

BYLAWS OF
THE INTERMEDIATE LAKE ASSOCIATION, LLC
Adopted August 22, 2020

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ARTICLE I. NAME AND PURPOSE

1.1 Name: The name of the limited-liability organization shall be the INTERMEDIATE LAKE ASSOCIATION, LLC, a nonprofit organization incorporated under the laws of the State of Michigan and hereinafter known as The ILA or The Association.

1.2 Purposes. The ILA is organized exclusively for charitable, educational, and scientific purposes, including, for such purposes as, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The ILA may promote an understanding and appreciation of the rights and responsibilities of owners of property or lands; do things within the membership approved annual budget to assist however possible in protecting and preserving the environment of the area of the Intermediate Lake watershed, including connecting lakes, streams and wetlands; provide information common to the members involving water safety, water pollution and indiscriminate or over development of the water front which could lead to overuse of the waters or deterioration of their quality; 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; undertake scientific tests of the quality of water in Intermediate Lake, and encourage others to take actions, which preserve the clean and pure waters contained therein, with the results of said tests published and made available to the public on a nondiscriminatory basis; and assist in the acquisition, establishment, maintenance and protection of nature preserves, wilderness and other protected areas in the general vicinity of Intermediate Lake and their connecting lakes and streams.

ARTICLE II. MEMBERSHIP

2.1 Eligibility for Membership. Application for membership in the ILA shall be open to any corporate or natural person, business, or government entity that supports the purposes of the ILA. An application for membership and annual dues shall be required. Membership shall be granted upon receipt of said application and current dues therefore. The membership roster shall be posted on the ILA website.

2.2 Votes. Each membership in good standing shall have one (1) vote on any matter or issue. If a member is absent or unable to present his or her vote, the member may transmit the vote via email (email@intermediatelake.org) or USPS mail (PO Box 795, Central Lake, MI 49622).

2.3 Dues. The Board of Directors shall have discretion to establish a dollar amount of dues. They shall also have discretion to establish a due date for the dues and a frequency of required payment.

2.4 Resignation and Termination. Any member may resign by written resignation to the Board. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member may have their membership terminated by the Board of Directors of the ILA for cause.

ARTICLE III. NOMINATION AND ELECTION OF BOARD MEMBERS

3.1 Nominating Board Members. Nominations for any available Board position may be presented to the Membership for election at the Annual Membership Meeting. Nominations may be made from the floor, or by postal or email up to 30 days prior to the Annual Membership Meeting, by a member in good standing, providing prior indication of willingness to serve has been given by the individual being nominated and that the individual is also a member in good standing.

3.2 Election of Board Members. Board positions of the ILA may be chosen by a majority vote of the members in good standing present at an Annual Meeting.

3.3 Filling a Vacancy. Should any Director, 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 the particular requirements of that office. Any Board position filled by Board appointment shall be filled as prescribed at the next annual meeting.

ARTICLE IV. BOARD OF DIRECTORS

4.1 Purpose. The Board of Directors shall oversee the business affairs of the Association.

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

4.2.1 Directors. Directors shall be elected by the membership at the Annual Meeting.

4.2.2 Officers. All elected officers and the immediate Past President shall be members of the Board of Directors, and, at a minimum, officers shall include a President, Vice-President, Recording Secretary, and Treasurer.

4.2.3 President. The president's duties shall be assigned by the Board of Directors and shall serve as Board chairperson.

4.2.4 Term of Office. The normal term of office for all elected directors shall be two (2) years.

4.2.5 Directors at Large. Persons elected as Board members, but having no specific duties, and serve in an advisory capacity, shall be designated as Directors at Large.

4.2.6 Electronic Voting. Board members not present in person at Board meetings may vote by email.

4.3 Executive Committee. Shall conduct the business of the association.

- 4.3.1 Appointment of Committee. The Board of Directors shall, by resolution of the full Board at a meeting wherein a quorum shall be present, appoint voting members to serve and act as an Executive Committee of the Board.
- 4.3.2 Powers of Committee. 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 5.3 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.
- 4.3.3 Limitation of Powers. An 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 any compensation of the Board of Directors or of the Executive Committee; (g) cancel or terminate any membership in the ILA; (h) recommend to members of the sale, lease or exchange of all or substantially all of the Association's property and assets; (i) make expenditures, which in total would delete available funds in the Association checking account AND/OR make any single expenditure of General Fund monies in excess of \$1,500.00 without a vote of the members at a duly noticed ILA annual or special meeting.
- 4.3.3.1 Expenditures from Special Project Funds. Notwithstanding the limitations of powers of the Executive Committee defined in 4.3.3, expenditures from any Special Project Fund, created for a specific activity and with members' designated donations or contributions to a Special Fund, AND NOT FROM the Association's General Fund raised from dues, sponsorships, gifts, etc. to ILA, ARE NOT SUBJECT TO THE REQUIREMENTS AND LIMITS OF 4.3.3 and such Special Fund expenditures shall be made at the discretion of the Executive Committee.
- 4.3.3.1a SPF Creation. Proposed Special Project Funds (SPFs) shall be endorsed and supported by the Association. An SPF shall be created by a majority vote of the members present at the Annual Meeting or Special Meeting called for that specific purpose.
- 4.3.3.1b SPF Administration. It shall be the duty of the Board of Directors and Executive Committee to administer SPFs and establish rules of use of those funds.
- 4.3.4 Meeting Notice. The President may call a meeting of the Executive Committee provided that three (3) days notice be given.

