

**AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF THE  
CISCO CHAIN RIPARIAN OWNERS ASSOCIATION, INC.**

**ARTICLE II OF THE ARTICLES OF INCORPORATION FOR THE CISCO CHAIN RIPARIAN OWNERS ASSOCIATION, INC. IS DELETED AND BY THIS AMENDMENT SHALL HEREAFTER READ AS FOLLOWS:**

**“ARTICLE II**

The purpose(s) for which the Association is organized are as follows:

1. The Association shall have such powers and purposes as are consistent with the purposes of its organization and as are granted to it by the statutes of the State of Michigan and as such statutes may be amended and supplemented hereafter and as may relate to a non-stock non-profit corporation (association) organized for Internal Revenue Code Section 501(c)(3) (or such other applicable Internal Revenue Code provision for this non-profit Association) charitable, benevolent, educational, and philanthropic purposes, together with and including, but not limited to, those powers as hereafter set forth.
2. To do all things necessary and incidental to promote the common benefit and enjoyment of and promote and foster the use of the Cisco Chain of Lakes and surrounding area's natural resources and the health, safety and welfare of the residents and general public within Watersmeet Township, Gogebic County, Michigan and the Town of Land O' Lakes, Vilas County, Wisconsin, as enjoying and otherwise benefitting from the Cisco Dam and Cisco Chain of Lakes, including determining lake levels on the Cisco Chain and as applicable, the monitoring, lease, operation, management, ownership, maintenance, inspection and repair of the Cisco Dam; to serve in advisory capacity as to lakes, rivers, and land use, in encouraging maintenance of nature; and for carrying out any lawful purpose or object not involving pecuniary gain or profit for its members or associates in connection with any purposes of the Association.
3. In the exercise of its powers coincident with the purposes for which the Association is organized, special emphasis shall be given to the purpose of rendering altruistic services to the communities and individuals on a local and state basis, including members of the general public, as enjoying or otherwise benefitting from the preservation of the Cisco Dam and the Cisco Chain of Lakes.
4. To undertake and/or support such charitable, educational and scientific purposes,

including, for such purposes, the making of distributions to organizations or municipalities that qualify as exempt organizations under Section 501(c)(3) or similar provisions of the Internal revenue Code (or the corresponding provisions of any future United States Revenue law) recognizing non-profit charitable status under the Internal Revenue Code.

5. Without in any manner limiting the foregoing provisions as to powers, the Association shall, in addition thereto, have the following additional powers:
  - A. To collect dues and receive bequests, devises, gifts, and contributions whether made outright or in trust and for the declared purposes of the Association and to exercise through its board of directors the administration thereof or to hold such property whether real or personal, for such periods of time as the said Board of Directors may determine, and to convey such property upon such terms for such consideration as the Board of Directors of the Association shall determine.
  - B. The Association, through its board of directors, may purchase, own, hold or lease property, whether real or personal, without limitations as to the kind or type and to the quality under the provision of the statutes of the State of Michigan as now enacted or as the same may be hereafter amended or supplemented as concerns said property, including trust funds. The Association, through its Board of Directors, shall not be restricted in its ownership, purchase or lease of such property, whether real or personal, as to the quality of such property, including trust funds, as may come under such applicable provisions of the statutes of the State of Michigan.
  - C. The Association, through its Board of Directors, shall be privileged to hold property, whether real or personal, in the same form in which the same is received by gift, devise, or bequest, without the requirement that the ownership thereof or the purchase of additional or like property qualifies for trust fund investment under the statutes of the State of Michigan. Such funds specifically donated to or received by the Association with restriction that it only be held and used only for a specific purpose (e.g. by way of example and not limited to, such funds donated for the monitoring, lease, operation, management, ownership, maintenance, inspection and repair of the Cisco Dam and such associated activities of the Association in support thereof) shall be so segregated and used only for the stated purpose(s).
  - D. To authorize such person(s) to act individually or as a committee on behalf of the Association in a non-voting capacity and report to the Board of Directors and president. Committees and individual committee members acting on behalf of the committee shall not have the power act on behalf of or otherwise bind the Association. All final action of a committee must be first approved by the board in writing before being binding on the Association.

