

AMENDED AND RESTATED ASSOCIATION BYLAWS

LITTLE BEAR LAKE ASSOCIATION

ARTICLE I.

ASSOCIATION OF CO-OWNERS

- A. Little Bear Lake Association ("Association") was created as the successor to Little Bear Lake Club, a defacto association. The Association is a non-profit corporation organized under the laws of the State of Michigan.
- B. The Association was organized for the purpose to oversee, foster and generate among and on behalf of its members good community relations, adherence to reservations and restrictions on use of property, to promote the communal and material welfare of and for its members with respect to property owned on or around Little Bear Lake, Otsego County, Michigan in Little Bear Lake Subdivision, First Addition to Little Bear Lake Subdivision, Second Addition to Little Bear Lake Subdivision and Third Addition to Little Bear Lake Subdivision located in Charleton Township, Otsego County ("Subdivisions"). The Association shall be responsible for the management, maintenance and administration of the private roads and the Park Site and common areas.
- C. Membership in the Association and voting by the members of the Association shall be in accordance with the following provisions:
 - 1. Each Owner of a lot or lots in the Subdivisions that is encumbered by certain Restrictions recorded in Liber I Misc. Pages 313 et seq. ("Restrictions") shall be a member of the Association ("Member(s)") and no other person or entity shall be entitled to membership.
 - 2. The share of a Member in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his parcel or lot.

ARTICLE II.

MEETINGS

- A. Meetings of the Association shall be held at the "Park Site" or at such other suitable place convenient to the Members as may be designated by the Board of Directors in accordance with Roberts' Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation.
- B. Annual meetings of members of the Association shall be held in the summer of each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected, by ballot of the Members, a Board of Directors in accordance with the requirements of

Article III of these Bylaws. The Members may also transact at such meetings such other business of the Corporation as may properly come before them.

- C. It shall be the duty of the president to call a special meeting of the Members as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Members presented to the secretary of the Association. Notice of any special meetings shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.
- D. It shall be the duty of the secretary (or other Association officer in the secretary's absence) to serve a notice of each Annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Member of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Member at the last address provided by a Member to the Association shall be deemed notice served. Any Member may, by written waiver of notice signed by such Member, waive such notice and such waiver, when filed in the records of the Association, shall be deemed due notice.
- E. If any meeting of Members cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting for a time not less than forty-eight (48) hours from the time the original meeting was called.
- F. No Member shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a parcel or lot in the Subdivisions. No Member shall be entitled to vote if the Board of Directors determines the Member is in violation of these Bylaws including without limitation Article VI.
- G. Each Member shall file a written notice with the Association, designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Member. Such notice shall state the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Member. Such notice shall be signed and dated by the Member. The individual representative designated may be changed by the Member at any time by filing a new notice in the manner herein provided.
- H. The presence, in person or by proxy, of two-thirds (2/3) of the Members qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting, at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which a vote is cast.
- I. Votes may be cast in person or by proxy or by writing, duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written vote must be filed with the secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

- J. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) of those Members entitled and qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association.

ARTICLE III.

BOARD OF DIRECTORS

- A. The affairs of the Corporation shall be governed by a Board of not less than three (3) directors, all of whom must be members of the Corporation. Directors shall serve without compensation.
- B. The term of office of each Director shall be one (1) year. Each director shall hold office until his successor has been elected.
- C. The Board of Directors shall have the following powers and duties:
1. To manage and administer the affairs of and maintain and repair the private roads throughout the Subdivisions and the Park Site, boat launch and other common areas.
 2. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
 3. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Association, including without limitation, for grading and snow removal.
 4. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge or other lien on property owned by the Association; provided, however, that any such action shall also be approved by an affirmative vote of more than seventy-five percent (75%) of all the Members of the Association qualified and entitled to vote.
 5. To make rules and regulations in accordance with the Bylaws.
 6. To establish such committees as it deems necessary, convenient, or desirable and to appoint persons thereto for the purpose of implementing the administration of the Association and to delegate to such committees any functions or responsibilities which are not by law required to be performed by the Board.
- D. Vacancies in the Board of Directors, including the first Board of Directors named in the Articles of Incorporation caused by any reason other than the removal of a director by a vote of the members of the Association, shall be filled by the vote of the majority of the remaining directors, even though they may constitute even less than a quorum. In the event that there are no remaining directors, the Association shall fill vacancies. Each person so elected shall be a director until a successor is elected at the next annual meeting of the Association.

