

ASSOCIATION BYLAWS

44 NORTH CONDOMINIUM ASSOCIATION

ARTICLE I.

ADOPTION OF CONDOMINIUM BYLAWS

The Bylaws of 44 NORTH, a mixed use Condominium Project, (hereinafter known as the "Condominium Bylaws") as attached to the Master Deed and recorded in Liber 1339, Pages 702 through 767, Document No. 2018005107, Leelanau County Records, are hereby incorporated by reference and adopted in their entirety as a part of the Bylaws of this Association. The capitalized terms in these Bylaws shall have the meanings given to them in the Condominium Bylaws and in the Master Deed.

ARTICLE II.

MEETINGS

- A. Each Unit Owner shall be a member of the Association and for purposes of these Condominium Bylaws are sometimes called Members. In those instances where a two or more Units are owned by the same **Co-Owner**, such Unit Owner shall be recognized as a separate and distinct Member for each Unit: by way of example, **Co-Owner** owns two Units, that person shall be considered to have two Memberships along with all associated rights derived from each. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners 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, the Bylaws of the Condominium, the Condominium Master Deed or the laws of the State of Michigan.

- B. The First Annual Meeting of the Members of the Association shall be held in accordance with Article I, Paragraph H, of the Condominium Bylaws. The date, time and place of the First Annual Meeting shall be set by the Board of Directors and at least ten (10) days' written notice thereof shall be given to each Co-owner. Thereafter, Annual meetings of members of the Association shall be held in the Spring of each succeeding year at such time and place as shall be determined by the Board of Directors. Notice of all Annual meetings shall be as provided in the Condominium Bylaws. At such meetings there shall be elected, by ballot of the Co-owners, a Board of Directors in accordance with the requirements of Article I, Paragraph H, of the Condominium Bylaws and Article III of these Bylaws. The Co-owners may also transact at such meetings such other business of the Corporation as may properly come before them. If, for any reason, the Annual meeting is not held on the day designated by the Board of Directors, the meeting may be called and held as a special meeting with the same proceedings as at an annual meeting.

- C. It shall be the duty of the president to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) the Co-owners of all sold Units presented to the secretary of the Association. Notice of any special meetings shall be as provided in the Condominium Bylaws and shall include 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 Co-owner 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 Co-owner at the address found in the notice required to be filed with the Association by Article I, Paragraph C5 of the Condominium Bylaws 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 Co-owners 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.

ARTICLE III.

BOARD OF DIRECTORS

- A. The affairs of the Corporation shall be governed by a Board of a minimum of three (3) directors, all of whom must be members of the Corporation, except for the first Board of Directors designated in the Articles of Incorporation of the Association. Directors shall serve without compensation.
- B. The first Board of Directors designated in the Articles of Incorporation shall manage the affairs of the Corporation until a successor Board of Directors is elected at the first meeting of members of the Corporation convened at the time required by Article II, Paragraph B, of these Bylaws. The term of office (except for the Board of Directors elected prior to the First Annual Meeting of members) of each director shall be one (1) year. Each director shall hold office until his successor has been elected and held a meeting.
- C. The Board of Directors shall have the following powers and duties:
 - 1. To manage and administer the affairs of and maintain the Condominium Project and any common elements thereof.

2. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
3. To carry insurance and collect and allocate the proceeds thereof.
4. To rebuild improvements after casualty.
5. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
6. To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any unit in the Condominium and easements, rights-of-way and licenses (on behalf of the Association and in furtherance of any of the purposes of the Association, including, but without limitation, the lease or purchase of any unit in the Condominium for use by a resident manager).
7. 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, both in number and in value.
8. To make rules and regulations in accordance with the Condominium Bylaws.
9. 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 Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium documents required to be performed by the Board.
10. To make rules and regulations and/or enter into agreements with institutional lenders, the purpose of which is to obtain mortgage financing for the unit Co-owners.
11. To enforce the provisions of the Condominium documents.

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. Prior to the First Annual Meeting of members, the Developer may remove and replace any and/or all of the directors from time to time in its sole discretion.

- 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 Co-owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Co-owners 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 telegraph, 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 telegraph, 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 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 shall have charge of the books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the secretary.
- G. The officers shall have other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE V.

FINANCE

- A. The finances of the Corporation shall be handled in accordance with the Condominium Bylaws.
- 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.

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 Co-owners thereof.

ARTICLE VII.

AMENDMENT

- A. These Bylaws (but not the Condominium Bylaws) may be amended by the Association at a duly constituted meeting for such purpose, by affirmative vote of a simple majority of the Co-owners present in person, by proxy or by written vote or electronic vote, such as e-mail or online survey, as such vote is defined in Article I, Paragraph C9 of the Condominium Bylaws.
- 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 II 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 VIII.

COMPLIANCE

These Bylaws are set forth to comply with the requirements of Act 162 of the Public Acts of Michigan of 1982, as amended, and Act 59 of the Public Acts of Michigan of 1978, as amended, with the duly recorded Master Deed of the Condominium and Exhibits "A" and "B" thereto. In the case any of these Bylaws conflict with the provisions of said statutes or with the provisions of said Master Deed or the exhibits thereto, provisions of the statute and said Master Deed shall control.