- E. To administer the collection and expenditure of Association funds, including segregated funds such as, but not limited to, the Cisco Dam Fund.
6. For the accomplishment of the foregoing purposes as well as those hereafter stated, the Association may receive and administer funds or property in furtherance of the purposes set forth herein.
  7. For the accomplishment of the foregoing purposes as well as those hereafter stated, and in particular the monitoring, lease, ownership, maintenance, inspection and repair of the Cisco Dam and such associated activities of the Association in support thereof, the Association may receive and administer funds or property, whether real or personal, in furtherance of same, including:
    - A. Encourage and otherwise foster the continued existence and operation of the Cisco Dam located in Watersmeet Township, Gogebic County, Michigan, which Dam controls the lake levels on the Cisco Chain being the largest inland chain of lakes in the Upper Peninsula of the State of Michigan and which Chain of Lakes adjoins into and includes waters within the Town of Land O' Lakes, Vilas County, Wisconsin. The Cisco Dam is an essential part of maintaining the Cisco Chain of Lakes lake level and preserving the long-standing public and private recreational and economic county-wide benefit provided by the Cisco Chain of Lakes as preserved by the existence of said Cisco Dam. Such benefit includes the long history of the Cisco Chain of Lakes, the Cisco Chain of Lake's fishery and the many outdoor uses of the Cisco Chain of Lakes, as well as the use and enjoyment by and benefit to adjoining and otherwise nearby public, private and commercial real estate on the Cisco Chain of Lakes within Watersmeet Township, Gogebic County, Michigan and Town of Land O' Lakes, Vilas County, Wisconsin, as well as the many area residents and property owners, municipalities, members of the general public and tourists who also enjoy and benefit from the Cisco Chain of Lakes.
    - B. Seek local, state, federal and private donations, grants and such other financial assistance for the affairs and purposes of the Association, such as, but not limited to, Aquatic Invasive Species ("AIS") management and abatement, as well as the monitoring, lease, operation, management, ownership, maintenance, inspection and repair of the Cisco Dam and such associated activities of the corporation in support thereof, and, fostering an ongoing appreciation of the historical, recreational and economic benefit and value the Cisco Dam and Cisco Chain of Lakes provide Watersmeet Township, Gogebic County, and the State of Michigan, as well as the Town of Land O' Lakes, Vilas County, and the State of Wisconsin, as well as the many area residents and property owners, members of the general public and tourists who also enjoy and benefit from the Cisco Chain of Lakes on a year-round basis.

- C. Foster the ongoing appreciation of and financial support for the recreational and economic value the Cisco Dam and Cisco Chain of Lakes, including its tax base, historical tourism and four-season recreation opportunities, by working with municipal bodies such as Watersmeet Township, Gogebic County, and the State of Michigan, the Town of Land O' Lakes, Vilas County and the State of Wisconsin, as well as with property owners on the Cisco Chain of Lakes and members of the general public, and such other local, state and federal municipalities, agencies and organizations, individuals, groups and other area municipalities and communities who share a common purpose in preserving, protecting, supporting and promoting the important public and economic importance and value of the Cisco Dam and Cisco Chain of Lakes consistent with the purposes of the Association.
  - D. Seek and receive on behalf of the Association financial assistance from members of the Association as well as members of the general public who support the Cisco Dam and its continued operation, including the possible lease and/or purchase and operation of the Cisco Dam by the Association. Should the Association have the opportunity to lease or purchase the Cisco Dam, it may do so upon the direction of its Board of Directors. Upon such lease or purchase it shall operate, monitor, manage, maintain, inspect and repair the Cisco Dam and engage in such associated activities of the Association in support thereof consistent with the purposes of the Association. It shall also foster an ongoing appreciation of the historical, recreational and economic impact, benefit and value of the Cisco Dam and Cisco Chain of Lakes to Watersmeet Township, Gogebic County, and the State of Michigan as well as the Town of Land O' Lakes, Vilas County, and the State of Wisconsin, the area property owners, residents, communities, municipalities, members of the general public and tourists who all enjoy and benefit from Cisco Dam and the Cisco Chain of Lakes on a year-round basis.
  - E. Engage in such other activities as may be incidental to the charitable purposes of the Association.
8. The Association is organized as a non-profit corporation with the State of Michigan solely to operate and act exclusively for charitable, benevolent, educational and philanthropic purposes, including as within the meaning of Section 501(c)(3) (and such other applicable Internal Revenue Code provision for this non-profit corporation) of the Internal Revenue Code, as amended; and in furtherance of these ends it shall administer the money and property as it may receive by gift, bequest, devise, grant, contribution or otherwise. The Association shall not act in any way in violation of the permissible activities under Section 501(c)(3) (and such other applicable Internal Revenue Code provision for this non-profit corporation) of the Internal Revenue Code.

