

BY-LAWS

Of the

Paw Paw Lake Foundation, Inc.

(as revised July 2012)

ARTICLE I – NAME

The name of the corporation is: Paw Paw Lake Foundation, Inc. (hereinafter, “Foundation”).

ARTICLE II- PURPOSE

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

Primarily, the Foundation is for the purpose of receiving and administering funds for the preservation and improvement of Paw Paw Lake and its ecosystem, and for the education and public welfare in connection with the preservation and improvement of Paw Paw Lake. The Foundation shall undertake to:

1. Scientifically test, preserve and improve the quality of water in and around Paw Paw Lake located in Berrien County, Michigan, and its inlets, outlets, rivers and streams, and publish information thereon, and take actions and encourage others to take actions which will preserve and improve the quality of the waters contained therein. The results of said tests shall be made available to the general public on a nondiscriminatory basis.
2. Take such actions as may be necessary or desirable to protect, preserve and improve the environment of the area of the Paw Paw Lake watershed, including connecting inlets, outlets, rivers, streams and wetlands.
3. Assist in the acquisition, establishment, maintenance and protection of protected areas in the vicinity of Paw Paw Lake and its connecting inlets, outlets, and rivers.
4. Assist governmental and other agencies with the performance of their duties in and around the area of Paw Paw Lake including, but not limited to, assistance that may be requested by, or in cooperation with, the Michigan Department of Natural Resources, the Michigan Department of Health, the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the Berrien County Sheriff's Department, the Michigan State Police, the

Water Resources Commission, state universities, schools, research organizations, villages, townships, cities, counties and other governmental organizations.

5. Educate the general public as to the quality of the water in and around Paw Paw Lake and those things that effect it such as: the value of wetland preservation, and the adverse impact of infestation and of the introduction of nutrients.

ARTICLE III - PROHIBITED ACTIVITIES

1. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its Directors, trustees, officers, or other private persons, except that the Foundation 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.
2. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation 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.
3. Notwithstanding any other provision of these Articles, the Foundation shall not carry on any other activities not permitted to be carried on (a) by any entity exempt from federal income tax under §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by any entity, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.
4. Not withstanding any other provision of these Articles, none of the Foundation's assets or income earned on those assets, shall be loaned, directly or indirectly, to any Director or to anyone else, corporate or otherwise, who has at any time made a contribution to this Foundation, nor to anyone except on the basis of an adequate interest charge and adequate security.

ARTICLE IV - BOARD OF DIRECTORS

1. The Board of Directors of the Foundation shall consist of such number of directors as shall be specified by resolution of the Board, provided that the Board shall consist of a minimum of three (3) directors. Directors of the Foundation shall be persons from the general public who have expressed a commitment to the furtherance of the Foundation's purposes as stated in Article II hereof and terms of service will be indefinite unless otherwise determined by the majority of the Board of Directors.

2. -The policies of the Foundation shall be governed by the Board of Directors. Directors shall serve without compensation.
3. A majority of the members of the Board of Directors shall constitute a quorum for purposes of holding meetings of the Board of Directors.
4. Vacancies in the Board of Directors caused by any reason shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum.
5. A Director may vote or be represented by proxy and such proxy may be counted for determining a quorum. A proxy may be in written or electronic format and must specify the date of the meeting to which it applies. For purposes of establishing a quorum, the proxy must be assigned to another Board member who will be present at the specified meeting and give that Board member the right to exercise the proxy. A proxy must state whether the assigned Board member is authorized to exercise the proxy on all matters or only for specific issues that must be identified in the proxy. A proxy must be presented at the start of the specified meeting.
6. At the first meeting of the Board of Directors of the Foundation, the Directors shall elect from among them a Chairperson who shall then call the business of the meeting and future meetings. The Chairperson may subsequently be replaced by any other Director upon a vote of the Directors, the Chairperson abstaining.
7. Upon at least 10 days written notice prior to any regular or special meeting of the Board, the Board of Directors, by a two-thirds vote, may terminate the term of any Director for misfeasance, nonfeasance or other cause.

ARTICLE V – DIRECTORS’ POWERS

In extension and not in limitation of the statutory and other powers granted in these By-Laws, the Directors shall have the following discretionary powers:

1. To invest and reinvest the principal and income of the Foundation in such property, real, personal, or mixed, and in such manner as they shall deem proper, and from time to time to change investments as they shall deem advisable; to invest in or retain any stocks, shares, bonds, notes, obligations, or personal or real property (including without limitation any interests in or obligations of any corporation, association, business trust, investment trust, common trust fund, or investment company) although some or all of the

property so acquired or retained is of a kind or size which but for this express authority would not be considered proper and although all of the trust funds are invested in the securities of one company.

