

BYLAWS OF
**SHELDON DUNES HOMEOWNERS
ASSOCIATION, INC.**

Incorporated Under the
Laws of the State of Michigan

ARTICLE I. OFFICES

Registered Office

Section 1.01. The registered office of the Corporation shall be located in the State of Michigan, at such location as shall be designated from time to time by the Board of Directors.

ARTICLE II. MEMBERSHIP

Classes

Section 2.01 This Corporation has one class of members.

Qualifications

Section 2.02. To qualify for and be admitted to membership in this Corporation, a candidate must either:

Own real property in West Olive Beach plat, Sheldon Dunes #1 plat or Sheldon Dunes #2 plat (hereinafter collectively referred to as "Sheldon Dunes subdivision"); Port Sheldon Township, Ottawa County, Michigan and pay annual dues.

or,

Lease real property in Sheldon Dunes subdivision, which lease is a total of at least one year in duration and pay annual dues.

Annual Dues

Section 2.03 The annual dues payable to the Association by members is the amount determined from time to time by resolution of the Board of Directors. Annual dues are payable by March 31. Dues may be prorated for new residents.

Assessments

April 16, 2014

Section. 2.04. Members are subject to assessment on resolution of the Board of Directors that declares a particular project to be extraordinary and specifies the particular assessment for its support. The assessment may only go into effect after thirty (30) days' notice to the membership. Any member thereafter resigning or terminated will not be relieved of liability for the full amount of assessment.

Meetings

Section 2.05 Written notice stating the day, place, and hour of the annual meeting shall be mailed or e-mailed to each member entitled to vote at least 30 days prior to the meeting.

(a) Special meetings may be called by either the Board of Directors or on petition of one-fifth of the members authorized to vote on the date of the petition.

Section 2.06 (a) Written notice stating the day, place, and hour of the meeting and the purpose of a special meeting, shall be mailed or e-mailed to each member entitled to vote by not fewer than ten (10) nor more than sixty (60) days preceding the meeting.

Record Date for Determination of Members

Section 2.07 Only persons in whose names memberships appear on the register book of the Corporation by the time of the meeting shall be entitled to vote at the meeting.

Section 2.08 The officer having charge shall certify a complete list of the members entitled to vote at any membership meeting. The list shall be arranged alphabetically with the address of each member. It shall be produced at the time and place of the meeting and be subject to inspection by any member during the whole time of the meeting. The list shall be prima facie evidence of the members entitled to examine the list or to vote at the meeting.

Section 2.09. (a) Each member may cast up to one vote except that in no event may more than one full vote be cast by any persons claiming membership through the same property. No member may cast more than one vote regardless of the number of properties in Sheldon Dunes subdivision s/he may own or lease in the subdivision.

(b) Cumulative voting is prohibited.

(c) A member may cast a vote by proxy executed in writing by the member or by a duly authorized attorney-in-fact, but no proxy will be recognized as valid after three (3) years from the date of execution unless expressly so provided in the proxy.

Quorum

Section 2.10 A majority of the members present at the meeting constitutes a quorum.

Approval

Section 2.11 The vote of a majority of members entitled to vote thereon and present in person or by proxy at a meeting is necessary for approval on any matter submitted to the membership vote unless a greater percentage is required by law

Conduct of Meetings

Section 2.12 At every meeting of the membership, the President, or in his or her absence, the officer designated by him or her, or in the absence of designation, another person (who shall be one of the officers, if any is present) chosen by a majority of the members of the Corporation present in person or by proxy and entitled to vote shall act as Chairman. The Secretary of the Corporation, or in his or her absence, such other person as the Chairman may appoint, shall act as Secretary of the meeting.

Transfer

Section 2.13. Membership in this corporation is nontransferable except to one qualifying as a successor in interest to the real property, conferring membership qualification upon the member. Membership shall run with the land and shall not be terminated by the death or disability of one exercising the voting rights inherent with that membership.

Termination

Section 2.14 Membership will terminate in this corporation on any of the following events:

(a) Receipt by the Board of Directors of the written resignation of a member, executed by the member or a duly authorized attorney-in-fact.

(b) The failure of a member to pay dues, assessments, or fines by the annual meeting.

