

BYLAWS OF STAR LAKE PROPERTY OWNERS' ASSOCIATION, INC. (As approved June, 2018)

Star Lake Property Owner's Association, Inc. is organized exclusively for charitable, educational, scientific, or environmental protection purposes. Including for such purposes, the making of distributions to organizations that qualify as exempt organizations described under section 501(c)3 of the Internal Revenue Code or corresponding section of any future tax code.

Mission Statement:

The Star Lake Property Owners Association and its Board of Directors are committed to preserving this natural resource to include but not limited to:

- *its excellent water quality
- *its bountiful fishery
- *its natural wildlife haven
- *its ordinary and proper development

Statement of Purpose:

The object and purpose of this corporation shall be to promote the community welfare and civic development of all areas of Otter Tail County bordering on or approximate to the shoreline of Star Lake and such other land areas further removed therefrom as its members shall from time to time determine, and to assist the property owners within said area in the preservation of their civic rights, to promote and develop the recreational facilities of such areas and those of Star Lake itself including planting and promulgation of fish therein and the protection and preservation of wildlife on the land areas adjacent to Star Lake as may be determined by the members, to promote and develop the horticultural development of the areas described, to promote the cultural and social lives of the inhabitants of said area and to provide a vehicle by which legal or political problems common to the area and the inhabitants thereof, including tax problems, may be resolved in any manner provided by law for the common welfare of the members of this corporation, and to that end this corporation may acquire by purchase or other means such real or personal property as may be necessary in carrying out its stated objectives and to mortgage or sell or exchange the same and to do any and all other acts permitted by the laws of the State of Minnesota in furtherance of its stated purposes. (as stated in Articles of Incorporation dated August 26th, 1981)

ARTICLE 1
(Board of Directors)

Section 1. Number and Election. The business of the corporation shall be managed by a board consisting of seven directors, or such other number as the voting members shall from time to time determine by amendment of these By-Laws. The members of the board shall be elected at the annual meeting of the corporation and shall be elected by a majority of the membership present and voting, a quorum being present. Voting membership is limited to one vote per membership even though a defined property may be held by more than one family member or multiple individual parties. The defined property's members shall appoint and identify its voting member to the Secretary. No person shall be elected a director who is not a paid-up voting member of this corporation. Any member of the Board of Directors whose membership expires and is not paid up within 30 days of notification by the Board of Directors shall become ineligible for membership on the Board of Directors, and the position shall be declared vacant.

Section 2. Term of Office. Three directors shall be elected at the annual meeting of the corporation for terms of three years each. Directors shall hold office until their successors have been elected and qualified.

Section 3. Vacancies. In the event of a vacancy on the Board of Directors, the remaining members of the board may, by majority vote, appoint a voting member of the Association to fill such vacancy. If more than one year remains on the term being filled, the person so appointed shall stand for election (along with any other candidates nominated) at the next Annual Meeting.

Section 4. Additional Directors. By amendment to these By-Laws, additional members of the Board of Directors may be provided from such other lakes or land masses as the corporation shall, from time to time, add to its area of operation by vote of the voting members, and in the event that additional Directors shall be elected, they shall be so elected as to provide for the election of new directors only as to one third (1/3) of the board membership each year.

Section 5. Expense Reimbursement. All Board members serve without pay but may be compensated for actual expenses while conducting corporation business provided such expenses have Board approval.

Section 6. Board Member Removal. The Board may remove any Board member for acts it judges to be contrary to the goals, image, or mission of the corporation by an affirmative vote of five of the then serving Board members. If there is less than five then serving Board members, a majority vote is required for removal. The Board member subject to removal may be granted a hearing prior to the vote of dismissal through a majority vote of Board members then serving to grant such a hearing before the Board of Directors.

ARTICLE II. (Election of Officers)

Section 1. Officers. Officers of the corporation shall consist of a president, vice-president, secretary, and treasurer. No officer shall hold two offices.

Section 2. Method of Election. Corporate officers shall be elected by the Board of Directors from among their own membership at an organization meeting to be held immediately (within 24 hours) following the annual meeting at which such directors are elected. A vacancy in the positions of president, treasurer or secretary must be filled for the unexpired portion of the term by election by the Board of Directors from among their own membership.

Section 3. Term of Office. Officers of the corporation shall hold their respective offices from the close of the meeting at which they are elected for a period of one year and until their successors are elected and qualified.

ARTICLE III. (Duties of Officers)

Section 1. President. The president shall preside at all meetings of the Board of Directors and all membership meetings, regular or special, which occur during the term of office. The president shall be the chief executive officer of the corporation and supervise its work and activities and together with the

treasurer shall sign checks for all obligations of the corporation. Together with the secretary, the president shall sign all other corporate documents involving the sale or acquisition of any property and all contracts or commitments duly approved by the corporation. The president shall further perform such other duties as are usually pertinent to the office or authorized by statute.