2. To sell, lease, or exchange any personal, mixed, or real property, at public auction or by private contract, for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertakings relating to the Foundation's property, as they consider advisable, whether or not such leases or contracts may extend beyond the duration of the Foundation.
3. To borrow money for such periods, at such rates of interest, and upon such terms as the Directors consider advisable, and as security for such loans to mortgage or pledge any real or personal property with or without power of sale; to acquire or hold any real or personal property, subject to any mortgage or pledge on or of property acquired or held by the Foundation.
4. To execute and deliver deeds, assignments, transfers, mortgages, pledges, leases, covenants, contracts, promissory notes, releases, and other instruments, sealed or unsealed, incident to any transaction in which they engage.
5. To vote, to give proxies, to participate in the reorganization, merger or consolidation of any concern, or in the sale, lease, disposition, or distribution of its assets; to join with other security holders in acting through a committee, depository, voting trustees, or otherwise, and in this connection to delegate authority to such committee, depository, or trustees and to deposit securities with them or transfer securities to them; to pay assessments levied on securities or to exercise subscription rights in respect of securities.
6. To employ a bank or trust company as custodian of any funds or securities and to delegate to it such powers as they deem appropriate; to hold trust property without indication of fiduciary capacity but only in the name of a registered nominee, provided the trust property is at all times identified as such on the books of the Foundation; to keep any or all of the Foundation's property or funds in any place or places in the United States of America; to employ clerks, accountants, investment counsel, investment agents, and any special services, and to pay the reasonable compensation and expenses of all such services.
7. To expand or contract the quantity of members of the Board of Directors. In no circumstance, however, shall the Board of Directors ever be less than three (3) members.
8. The Directors' powers are exercisable solely in the fiduciary capacity consistent with and in furtherance of the charitable purposes of the Foundation as specified in Article II.

ARTICLE VI - OFFICERS

The officers of the Foundation shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors of the Foundation shall appoint the first Officers of the Foundation at the first meeting of the Board. The Officers shall hold office for succeeding fiscal years or until their successors are appointed. Officers shall take office at the time of their appointment by the Board of Directors. Directors may also serve as Officers.

ARTICLE VII - DUTIES OF THE OFFICERS

- 1.** The President shall preside at all meetings and perform such other duties as are incident to his office.
- 2.** The Vice President shall assume the duties of the President when absent and carry on the traditional duties of the office.
- 3.** The Secretary shall make a record of all meetings of the Foundation.
- 4.** The Treasurer shall receive all contributions, gifts, grants, bequests and other moneys and properties received, keep records of receipts and disbursements, report the financial condition of the Foundation, and carry out the financial policies of the Foundation as adopted by the Board of Directors.

ARTICLE VIII- COMMITTEES

The Board of Directors may appoint such Committees as the Board deems necessary. The Board shall appoint the Chairperson of each Committee. Each Committee shall provide periodic reports as requested by the Board of Directors

ARTICLE IX – MEETINGS

Meetings of the Board of Directors shall be held at the call of the Chairperson providing that a minimum of two meetings of the Board of Directors shall be held during the period of May 1 to October 31 or each year. Ten (10) days notice shall be given.

ARTICLE X – FINANCES

- 1.** The Board of Directors shall determine the acceptance of any contribution, gift, grant, bequest or other offerings of moneys or property to the Foundation.
- 2.** The Board of Directors shall approve any proposed program to solicit funds from the general public in furtherance of the Foundation’s tax-exempt purpose including, but not limited to, the nature of any press or media releases, communications to prospective donors, and the use of the Foundation’s name.
- 3.** The Foundation’s Annual Report shall be available to the general public and may be inspected during normal business hours upon the written request of any interested party at a location designated by the Foundation that is in the Paw Paw Lake area. Such location may be a public use location like a town library meeting room, a Township Hall, or similar public location.
- 4.** The fiscal year of the Foundation shall be determined by a majority vote of the Board of Directors.

ARTICLE XI- AMENDMENTS

- 1.** These By-Laws may be amended by a resolution, adopted by a simple majority of the entire Board. Board members may be present in person or by properly submitted proxy.
- 2.** A written notice and text of a proposed amendment shall be given to all members of the Board at least ten (10) days prior to any regular or special meeting of the Board.

ARTICLE XII - PARLIAMENTARY AUTHORITY

Conduct of meetings shall be by Robert Rules of Order, Newly Revised.

ARTICLE XIII – DISSOLUTION

Upon the dissolution of the Foundation, assets shall be distributed for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Foundation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XIV – SEVERABILITY

Invalidation of any part of the Articles contained herein, by judgment or court order, or by a court of competent jurisdiction, shall not affect any of the other Articles and provisions, which shall remain in full force and effect.