- E. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by a majority of the Members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.
- F. The first meeting of the newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which meeting such directors were elected and no notice shall be necessary to the newly elected directors in order legally to constitute such a meeting, providing a majority of the whole Board shall be present.
- G. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, by mail, telephone or email, at least ten (10) days prior to the date set for such meeting.
- H. Special meetings of the Board of Directors may be called by the president on three (3) days' notice to each director, given personally, by mail, telephone or email, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of one director.
- I. Before or at any meeting of the Board of Directors any director may, in writing, waive notice of such a meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
- J. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any such business which might have been transacted at the meeting as originally called, may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purposes of determining a quorum.
- K. The Board of Directors may require that all officers and employees of the Association handling and responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE IV.

OFFICERS

- A. The principal officers of the Association shall be a president, who shall be a member of the Board of Directors, a vice-president, secretary and a treasurer. Directors may appoint an assistant treasurer and an assistant secretary and such other officers as, in their judgment, may be necessary. Any two offices, except that of president and vice-president, may be held by one person.
- B. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.
- C. Upon affirmative vote of the majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.
- D. The president shall be the chief executive officer of the Association. He/she shall preside at all meetings of the Association. He shall have all of the general powers and duties which are usually vested in the office of the president of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may, in his discretion, deem appropriate to assist in the conduct of the affairs of the Association.
- E. The vice-president shall take the place of the president and perform his duties whenever the president shall be absent and unable to act. If neither the president nor the vice-president is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The vice-president shall also perform such other duties as shall, from time to time, be imposed upon him by the Board of Directors.
- F. The secretary shall keep the minutes of all the meetings of the Board of Directors and the minutes of all the meetings of the members of the Association; he/she shall have charge of the books and papers as the Board of Directors may direct; and he/she shall, in general, perform all duties incident to the office of the secretary.
- G. The treasurer shall have responsibilities for the Association's funds and securities and shall be responsible for keeping full and accurate account of all receipts and disbursements in books belonging to the Association. He/she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories, as made, from time to time, be designated by the Board of Directors.
- H. The officers shall have other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.
- I. The president and the treasurer are the only two officers with the authority to sign checks written on the accounts of the Association.

ARTICLE V.

FINANCE

- A. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses, if any, and any other expenses incurred by or on behalf of the Association and the Members. Such accounts and all other Association records shall be open for inspection by the Members and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Member at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants, nor does such audit need to be a certified audit. The costs of any such audit and any accounting expenses shall be expenses of administration.
- B. The fiscal year of the Corporation shall be an annual period commencing on such date as may be initially determined by the directors. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.
- C. The funds of the Corporation shall be deposited in such bank as may be designated by the Board of Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time.

ARTICLE VI.

ASSESSMENTS

- A. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Road or the administration of the Association shall constitute expenditures affecting the administration.
- B. Assessments shall be determined in accordance with the following provisions:
 - 1. The Board of Directors of the Association may establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement shall be established in the budget and must be funded by regular payments. The Association of Members shall carefully analyze all factors to determine what amount should be set aside for a reserve fund. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be available for review by the Member, although the delivery of a copy of the budget to each Member shall not affect the liability of any Member for any existing or future assessments.
 - 2. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors, that the assessments levied are or may prove to be insufficient:

- a. to provide for the costs of operation and management of the Association;
- b. to provide replacements or repairs of the Road; or
- c. to provide for the costs in the event of emergencies;

The Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary.

- 3. Special assessments, in addition to those required above may be made by the Board of Directors from time to time and approved by the Members. Special assessments referred to in this paragraph shall not be levied without the prior approval of more than sixty percent (60%) of all Members qualified to vote.

D. All assessments levied against each Member to cover expenses of administration shall be apportioned equally among each Member's property. Annual assessments as determined in accordance with this Article, shall be payable by Members, commencing with acquisition of legal or equitable title to a parcel or lot. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the rate of seven percent (7%) per annum until paid in full. Each Member (whether one or more persons) shall be and remain personally liable for the payment of all assessments pertinent to his parcel or lot which may be levied while such Member is the owner thereof.

E. No Member may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any road, the Park Site or common areas or by the abandonment of property in the Subdivisions.

F. *Collection of Dues.* All remedies are discussed herein are cumulative and nothing herein shall limit the Association's right to use any legal means and remedy available against delinquent Owners.