Section 2. Vice-President. In the absence of the president, the vice-president shall preside at all director and/or membership meetings. In the absence of the president and vice-president, the treasurer shall preside at all director's meetings and meetings of the membership, and in the event of the resignation or inability of the president to perform his/her duties, the vice-president may assume the powers of the president. The vice-president shall also perform such other duties as may be assigned by the president or Board of Directors.

Section 3. Secretary. The secretary shall keep an accurate record of the proceedings of all regular and special meetings of the membership and minutes of all meetings of the Board of Directors. The secretary shall keep on file all correspondence necessary to maintain the business of this corporation and shall maintain a complete and up-to-date list of the membership of this corporation. The books, records, and papers of the corporation shall at all times, during reasonable business hours and with reasonable notice, be subject to inspection by any member.

Section 4. Treasurer. The treasurer shall keep accurate records of the receipt and disbursements of all monies belonging to the corporation and handled in its normal course of business. At each regularly scheduled meeting of the Board of Directors or membership meeting of the corporation, the treasurer shall prepare and file with the secretary a complete and up-to-date financial report. The treasurer shall keep an accurate and up-to-date record of the paid-up status of members of the corporation and shall assume the supervision of each and every membership drive and membership renewals. Together with the president, the treasurer shall countersign all checks drawn on the accounts of the corporation when the same have been approved by the Board of Directors. The treasurer, together with the president, shall file any required not-for-profit state or federal annual reports and maintain records of all donations made to the corporation in compliance with 501(c)3 Internal Revenue Code requirements.

Section 5. Duties of Officers. The officers of the corporation shall be held to the duties of fiduciary care for all business activities of the corporation, and the duties of care, loyalty, and confidentiality in the performance of their duties as officers and Board members of the corporation.

ARTICLE IV. (Membership Meetings)

Section 1. Time and Place of Meetings. There shall be no less than one regular meeting of the membership each year. The time and place of each such meeting shall be determined by the Board of Directors provided, however, that the annual meeting shall be held between Memorial Day and Labor Day of each year. Special meetings of the membership may be called by the Board of Directors at such time and place as they shall determine or upon the written petition of five voting members of the corporation duly filed with the president who shall then call the special meeting as requested.

Section 2. Notice of Meetings. Notice of the time and place of either a regular or special meeting of the corporation shall be communicated to all members at their last known address of record, such notice to be given at least ten days prior to the date of such meeting. Additional notices may be given by the Board of Directors in such manner as the board shall determine, but no later than ten days prior to each

such meeting. Notice of regular meetings shall not require specific notice of any business to come before the meeting, but all such notices for special meetings shall specify the specific items of business to come before the meeting.

Section 3. Changes to Board Agenda's. All regular board meetings are open to all voting and associate members. An agenda will typically be finalized prior to the meeting. Any topic not on an agenda can be requested in advance of the meeting agenda being finalized by the Secretary and must have approval of the Board President before being formally placed on the agenda. The agenda may be changed at a regular Board meeting, with approval of the majority of the Board members present.

Section 4. Quorum. A quorum at any regular or special meeting of the membership shall consist of no less than ten voting members whose dues and assessments are currently paid in full. A quorum being present, all business of the meeting may proceed to determination.

Section 5. Associate Members. Persons who reside part time on Star Lake but who do not own property on the lake or others who support the objectives of the Association are eligible to become Associate Members. Associate members shall have no voting rights in the business of the Association.

Section 6. Disruptive Behavior. Any person may be asked to leave a meeting of the Association due to what is believed to be disruptive behavior by the President or officer chairing the meeting.

ARTICLE V. (Director's Meetings)

Section 1. Notice of Meetings. The Board of Directors of the corporation shall meet at such time and place as may be determined by the president or the vice-president in the absence of the president or by written notice signed by three members of the Board of Directors. The secretary shall give written notice to all members of the Board of Directors not less than three days prior to the date of said meeting, such notice to be by mail, email, or directed to the last known residence address of each member of the board. Regular meetings of the board shall be held no less than four times each year. The notice of a regular meeting need not specify the items of business to be taken up at the meeting, but notice of any special meeting shall specify the item(s) of business to be brought before the board.

Section 2. Quorum. Four members of the Board of Directors shall constitute the necessary quorum for the transaction of business.

Section 3. Electronic Participation. Directors may attend regular or special meetings of the Board of Directors via conference call, Skype, or any other such interactive means. This would include the right to vote on matters currently before the board. The secretary would so note the recorded votes, email would NOT apply in this case, as it is not an interactive medium. Email notifications will be accepted as a form of "written notifications" as it relates to Board of Directors meetings. The secretary would be required to print the email message and attach to the meeting minutes.

