

## ARTICLE I – NAME

Section 1: The name of the corporation is ELK-SKEGEMOG LAKES ASSOCIATION.

## ARTICLE II – PURPOSE

Section 1: Said corporation is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, making of distributions to organizations that qualify as tax exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Section 2: The purpose of Elk-Skegemog Lakes Association shall be to:

- 2.1 Promote an understanding and appreciation of the rights and responsibilities of owners of riparian lands;
- 2.2 Do all things and to take such actions as may be necessary or desirable to protect and preserve the environment of the area of the Elk-Skegemog watershed, including connecting lakes, streams and wetlands;
- 2.3 Help solve problems common to the members involving lake level, water safety, water pollution and indiscriminate or overdevelopment of the waterfront which could lead to overuse of the waters or deterioration of their quality;
- 2.4 Cooperate and otherwise interact with federal, state and local government bodies and other organizations concerned with water quality and environmental issues and to advance their programs to the extent they shall improve, develop, benefit or serve the area;
- 2.5 Undertake periodic scientific tests of the quality of water in Elk and Skegemog Lakes and take actions, and encourage others to take actions, which preserve the clean and pure waters contained therein. The results of said tests shall be published and made available to the public on a nondiscriminatory basis;
- 2.6 Assist in the acquisition, establishment, maintenance and protection of nature preserves, wilderness and other protected areas in the general vicinity of Elk and Skegemog Lakes and their connecting lakes and streams.

## ARTICLE III – MEMBERSHIP

Section 1: Membership shall be available to: (a) riparian owners with property abutting on Elk Lake, Skegemog Lake, Elk River and Torch River, and (b) non-riparian owners, organizations or corporations who are interested in preserving the quality of the environment in the Elk-Skegemog Lakes area.

Section 2: Active members are those who meet the qualifications of Article III, Section 1, and whose current yearly dues have been paid.

Section 3: Honorary members may be designated by the Board of Directors, shall not be required to pay dues and shall not hold office.

## ARTICLE IV – ZONES

Section 1: Purpose. Five zones shall be established for the election of representatives of the Board of Directors.

Section 2: Description of zones.

- 2.1 Zone A shall include the ~~area~~ Elk Lake shoreline beginning west of Milton-Elk Rapids Township line continuing south on Elk Lake to the north side of the Antrim-Grand Traverse County line.
- 2.2 Zone B shall include the Elk Lake shoreline beginning east of the Milton- Elk Rapids Township line and continuing south on Elk and Skegemog Lakes to the south end of Torch River.
- 2.3 Zone C shall include the Elk Lake Shoreline ~~area~~ north of the Grand Traverse-Antrim County line to the west bank of Battle Creek.
- 2.4 Zone D shall include the Elk shoreline starting east from the east bank of Battle Creek and

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continuing along the Elk and Skegemog shorelines to the south end of Torch River.

2.5 Zone E shall include the shoreline along both banks of Torch River and the shoreline along both banks of the Rapid River up the dam at Rugg Pond.

**ARTICLE V – BOARD OF DIRECTORS**

Section 1: The Board of Directors shall conduct the business affairs of the Association.

Section 2: Composition. Each member of the Board of Directors shall have full voting rights and the Board shall consist of the following:

2.1 Directors-Zone

- a. Four Directors shall be elected by the Membership in Annual Session from the membership of each zone. Terms shall be two years for all Directors.
- b. Extra representative. One extra Board member shall be elected by the Membership in Annual Session from the zone having the largest proportion of members in comparison to the other zones.
- c. Zone Captain. One Director shall be designated as Captain of each zone by the President.

2.2 Directors-Officer. All elected Officers and the immediate Past President shall be members of the Board of Directors.

2.3 Directors-Honorary. Each Past President of the Association shall become an Honorary Director.

2.4 Directors-at-Large. The President may nominate members, and the Board, shall ratify such nominations, to serve as Directors-at-Large to assume an assigned responsibility. The number of Directors-at-Large may not exceed the number of elected Zone Directors.

Section 3: Executive Committee

3.1 The Board of Directors may, by resolution of the full Board at a meeting wherein a quorum shall be present, appoint not less than six (6) nor more than nine (9) members from the Board to serve and act as an Executive Committee of the Board.