(c) For cause inconsistent with membership, after due notice, hearing, and determination thereof by the Board of Directors

ARTICLE III. DIRECTORS

Directors Defined

Section 3.01. "Directors," when used in relation to any power or duty requiring collective action, means "Board of Directors."

Powers

Section 3.02. The business and affairs of the Association shall be managed by, and all corporate powers shall be exercised by or under the authority of, the Board of Directors, subject to limitations imposed by law, the Articles of Incorporation, or these Bylaws.

Number and Term of Directors

Section 3.03. (a) The number of directors of this corporation shall be seven (7), all of whom must be members of the Corporation.

Resignation and Removal

Section 3.04. (a) A director may resign by giving written notice to the Corporation at its registered office. The resignation shall be effective upon its receipt by the corporation or at such later time as shall be set forth in the notice of resignation.

(b) Vacancies created by the death or resignation of a director may be filled by the remaining members of the Board of Directors, and the person appointed to fill any vacancy shall serve until a successor is elected, at either the next annual meeting of the members or at a special meeting called for that purpose.

(c) At any meeting of the members, any director or directors may be removed from office, without assignment of any reason therefor, by a majority vote of the members which elected the director or directors to be removed.

(d) When any director or directors are removed, new directors may be elected at the same meeting of the members for the unexpired term of the director or directors removed. If the members fail to elect persons to fill the unexpired term or terms of the director or directors removed, the unexpired terms shall be considered vacancies on the Board to be filled by the remaining directors.

Meetings of Directors

April 16, 2014

Section 3.05. Regular meetings of the Board of Directors shall be held immediately following each annual meeting of the members and at such other times as the directors may determine. Special meetings shall be called by the President or by any two directors; and written notice of the meeting, stating the time, place, and purpose of it shall be delivered to each director, either personally or by e-mail at least three (3) days prior to the date set for the meeting. The directors shall designate the location of any Board meeting.

Quorum

Section 3.06. A majority of the number of directors elected and qualified shall be necessary to constitute a quorum for the transaction of any business except the filling of vacancies.

Majority Action

Section 3.07. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present is the act of the Board of Directors, unless a greater number is required by statute, the Articles of Incorporation, or these Bylaws.

Conduct of Meetings

Section 3.08. At every meeting of the Board of Directors, the President, or in his or her absence, the Vice President or in the absence of both, a Chairman chosen by a majority of the directors present, shall preside. The Secretary of the Corporation shall act as Secretary of the Board. In the absence of the Secretary, the Chairman may appoint any person to act as Secretary of the meeting.

Committees

Section 3.09. (a) The Board of Directors, by resolution adopted by a majority of the Directors actually elected and qualified, may designate one (1) or more directors to constitute an executive committee, and may appoint such other committees from among its members as it deems necessary. Each such committee shall have and exercise such powers as shall be conferred or authorized by the resolution appointing it. A majority of any such committee may determine its action and may fix the time and place of its meetings unless otherwise provided by the Board of Directors. The Board of Directors shall have the power at any time to fill vacancies in, to change the size or membership of, and to discharge any such committee.

(b) Each committee shall keep a written record of its acts and proceedings, and shall submit such record to the Board of Directors at such times as requested by the Board of Directors.

Compensation

Section 3.10. No Director shall receive compensation for any service s/he may render to the Corporation. However, any director may be reimbursed for his actual expenses incurred in the performance of his or her duties.

Validation of Meeting Defectively Called or Noticed

Section 3.11. The actions taken at any meeting of the Board of Directors, however called or noticed or wherever held, are as valid as if they had been taken at a duly called and noticed meeting if a quorum is present and if, either before or after the meeting, each of the directors not present signs a waiver of notice or a consent to holding the meeting. All such waivers or consents shall be made part of the minutes of the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where his or her attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Action Without Meeting

Section 3.12. Any action required by law to be taken at a meeting of the Board of Directors or any other action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by all of the directors. Consent may be given through electronic communication if the directors present reasonably believe the consent to be valid.