**ARTICLE VII OF THE ARTICLES OF INCORPORATION FOR THE CISCO CHAIN RIPARIAN OWNERS ASSOCIATION, INC. IS DELETED AND BY THIS AMENDMENT SHALL HEREAFTER READ AS FOLLOWS:**

**“ARTICLE VII**

No part of the net earnings of the Association shall inure to the benefit of or be distributable to its members, directors, officers, volunteers or other private persons, except that the Association 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 and other applicable provisions of these By-laws. No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene in funding the publishing or distribution of statements of any political campaign on behalf of any candidate for public office. Notwithstanding the foregoing, the Association may engage in lobbying to influence legislation subject to the limitations provided by the Internal Revenue Code. Notwithstanding any other provision of these By-laws, the Association shall not carry on any other activities not permitted to be carried on by (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).”

**ARTICLE VIII OF THE ARTICLES OF INCORPORATION FOR THE CISCO CHAIN RIPARIAN OWNERS ASSOCIATION, INC. IS DELETED AND BY THIS AMENDMENT SHALL HEREAFTER READ AS FOLLOWS:**

**“ARTICLE VIII**

Upon the dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of the general funds of the Association exclusively for the purposes of the Association in such manner, or to such organization(s) organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization(s) under Internal Revenue Code 501(c)(3), as amended, as the Board of Directors shall determine. Any assets not so disposed shall be disposed of in accordance with said terms and conditions at the direction of the District or Circuit Court of Gogebic County, MI as having jurisdiction over the appropriate disposition of said funds. Said assets do not include the funds held by the Association in the

Cisco Dam Fund Account.

In addition, and separately, should the Association be so dissolved, it is further directed that such funds held in the segregated Cisco Dam Fund account shall be separately disposed of in said dissolution at the direction of the District or Circuit Court of Gogebic County, MI as having jurisdiction over the appropriate disposition of said funds to insure that the future access to and use thereof is for the sole benefit of the Cisco Dam's future monitoring, lease, operation, management, ownership, maintenance, inspection and repair, and with this including establishing such follow-up organization(s) qualifying as an exempt organization(s) under Internal Revenue Code 501(c)(3), as amended, as having the authority to hold, manage and use said funds for the sole benefit of the Cisco Dam as stated in the purposes of the Association and the preservation of the Cisco Chain of Lakes lake level."

**ARTICLE IX OF THE ARTICLES OF INCORPORATION IS HEREBY ADDED STATING AS FOLLOWS:**

**"ARTICLE IX**

**INDEMNIFICATION AND LIABILITY OF DIRECTORS, OFFICERS, COMMITTEE MEMBERS, ASSOCIATION MEMBERS, VOLUNTEERS, EMPLOYEES OR AGENTS OF THE ASSOCIATION.**

**SECTION A. NO LIABILITY TO ASSOCIATION.**

1. No Director, Officer, committee member, Association member, volunteer, employee or agent of the Association and no person serving at the request of the Association as a Director, Officer, committee member, Association member, volunteer, employee or agent shall be liable to the Association for any loss or damage suffered by it on account of an action or omission by such person as a Director, Officer, committee member, Association member, volunteer, employee or agent if such person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of this Association; unless with respect to an action or suit by or in the right of the Association to procure a judgment in its favor, such person shall have been adjudged to be liable for gross negligence or misconduct in the performance of his or her duty to this Association.

**SECTION B. INDEMNIFICATION:**

1. The Association shall indemnify and defend each person who was or is a party or is threatened to be made a party to any threatened, pending or completed civil, criminal, administrative or investigative action, suit or proceeding (other than an action by or in

the right of the Association), by reason of the fact that such person is or was a Director, Officer, committee member, Association member, volunteer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other association, partnership, joint venture, trust or other enterprise, against expenses, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person 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 Association; and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The terminating of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *novus contendit* or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; and with respect to any criminal action or proceedings, had reasonable cause to believe that his or her conduct was unlawful.