- 4.3.5 Quorum. A majority of any Executive Committee shall be considered a quorum.
- 4.3.6 Telephone Meetings. A member of the Executive Committee may participate in a meeting by means of conference telephone in 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 and telephone voting is permitted.
- 4.3.7 It is the duty of the Executive Committee to develop and present a budget to the Board (not the membership) for approval. It is then the duty of the Board to adopt a budget and control expenditures within the confines of anticipated revenues.
- 4.3.8 Increasing ILA Membership: Membership is a core organizational responsibility, not the sole duty of the Executive Committee or the Board of Directors.

ARTICLE V. EXECUTIVE COMMITTEE OFFICERS

5.1 Officers. The President, Vice President, Recording Secretary, and Treasurer shall be selected by the Board of Directors. The Officers shall have any term the Board deems desirable. All officers shall be members of the Board of Directors and members in good standing of the ILA.

5.2 Other Officers. The Board of Directors may appoint such other officers as it deems necessary (e.g. Assistant Treasurer or Assistant Secretary).

5.3 Responsibilities of Officers.

- 5.3.1 The President shall preside at all meetings and appoint any and all committee members.
- 5.3.2 The Vice President shall perform the duties of the President when he is absent or incapacitated.

- 5.3.3 The Treasurer shall record receipts and disbursements and report the final condition of the Association to the membership at the Annual Membership Meeting and to the Board of Directors when directed.
- 5.3.4 The Recording Secretary shall keep the record of all meetings of the Association.
- 5.3.5 Other Officers shall *have* such powers and duties as may be assigned to them by the Board of Directors.

5.4 Removal from Office

- 5.4.1 Upon a 2/3 vote of all Board members, any officer or committee member may be removed from office for cause.

ARTICLE VI. MEETINGS OF MEMBERS

6.1 Regular meetings. Regular meetings of the members shall be held as designated by the Board, at a time and place designated by the Board.

6.2 Annual Meetings. An annual meeting of the members shall take place at least once per calendar year, the specific date, time and location of which will be designated by the Board. At the annual meeting the members shall elect directors, receive reports on the activities of the association, and help determine the direction of the association for the coming year.

6.3 Special Meetings. Special meetings may be called by a simple majority of the Board of Directors. A petition signed by five percent of members in good standing may also call a special meeting.

6.4 Notice of meetings. Electronic or printed notice of each meeting shall be sent to each member in good standing, not less than ten (10) days prior to the meeting.

6.5 Quorums.

6.5.1 Ten active members present at any duly noticed ILA member meeting shall constitute a quorum for the transaction of ILA business.

6.5.2 A simple majority of ILA Directors present at a duly noticed meeting of the Board shall constitute a quorum for conducting the business of the Board of Directors.

6.6 Voting. All issues to be voted on by the members at the Annual Meeting shall be decided by a simple majority of those members in good standing present at the

meeting in which the vote takes place plus the votes of the members in good standing received by the Secretary not later than 24 hours before the meeting.

6.6.1 Allowance of Electronic Voting. Pursuant to the provisions of the Non-Profit Corporations Act, P.A. 9 of 2008, effective February 28, 2008, The Intermediate Lake Association Bylaws are hereby amended to allow for electronic voting, the distribution of ballots to ILA member of record and the return transmission of ballots electronically.

6.6.2 Notice Period Requirement. In addition to the Annual Meeting 10-day notice requirement, all issues to be voted on at the Annual Meeting shall be sent to members with the same 10-day notice period requirement.

6.6.3 Adoption of MI P.A. Act 9. The intermediate Lake Association hereby adopts all sections, tenets, and references of Michigan Public Act 9 Of 2008, effective August 29, 2008, in its entirety.

ARTICLE VII. AD HOC COMMITTEES

7.1 Ad Hoc Committees. The President shall appoint members to any ad hoc committee which is desired to carry out the needs of the ILA.

ARTICLE VIII. FINANCES

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

ARTICLE IX. PARLIAMENTARY PROCEDURE

9.1 Parliamentary Procedure. Meetings shall be governed by the rules contained in Goldberg's Rules of Order for Association Boards.

ARTICLE X. AMENDMENTS

10.1 Amendments by Members. These By-Laws may be amended at the annual or a special membership meeting by two-thirds (2/3) of the members in good standing 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.

ARTICLE XI. ACTIVITIES OF TAX EXEMPT ORGANIZATION

No part of the net earnings of the corporation shall be to the benefit of, or be distributed to its members, Directors, officers, or other private person. No substantial part of the activities of the corporation shall be the carrying on of lobbying, 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 out any other activities not permitted (a) by a corporation exempt from Federal Income Tax under § 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 § 170(c)(23) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE XII. 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 (see Article I Section 2) of the corporation, 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) in such a manner 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 XIII. LIABILITY OF DIRECTORS

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. A Director shall not commit:

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 as determined by a competent court of law, 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 XIV. INDEMNIFICATION

The Association assumes all liability to any person, other than the Association, for all acts or omissions of a volunteer occurring on or after the date of adoption of this Article XIV of the By-Laws which are incurred in good faith performance of the volunteer's duties. Notwithstanding the foregoing, a volunteer Director shall be personally liable to the Association for monetary damages for a breach of fiduciary duty as a Director to the extent set forth in the preceding Article XIII. Any repeal or modification of this Article XIV shall not adversely affect any right of protection of any volunteer of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification. (Reference Michigan Nonprofit Corporation Act 162 of 1982, Section 450.2209)

ARTICLE XV. 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 XIV of these By-Laws.