3.2 The Executive Committee shall exercise all power and authorities of the Board of Directors in managing the affairs of the Association between regular or special meetings of the Board (except for those actions set forth in Section 3.3 hereof). At each regular or special meeting of the Board, the Executive Committee shall make a report on all actions the Committee has taken on behalf of the Association, and all such actions shall be conclusively deemed ratified by the Board unless by resolution of the full Board such actions are expressly disavowed.

3.3 The Executive Committee shall not have the power or authority to – (a) amend the Articles of Incorporation; (b) amend the By-Laws; (c) fill vacancies in the Board; (d) recommend to members a dissolution; (e) adopt an agreement of merger or consolidation; (f) fix compensation of the Board of Directors for serving on the Board of the Executive Committee; (g) cancel or terminate membership in the Association; (h) recommend to members of the sale, lease or exchange of all or substantially all of the Association's property and assets.

3.4 The President or three (3) members of the Executive Committee may call a meeting of the Committee, provided that three (3) days notice be given or notice waived by the majority of the Executive Committee.

3.5 A majority of the Executive Committee shall be considered a quorum.

3.6 A member of the Executive Committee may participate in a meeting by means of conference telephone by means of which all persons participating in the meeting can hear each other.

Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

**ARTICLE VI – OFFICERS**

Section 1: Elected Officers. The President, Vice President, Recording Secretary, Corresponding Secretary and Treasurer shall be elected by the members in Annual Session and shall have two year terms. All elected officers shall be members of the Board of Directors

Section 2: Other Officers. The Board of Directors may appoint such other officers as it deems necessary.

Section 3: Responsibilities of Officers.

- 3.1 The President shall preside at all meetings, designate a chairman of the Directors of each zone, appoint all committee members and be the chief executive officer.
- 3.2 The Vice President shall perform the duties of the President when he is absent or incapacitated.
- 3.3 The Treasurer shall record receipts and disbursements and report the financial condition of the Association to the membership at the Annual Membership Meeting and to the Board of Directors when directed.
- 3.4 The Recording Secretary shall keep the record of all meetings of the Association.
- 3.5 The Corresponding Secretary shall handle the mailing and correspondence for the Association.
- 3.6 Other Officers shall have such powers and duties as may be assigned to them by the Board of Directors.

**ARTICLE VII – NOMINATING AND ELECTION**

Section 1: Nominating and election. Nominations for all Officers and Directorships shall be made by the Nominating Committee. Also, nominations may be made from the floor by members in the Annual Meeting providing prior indication of willingness to serve has been given by the individual being nominated and that individual is a regular member.

- 1.1 Should the members in the Annual Meeting fail to confirm any individual within a zone, then further nominations shall be made from the floor, but such nominations must be members from within the zone.
- 1.2 Candidates shall be voted on at the Annual Meeting; a majority vote of the members present and voting shall constitute election.
- 1.3 The two year terms of office of all Directors and Officers shall begin on September 1 in an even calendar year and end on August 31 of the following even calendar year.

Section 2: Filling a vacancy. Should any Director or elected Officer, for any reason, be unable to fill out the term of office, the Board of Directors shall fill the vacancy within thirty (30) days, providing the designated individual meets with the particular requirements of that office.

- 2.1 Should the Board of Directors replace an officer or director prior to the completion of their term, the newly appointed officer or director would be appointed for the remainder of the two year term.

**ARTICLE VIII – COMMITTEES**

Section 1: Committees. The President shall appoint members to those committees which are essential to carrying out the needs of the members, and shall serve ex officio on all such Committees except the Nominating Committee.

Section 2: Nominating Committee. One individual from each zone shall be named by the President to serve on the Nominating Committee.

## **ARTICLE IX – MEETINGS**

Section 1: Board of Directors. Meetings of the Board of Directors shall be called by the President providing a minimum of two meetings of the Board be held yearly and providing that ten (10) days notice be given or notice waived.

1.1 Any five (5) elected Board Members may call a meeting of the Board of Directors.

1.2 Ten (10) of the Directors shall be considered a quorum.

Section 2: Membership Meetings.

2.1 The Annual Meeting shall be held in the months of July or August at such time and place as approved by the Board of Directors. Written notice of said meeting shall be sent to all members at least thirty (30) days in advance.

2.2 Special meetings shall be called by the President upon written request of twenty-five (25) voting members providing ten (10) days notice of the proposed meeting is given or notice waived.