- 1. *Suit at Law or Equity.* The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of a lien that secures payment of assessments in the same manner as provided for in MCL 559.208. Each Member, and every other person who, from time to time, has any interest in the Subdivisions subject to the Restrictions, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement, and further, to have authorized and empowered the Association to sell or to cause to be sold the parcel or lot with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Notwithstanding anything to the contrary, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published until the expiration of ten (10) days after mailing, by First Class Mail, postage prepaid, addressed to the delinquent Member(s) at his or their last known address of a written notice that one or more installments of the annual assessment levied

against the pertinent parcel or lot is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be in recordable form, executed by an authorized representative of the Association and shall set forth the following: (1) the name of the Member of record thereof, (2) the legal description of the Property to which the notice applies, (3) the amounts due the Association at the date of notice, exclusive of interest, costs, attorney fees and future assessments. The notice shall be recorded in the office of the Register of Deeds prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. A receiver may be appointed in an action for foreclosure of the assessment lien, and to lease the Property and to collect and apply the rental therefrom. The Member is subject to foreclosure under this section, and any purchaser, grantee, successor or assignee of the Member's interest is liable for assessments by the Association that become due before expiration of the period of redemption together with interest, advances made by the Association for taxes or other liens to protect its lien, costs and attorney fees incurred in their collection.

2. *Other Remedies.* In the event of default by any Member in the payment of any installment of the annual assessment levied against his parcel or lot, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable.
3. *Costs.* The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney fees (not limited to statutory fees), and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Member in default and shall be secured by the lien on his parcel or lot(s). The Board may also adopt an administrative fee that relates to the increased cost of the association in the collection of delinquent dues.

- G. The purchaser of any property in the Subdivisions may request a statement of the Association as to the outstanding amount of any unpaid assessments. Upon receipt of a written request to the Association, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such parcel or lot shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such parcel or lot, shall render any unpaid assessments and the lien securing same, fully enforceable against such purchaser.
- H. Upon the sale or conveyance of a Member's parcel or lot, all unpaid assessments against the parcel or lot shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid on the parcel or lot; and (b) payments due under first mortgages having priority thereto. Any purchaser or grantee who fails to request a written statement from Association as provided herein, at least five (5) days before the sale, or arrange for the payment of any unpaid assessments against the parcel or lot at the closing of the parcel or lot purchase if such

a statement was requested, shall be liable for any unpaid assessments against the parcel or lot together with interest, costs, and attorney's fees incurred in connection with the collection thereof.

ARTICLE VII.

BUILDING AND USE RESTRICTIONS

- A. *Use.* Any existing or erected structure shall be a private resident for use of the owner or occupant. No part of said premises shall be used for commercial or manufacturing purposes.
- B. *Signs.* No advertising device or commercial sign of any kind shall be erected or displayed on any lot, building or fence except "For Sale" signs advertising single sites or homes.
- C. *Animals.* No animals, other than domestic house pets, will be permitted to be housed or maintained on the lands included within the Subdivisions. Domestic house pets will be properly maintained on the owner's premises and not permitted to roam loose within the Subdivisions.
- D. *Rafts.* Floating rafts may be used and must be removed by October 31st of each year or said raft will be removed at the owner's expense.
- E. *High Speed Boating and Water Skiing.* There will be no high-speed boating or propulsion of a person or persons on water skis, water sled, surfboard, Jet Ski or other similar contrivance between the hours of 7:30 p.m. and 11:00 a.m. of the following day.
- F. *Slow - No Wake Speed.* No operator of a vessel is to exceed a slow - no wake speed on the waters of the canals and channels of Little Bear Lake.
- G. *Water Frontage Lots.* For the purposes of preventing and controlling water pollution, preserving shoreland vegetative cover, natural beauty, and to further the maintenance of safe and healthy conditions on Little Bear Lake, any building or structure shall set back 50 feet from the ordinary high water level. At the discretion of the landowner, dead, diseased or dying trees within the shoreland area may be removed and/or the trimming and pruning of trees and shrubs to improve the view and aesthetic. Provided further that if a dead, dying or diseased tree must be removed, the stump may be cut flush with the ground, but the roots shall not be removed.
- H. *Beach Improvements.* It is permitted to improve and/or maintain existing beaches of sand, provided that the depth of this area shall not exceed 15 feet from the normal high water level inland and the beach area shall not exceed a 6 percent slope.
- I. *Personal Watercraft (Jet Ski).* A person shall not operate a personal watercraft at high speeds between the hours of 7:30 p.m. and 11:00 a.m.
- J. *Guests and Renters.* Guests of and renters from members in good standing may be permitted to use the common properties and facilities of the Association in accordance with policies established by the Board of Directors. Guests are all those who are not members of the immediate family of an Association member. Members will be held responsible for the conduct of their guests and renters.

Guests will not be permitted to launch and operate their own boat on Little Bear Lake without permission of the Board of Directors.

