



STATE OF MICHIGAN
COUNTY OF CHARLEVOIX
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Charlene M. Drost
REGISTER OF DEEDS

BOARD RESOLUTION AND PROOF OF NOTICE

THIS BOARD RESOLUTION AND PROOF OF NOTICE is made and executed on this 13th day of August, 2010, by the C&O Club Association, a Michigan non-profit corporation, with offices located at 1020 Stroud Court, Charlevoix, Michigan 49720 (hereinafter referred to as the "Association").

RECITALS

A. The Association is a nonprofit corporation organized under Michigan law, which is comprised of the Co-owners of the C&O Club, Charlevoix County Condominium Subdivision Plan No. 64 (the "Condominium").

B. The Association is, pursuant to the Master Deed of the Condominium recorded at Liber 338, Pages 277 through 346, inclusive, of Charlevoix County Records, and subsequent amendments thereto, authorized and duty bound to "administer, operate, manage and maintain the Condominium."

C. Article XX, Section 3 of the Bylaws of the Association ("Bylaws") contained in the Master Deed, as subsequently amended, provides a schedule for fines for violations of the provisions of the Condominium Documents. That section further provides:

The Association, acting through its Board of Directors, may increase or decrease the fine schedule set forth above by Board resolution after giving prior written notice to the co-owners of the proposed change. The resolution and a proof of notice shall then be recorded in Oakland County [sic] records and the new schedule shall be effective upon recording.

D. On August 12-13, 2010, the Board of Directors of the Association, by unanimous written consent, adopted the following resolution:

The Board, having become aware of instances of transient vacation rentals not submitted to or approved by the Board pursuant to Article VI B, Section 20 of the Bylaws, having concluded that the presence of transient vacation renters in the Association is contrary to the best interests of the Co-owners as a whole and the primary reason for the inclusion of Article

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VI B, Section 20 in the original Bylaws, and having determined that the fines set forth in Article XX, Section 3, are an insufficient deterrent to violations of Article VI B, Section 20, therefore resolves as follows:

1. The Board disapproves of transient vacation rentals in the C&O Club. Members should not expect approval even if it is sought.

2. Pursuant to Article XX, Section 3, the following fines will become effective for violations of Article VI B, Section 20 immediately upon the giving of prior notice to the Co-owners and recording of resolution in the Charlevoix County Records:

(a) First Violation. The lesser of (a) \$1,000 or (b) the gross rent charged (whether or not received by the Co-owner) for the rental constituting the violation, provided that the Co-owner can demonstrate such amount by written evidence reasonably satisfactory to the Board.

(b) Second Violation. The lesser of (a) \$2,000 or (b) the gross rent charged (whether or not received by the Co-owner) for the rental constituting the violation, provided that the Co-owner can demonstrate such amount by written evidence reasonably satisfactory to the Board.

(c) Third Violation. The lesser of (a) \$4,000 or (b) the gross rent charged (whether or not received by the Co-owner) for the rental constituting the violation, provided that the Co-owner can demonstrate such amount by written evidence reasonably satisfactory to the Board.

(d) Fourth and Subsequent Violations. The lesser of (a) \$6,000 or (b) the gross rent charged (whether or not received by the Co-owner) for the rental constituting the violation, provided that the Co-owner can demonstrate such amount by written evidence reasonably satisfactory to the Board.


[Remainder of this page intentionally left blank]

NOW, THEREFORE, TAKE NOTICE that:

1. The Board of Directors adopted the foregoing resolution.
2. The Board of Directors gave prior written notice of the proposed change to the Co-owners by e-mail (as permitted under the Bylaws, as amended) on August 13, 2010. This statement constitutes proof of such notice.


IN WITNESS WHEREOF this Board Resolution and Proof of Notice has been made and executed as of the date set forth above.

**"ASSOCIATION"
C&O Club Association**


 By: **Thomas F. Barnes**
 Its: **President**

STATE OF MICHIGAN)
) ss
COUNTY OF CHARLEVOIX)

On this 4 th day of August, 2010, the foregoing Board Resolution and Proof of Notice was executed and acknowledged before me by Thomas F. Barnes, President for and on behalf of the C&O Club Association.

 10/4/2010
 _____, Notary Public
 Charlevoix County, Michigan
 My commission expires: 03/23/2017

DRAFTED BY/RETURN TO:
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