2.3 Special meetings shall be called by the President as the needs of the Association demand providing ten (10) days notice of the proposed meeting is given or notice waived.

2.4 A quorum for all membership meetings shall be twenty-five (25) voting members.

2.5 A husband and wife may each cast a vote when voting at a membership meeting.

Section 3: Special Vote. If a special situation arises and the Board of Directors approves, a vote of the membership or the Board of Directors may be conducted by mail. This vote shall have the same effect as if taken at an annual or regular meeting of the membership or Board of Directors. In order to be valid, a vote must be returned within thirty (30) days of the postmark date of the notice to the members.

## **ARTICLE X – FINANCES**

Section 1: Annual Dues. The annual membership dues shall be recommended by the Board of Directors and voted upon by the membership at the Annual Meeting or by Special Vote.

Section 2: Special Assessment. The Board of Directors shall spread equally to all members any unusual program costs which have been authorized either at the Annual Meeting or by mail ballot among the members.

Section 3: Fiscal Year. The fiscal year of the Association shall cover the period from January 1 through December 31.

## **ARTICLE XI – PARLIAMENTARY PROCEDURE**

Section 1: Parliamentary Procedure. The rules contained in *Robert's Rules of Order Revised* shall govern this Association in all cases to which they are applicable and in which they are not inconsistent with these By-laws.

## **ARTICLE XII – AMENDMENTS**

Section 1: Amendments by Members. These By-laws may be amended at any membership meeting by two-thirds (2/3) of the members present and voting providing that a notice of the proposed amendments has been sent to the members at least ten (10) days prior to the meeting.

Section 2: Amendments by Board of Directors. These By-laws may also be amended by a two-thirds (2/3) vote of the Board members present at any meeting of the Board of Directors providing that notice of proposed amendments has been sent to those members at least (10) days prior to the meeting. Any such amendment shall be submitted to the next Annual Meeting of the membership and two-thirds (2/3) vote of the members may rescind the amendment adopted by the Board of Directors. Notice of such amendments shall have been sent to the Membership at least ten (10) days prior to the meeting.

**ARTICLE XIII – ACTIVITIES OF TAX EXEMPT ORGANIZATION**

No part of the net earnings of the corporation shall insure the benefit of, or be distributed to its members, trustees, officers, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these by-laws, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deducted under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

**ARTICLE XIV – DISSOLUTION**

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such a manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed by the Circuit Court of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operate exclusively for such purposes.

**ARTICLE XV**

A volunteer Director of the corporation shall not be personally liable to the corporation for monetary damages for a breach of the Director's fiduciary duty arising under applicable law except for the following:

- (1) A breach of the Director's duty of loyalty to the corporation;
- (2) An act or omission not in good faith or that involves intentional misconduct or knowing violation of the law;
- (3) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act;
- (4) A transaction from which the Director derived an improper personal benefit;
- (5) An act or omission occurring before the date on which these Restated By-Laws were adopted;
- (6) Or, an act or omission that is grossly negligent.

A volunteer Director of the corporation shall only be personally liable for monetary damages for a breach of fiduciary duty as a Director to the corporation and its members to the extent set forth in this Article, and any repeal or modification of this Article shall not adversely affect any right of protection of any volunteer Director of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

**ARTICLE XVI**

The Corporation assumes all liability to any person, other than the corporation, for all acts or omissions of a volunteer Director occurring on or after the date of adoption of this Article XVI of the By-Laws which are incurred in good faith performance of the volunteer Director's duties. Notwithstanding the foregoing, a volunteer Director shall be personally liable to the corporation for monetary damages for a breach of fiduciary duty as a Director to the extent set forth in the preceding Article XV and the corporation shall not be precluded by this Article XVII from bringing or maintaining a claim against the volunteer Director to the extent not inconsistent with the preceding Article XV. Any repeal or modification of this Article XVI shall not adversely affect any right of protection of any volunteer Director of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

**ARTICLE XVII – INSURANCE**

The Association shall have the power to purchase and maintain insurance (including the duty to defend) on behalf of any person who is or was a director, officer, or agent of the Association against any liability asserted against the person and incurred by the person when acting in any such capacity for the Association or arising out of the person's status as such, whether or not the Association would have power to indemnify the person against liability under Article XVI of these By-Laws.

Latest revision approved at the August 18, 2007 Annual Meeting.