Indemnification

Section 3.13 (a) The Board of Directors or members shall have the right to cause the association to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in the settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation or its members, and with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful. The termination of any action,

April 16, 2014

suit, or proceeding by judgment, order, settlement, conviction, or upon plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation or its members and, with respect to any criminal action or proceeding, and reasonable cause to believe that his or her conduct was unlawful.(b)The Association's volunteer directors shall not be personally liable to the Association or its members for monetary damages for any breach of the director's fiduciary duty, subject to the exceptions detailed at MSA #21.197 (209) (d), MCL #450.2209(d).The Board of Directors shall indemnify any person if in view of all the circumstances of the case such person is reasonably entitled to indemnity.

(c) Any indemnification under Subsections (a) or (b) immediately above may be made by the corporation pursuant to an order by a court or upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Subsection (a) and (b) immediately above. Such determination shall be made in either of the following ways:

(1) By the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding.

(2) If such quorum is not obtainable, or even if obtainable, where a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

(3) By a majority of the members present and voting.

(d) Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Subsection (a) and (b) above may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Subsection (c) immediately above upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation.

(e) The indemnification provided in this Section may extend, if the Board of Directors or members so choose, to a person who has ceased to be a director, officer, employee, or agent and in such case shall inure to the benefit of the heirs, executor, and administrators of such person.

(f) The Board of Directors of the Corporation shall purchase and maintain insurance on behalf of any person who is or was a director,

April 16, 2014

officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprises against any liability asserted against such person and incurred by such person in any such capacity or arising out of his or her status as such, whether or not the Corporation would have power to indemnify such person against such liability under Subsection (a) and (b) above.

(g) For the purposes of Subsections (a) and (b) above, references to the Corporation include all constituent corporations absorbed in a consolidation or merger and the resulting or surviving corporation, so that a person who is or was a director, officer, employee, or agent of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture trust, or other enterprise shall stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he or she would if he or she had served the resulting or surviving corporation in the same capacity.

(h) The foregoing right of the indemnifications shall be in addition to, and not inclusive of, all other rights to which the director, officer, employee, or agent may be entitled.

ARTICLE IV. OFFICERS

Number and Titles

Section 4.01. The officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The Board of Directors may appoint any other officers and agents as it deems necessary, each of whom shall hold office for the period, have the authority, and perform the duties in the management of the corporation as provided in these Bylaws, or as determined by resolution of the Board of Directors not inconsistent with these Bylaws. The Board of Directors may delegate to any officer or committee the power to appoint any subordinate officers, committees, or agents; to specify their duties and authority; and to determine their compensation.

Election

Section 4.02. The election of the officers detailed above shall take place at the first meeting of the Board of Directors following each annual meeting of the members. All officers must be current members of the corporation and current members of the Board of Directors. Each officer shall hold his office until s/he shall resign, or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified. One person may be elected to hold two or more offices. However, an officer may not execute, acknowledge, or verify an instrument in more than one

April 16, 2014

capacity if the instrument is required by law, or if the Articles of Incorporation or these Bylaws state they shall be executed, acknowledged, or verified by two or more officers.

Duties

Section 4.03. (a) The President shall preside at all meetings of members and directors and shall have general supervision of the affairs of the Corporation, shall sign or countersign all certificates and other instruments of the corporation as authorized by the Board of Directors, shall make reports to the Board of Directors and members, and shall perform all other duties incident to the office or which are properly required of him or her by the Board of Directors.

(b) The Vice-President shall exercise the functions of the President during the absence or disability of the President. Each Vice-President shall have such powers and discharge such duties which may be assigned to him or her from time to time by the Board of Directors.

(c) The Secretary shall issue notices for all meetings, as provided in these Bylaws, shall keep minutes of all meetings, shall have charge of the seal and the corporate books, and shall make such reports and perform such other duties that are incident to his or her office or that are properly required of him or her by the Board of Directors.

(d) The Treasurer shall have the custody of all monies and securities of the Corporation and shall keep regular books of account. He or she shall disburse the funds of the Corporation in payment of the just demands against the Corporation or as may be ordered by the Board of Directors, accepting proper vouchers for such disbursements, and shall render to the Board of Directors from time to time as may be required, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall perform all duties incident to his or her office or that are properly required by the Board of Directors.

(e) Other subordinate officers appointed by the Board of Directors shall exercise the powers and perform the duties that are delegated to them by the resolutions appointing them or by any subsequent resolutions.