K. *Construction.*

1. Any dwelling erected, placed or altered on any lot in the Subdivisions shall comply with the Otsego County Building Code.
2. No dwelling shall be erected in excess of two (2) stories above grade. For all off-lake property, the side that faces the street shall be considered to be the front of any dwelling erected within the Subdivisions.
3. All residences must have private inside bathroom facilities. No outside toilets will be permitted.
4. All structures shall be completed on the exterior within one (1) year from start of construction.
5. All exterior walls must be painted, varnished or finished with approved siding materials.
6. Any garage or other structure erected must conform in appearance to the residence structure on said lot.
7. All septic tanks or other devices for the sanitary disposal of waste shall be installed in compliance with Otsego County Health Department regulations. Notwithstanding the above, no residential dwelling shall be occupied by owner or renter without a properly installed and operating septic system.
8. No unsightly receptacle for the storage or disposal of garbage or trash shall be placed on any lot in the Subdivisions.

L. *Setback.* Any structure erected must be set back from any street lot line, side lot line or lake front in accordance with the Otsego County Building Code.

M. *Temporary Structure.* No trailer or temporary structure shall be used within the Subdivisions except those conforming to the Otsego County Building Code.

N. *Property Maintenance.* All lots shall be kept free of rubbish and debris by the party in possession of the same. There shall not be any rubbish, debris, refuse or any other matter dumped into the waters of Little Bear Lake.

O. *Speed Limit.* All vehicles, i.e., automobiles, trucks, snowmobiles, motor bikes, ORV's, etc., shall obey the 15 M.P.H. speed limit on all roads within the Subdivisions.

P. *Maintenance Fund.* In order to maintain and improve the Little Bear Lake area, on September 1st of each year, the titleholder or purchaser of property shall pay the assessments as determined in

accordance with Article VI to the Little Bear Lake Association, its designated successors or assigns. The funds are to be used for maintenance and improvement of the Little Bear Lake area and administrative costs incidental to the management of such account. Annual payments shall be a lien on each lot and if not paid by December 1st of each year, may be described in an affidavit recorded with the Register of Deeds, and this lien may be enforced as are real estate mortgages by foreclosure, by advertisement or in Circuit Court.

- Q. *Variances.* The purpose of these restrictions is to insure the use of the entire plat of the Subdivisions for attractive residential purposes; to prevent nuisances; to prevent imperilment of the attractiveness of the property; to maintain the desirability of the community and thereby to secure each property owner the full benefits and enjoyments of his home with no greater restrictions upon the free and undisturbed use of his property than are necessary to insure the same advantages to other owners.

Any reasonable change, modification or addition to the within restrictions shall be considered by members in good standing of the Little Bear Lake Association, and if approved, shall be recorded and when recorded, shall be binding as the original restrictions.

- R. *Invalidation.* These covenants shall run with the land and shall be binding on all parties claiming under them unless or until they shall be altered or changed in whole or in part by members in good standing of the Little Bear Lake Association. Invalidation or any of these covenants by judgment or decree shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

- S. *Prejudicial Conduct.* Any person charged with conduct injurious to the good order, peace or interest of the Association, or at variance with its by-laws or restrictions, will be cited to appear before the Board of Directors or an investigating committee approved by the Directors, should the Directors determine to investigate the matter. Members will be held responsible for the conduct of their children, their pets, as well as their guests and renters. Should the Board of Directors, after full investigation, determine that the conduct of such member, which is in question, is prejudicial to the best interest of the association and/or its membership, they may take such reasonable action as they see fit. In the event the Board decides to take action, they shall inform such member in writing of the nature of the complaint giving him/her at least fifteen (15) days' notice to appear before the Board and answer thereto, and if upon inquiry and hearing the Board shall be satisfied of the truth of the charge or complaint, they may censure said member or cause him/her to lose membership privileges.

Enforcement may be instituted by civil proceedings against any person or persons violating or attempting to violate any covenant contained herein, either to restrain violation or to recover damages.

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

ARTICLE VIII.

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and every officer of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved, by reason of his being or having been a director or officer of the Corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder, based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstained) proves such settlement and reimbursement as being in the best interest of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification of which it has approved, the Board of Directors shall notify all Members thereof.

ARTICLE IX.

AMENDMENT

- A. These Bylaws may be amended by the Association at a duly constituted meeting for such purpose, by affirmative vote of a simple majority of the Members present in person, by proxy or by written vote.
- B. Amendment to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more in number of the members of the Association, whether meeting is members or by instrument in writing signed by them.
- C. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of Article I of these Bylaws.
- D. Any amendment to these Bylaws shall become effective upon adoption of the same in accordance with Paragraph A of this Article, without approval by the State of Michigan and without recording same in the Office of the Register of Deeds.
- E. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption.

ARTICLE X.

COMPLIANCE

These Bylaws are set forth to comply with the requirements of Act 162 of the Public Acts of Michigan of 1982, as amended. In the case any of these Bylaws conflict with the provisions of said statute, the provisions of the statute shall control.