 days prior to the meeting.

Section 7. Special Meetings

A special meeting of the members may be called at any time by the President, by a majority of the Board of Directors or by twenty (20%) percent of the members in good standing. Upon receipt of a specification in writing setting forth the date and objects of such a proposed meeting, signed by the President or a majority of the Board of Directors or by twenty (20%) percent of the members in good standing, the Secretary or other members of the Board shall prepare, sign and cause to be delivered the proper notice requisite to such a meeting.

Section 8. Organizational Meeting of the Board

Within ten (10) days after the November meeting, the outgoing Directors/Officers shall meet with the incoming Directors/Officers for the purpose of creating a functioning successor governing body and so that all materials and unfinished business can be turned over to the new Directors/Officers.

Article X - Amendment of By-Laws

The by-laws of the ASSOCIATION may be amended, altered or repealed at any regular or special meeting of the members of the ASSOCIATION called for that purpose by majority of those present at the meeting and eligible to vote. The Board of Directors/Officers shall have no authority to amend, alter or repeal the by-laws.

Article XI – Miscellaneous

Section 1. Fees

All lot owners shall be required to pay fees to the ASSOCIATION in the following manner:

- a) As to snow plowing, such amounts as provided by the Board of Directors.
- b) As to any additional fees, such amounts as are approved by the vote of a 2/3 majority of members present and entitled to vote at a meeting.

Section 2. Approval

These By-Laws are proposed and approved by a vote the HARBOR DRIVE HOMEOWNERS ASSOCIATION, on this _____ day of _____, _____.

President

Treasurer

Vice-President

Secretary