(f) In case of the absence or disability of any officer of the Corporation and of any person hereby authorized to act in his or her place during such period of absence or disability, the Board of Directors may from time to time delegate the powers and duties of that officer to any other officer or any director or any other person it may select.

Removal and Resignation

Section 4.04. Any officer or agent may be removed by the Board of Directors whenever in the Board's judgment the best interest of the Corporation will be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Vacancies

Section 4.05. If the office of the President, Vice-President, Secretary, or Treasurer becomes vacant by reason of death, resignation, removal, or otherwise, the Board of Directors shall elect a successor who shall hold office for the unexpired term, and until his or her successor is elected.

Salaries

Section 4.06. No officer shall receive compensation for any service he may render to the corporation. However, any officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE V. EXECUTION OF INSTRUMENTS

Authority for Execution of Instruments

Section 5.01. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers and any agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement nor to pledge its credit nor to render it liable for any purpose or in any amount.

Execution of Instruments

Section 5.02. Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the Corporation, promissory notes, deeds of trust, mortgages, and other evidences of indebtedness of the Corporation, and other corporate instruments or documents, and certificates of shares of stock owned by the Corporation shall be executed, signed, or endorsed by the President or any

Vice-President and by the Secretary or the Treasurer, or any Assistant Secretary or Assistant Treasurer.

ARTICLE VI. FINANCE

Bank Accounts and Deposits

Section 6.01. (a) All funds of the Association shall be deposited from time to time to the credit of the Corporation with such banks, bankers, trust companies, or other depositories as the Board of Directors may select or as may be selected by any officer or officers or any agent or agents of the Corporation to whom such power may be delegated from time to time by the Board of Directors.

(b) Endorsements for deposit of commercial paper to the credit of the Association in any of its duly authorized depositories may be made without countersignature by the President or any Vice-President, or the Treasurer or any Assistant Treasurer, or by any other officer or agent of the Corporation to whom the Board of Directors, by resolution, shall have delegated such power, or by hand-stamped impression in the name of the Corporation.

(c) All checks, drafts, or other order for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the Association shall be determined from time to time by resolution of the Board of Directors.

Fiscal Year

Section 6.02 The fiscal year of the Association shall begin on the first day of January each year.

ARTICLE VII. CORPORATE RECORDS, REPORT, AND SEAL

Records

Section 7.01. The Corporation shall maintain a book of minutes of all meetings, of members and Board of Directors, books of account, and a membership register. The book of minutes shall note the time and place of each meeting, whether it was regular or special and, if special, how it was called, the notice given, the names of the directors present at a Board meeting, the number of memberships represented at a members meeting, and the proceedings thereof. The books of account shall cover the Corporation's property and business transactions, including accounts of its assets, liabilities, receipts and disbursements.

Inspection of Records by Members

Section 7.02. All books, records, and lists of members of the Corporation shall be open to inspection and examination during normal business hours for all proper purposes by every member of the Corporation or his or her duly authorized agent or attorney.

Inspection of Records by Directors

Section 7.03. Every director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the Corporation and of its subsidiary corporations, domestic or foreign. Inspection by a director may be made in person or by the director's agent or attorney. The right of inspection includes the right to make copies.

Annual Report to Members

Section 7.04. The Board of Directors shall cause an annual report for the prior fiscal year to be given to the members at the annual meeting. The report shall contain financial statements covering in detail its assets and liabilities and such other information as the directors may choose to include. Copies will be made available on request.

ARTICLE VIII. AMENDMENT OF BYLAWS

Adoption, Amendment, and Repeal

Section 8.01. The Board of Directors or the members of the Corporation may amend or repeal the Bylaws or adopt new Bylaws so long as such Bylaws, as amended or adopted, are not inconsistent with the Articles of Incorporation or with the law. Any Bylaws adopted by the members may not be altered or repealed by the Board of Directors.

IN WITNESS WHEREOF, we, being all the duly elected directors of Sheldon Dunes Homeowners Association, Inc., have set our hands as of the 16th day of April 2014.

Nancy J Ryan

Nancy Ryan

Garrison Koch

Garrison Koch

Millie Robbert

Millie Robbert

Linda Folland

Linda Folland

Diana Nelson

Diana Nelson

Dan Powers

Dan Powers

Deborah Stanifer

Deborah Stanifer