ARTICLE VI. (Committees)

Section 1. Auditing Committee. The Board of Directors prior to the annual meeting shall appoint an auditing committee from the voting membership, exclusive of the board, which shall audit the books of

the corporation and submit a written report of the audit to the membership for their approval at the annual meeting.

Section 2. Nominating Committee. The Board of Directors shall appoint a nominating committee of three voting members, exclusive of the board, to seek and nominate candidates for election to the board of directors. The Chair of the nominating committee, or designee, shall report to any meeting of the members held for the purpose of electing directors by placing the names of candidates in nomination. Voting members may nominate consenting candidates directly by written notice to the nominating committee at least 30 days prior to the election.

Section 3. Other Committees. The president, with the approval of a majority of Board members, may, at any regular or special meeting, create and appoint committees and define the scope of authorities and reporting requirements as shall be deemed necessary.

Section 4. Funds. No committee shall expend any funds without prior approval of the Board of Directors and then only upon vouchers submitted to the treasurer who shall make the disbursement on behalf of the committee.

ARTICLE VII. (Voting Privileges)

Section 1. Membership meetings. Prior to each annual meeting, the secretary and treasurer shall make and certify to the president a current and accurate list of all paid-up members who will be entitled to vote at such meeting, and each member then in current status shall be allowed one vote on any matter to come before such meeting. In the case of special meetings of the membership, a similar list of members in current status will be submitted to the president prior to the meeting to determine voting eligibility. Each paid membership, excluding associate memberships, shall be entitled to one vote per membership regardless of the number of individuals identified within each membership. (see Article I, Section 1)

Section 2. Director's Meetings. Each member of the Board of Directors shall be entitled to one vote on any matter before the board.

Section 3. Committees. Each member of any committee shall be entitled to one vote in all matters determined to be within the committees' authority.

Section 4. Balloting. Voting for the election of directors at any membership meeting shall be by written ballot. In addition, upon the request of five or more voting members of the corporation, any matter then before the meeting shall be determined by written ballot. All other matters before a membership meeting shall be determined by voice vote or by a show of hands. All matters determined by any committee shall be by voice vote or show of hands.

ARTICLE VIII. (Dues and Assessments)

Section 1. Dues. Members of the corporation shall pay annual dues which shall be in an amount determined by the Board of Directors and approved at the annual meeting by the majority vote of the voting membership then present and voting. Such dues shall be paid no later than 60 days following the

annual meeting and shall be paid to the treasurer. Associate member dues shall be established at 80% of the voting membership annual dues.

Section 2. Assessments. The corporation shall have the power to levy special assessments upon its members but only when the amount of the assessment and the purpose for which it is made shall have been approved by the Board of Directors by majority vote of those present and voting and further approved by the membership of the corporation at a regular or special meeting thereof and by a majority of those present and voting at any such membership meeting.

ARTICLE IX.
(Amendment of By-Laws)

Section 1. Amendment. These By-Laws may be amended by the voting membership at any regular meeting or special meeting of which due notice has been given and when such amendment has been approved by a vote of the majority of those present and voting at such meeting.

ARTICLE X.
(Non-Discrimination)

Section 1. Non-Discrimination. The corporation does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability of handicap, marital status, sexual orientation, or military status in any of its activities and operations.

ARTICLE XI.
(Private Benefit)

Section 1. Private Benefit. No part of the earnings of the corporation shall inure to the benefit of, or be distributed to its members, officers, or other private persons, except 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 described in section 501(c)3. 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 or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, 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, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE XII.
(Conflict of Interest)

Section 1. Conflict of Interest. The Board of Directors shall adopt and periodically review a conflict of interest policy to protect the corporation's interests when it is contemplating any transaction or arrangement which may benefit any director, officer, affiliate, member or associate member of the corporation or any committee member serving through board-delegated powers.

ARTICLE XIII.

(Fiscal Year Defined)

Section 1. Fiscal Year. The corporation's fiscal year shall run from January 1st until December 31st of each year.

ARTICLE XIV.
(Indemnification)

Section 1. Indemnification. Members and directors of the corporation shall have no personal liability for corporate obligations. The corporation shall indemnify directors and officers for any liability in connection with the good faith performance of their duties. (as approved, June 2001)

ARTICLE XV.
(Parliamentary Authority)

Section 1. Parliamentary Authority. Robert's Rules of Order, as revised, shall be the authority on all questions not covered by these By-Laws and which shall arise at any regular or special meeting of the members, the Board of Directors, or any duly appointed committee of the corporation.

ARTICLE XVI.
(Dissolution)

Section 1. Dissolution. Upon the dissolution of this corporation, its assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)3 of the Internal Revenue Code, or corresponding section of any future federal tax code, or to a state or local government, for a public benefit purpose.

Any assets not disposed of shall be disposed of by a court of a competent jurisdiction in the county in which the principal office of the organization is then located. Exclusively for such purposes or to such organization or organizations, as said court shall determine, which is organized and operated exclusively for such purposes.