2. The Association shall indemnify and defend each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Association by reason of the fact that such person is or was a Director, Officer, committee member, Association member, volunteer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other association, partnership, joint venture, trust or other enterprise against expenses and attorneys' fee actually and reasonably incurred by such person in the defense or settlement of such action or suit if such person 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 Association; provided, that no indemnification shall be made in respect of any claim, issue, or matter as to which such person is adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty to the Association unless and only to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses and attorneys' fees which such court deems proper.
3. To the extent that a person seeking Indemnification under Section A. or B. has been successful on the merits or otherwise in defense of any action, suit or proceeding, or any claim, issue or matter therein, the Association shall indemnify such person against expenses and attorneys' fees actually and reasonably incurred in connection therewith.
4. The Association shall make indemnification payments to or on behalf of the person seeking them only if authorized in the specific case upon a determination that indemnification of such person is proper because such person meets the applicable standards of conduct and indemnification set forth in the various Sections of this Article IX and applicable law. Such determination may be made:
  - A. By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or

- B. If such quorum is not obtainable, or if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion to the Association, or
  - C. By the court in which such action, suit or proceeding was pending upon application made by the Association or person seeking indemnification or the attorney or other person rendering services in connection with the defense, whether or not such application is opposed by the Association.
5. The Association's accepted duty to indemnify and defend is adopted so that each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suitor proceeding by or in the right of the Association by reason of the fact that such person is or was a Director, Officer, committee member, Association member, volunteer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other association, partnership, joint venture, trust or other enterprise, is protected from the onset against expenses and attorneys' fee actually and reasonably incurred by such person in the defense or settlement of such threatened or actual claim, action, settlement or suit if such person is deemed by the Board, upon advice of legal counsel, to have acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Association, and the Association shall upon advice of legal counsel advising of same, authorize payment in advance of final disposition of an action, suit, or proceeding for the expenses and attorneys' fees incurred by a person seeking indemnification under Section A. or B., provided that such person delivers a written undertaking to repay such amount unless it is ultimately determined that such person is entitled to be indemnified under this Section B. The intent of this section B is that no Director, Officer, committee member, Association member, volunteer, employee or agent of the Association or is or was serving in such capacity at the request of the Association in any other association, partnership, joint venture, trust or other enterprise, working on behalf of the Association be faced with the financial burden of a claim of liability and costs of defense thereof from the onset of said threatened claim, unless it is believed, upon advice of legal counsel, he/she did not act in good faith and did not act in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Association. Should the Board initially decline to defend such individual upon advice of counsel, it retains the right to reconsider such decision as the claim progresses and either later undertake such defense or reimburse said individual for the cost incurred by reason of said claim, including the defense thereof.
6. The indemnification provided by this Section B. shall not be deemed exclusive of any other rights to which those seeking indemnification are entitled under any By-law, agreement, and vote of disinterested Directors; or otherwise, both as to action in a person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who ceases to be a Director, Officer, committee member, Association member, volunteer, employee or agent and shall inure to the benefit of his/her heirs, executors and administrators.



7. The Association may purchase and maintain insurance on behalf of any person described in Section A. or B. against any liability asserted against or incurred by such person in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify the person against such liability under this Section B.
8. This Section B. shall be effective with respect to any person who is a Director, Officer, committee member, Association member, volunteer, employee or agent of the Association, including as serving in such capacity at the request of the Association in any other association, partnership, joint venture, trust or other enterprise, at any time on or after the effective date of these By-laws with respect to any action, suit or proceeding pending on or after that date against such person based upon his/her acting in such capacity before or after that date.
9. If the Michigan Non-profit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of Directors, Officers, committee members, Association members, volunteers, employees or agents acting with authority on behalf of the Association, then the liability of a Director, Officer, committee member, Association member, volunteer, employee or agent of the Association shall be forthwith eliminated or limited to the fullest extent then permitted by the Michigan Non-profit Corporation Act, as amended, without further action of the Association required and same shall be forthwith incorporated in and made a part of these By-laws.
10. Subject to this Article IX and limitations herein, and to the extent further allowed by applicable Michigan law, the Association shall indemnify and hold harmless the Directors, Officers, committee members, Association members, volunteers, employees or agents of the Association to the full extent permitted by applicable law, this including the obligation to defend or otherwise advance all expenses incurred in the defense of any claims, actual or threatened, against a Director, Officer, committee member, Association member, volunteer, employee or agent as arising by reason of his/her good faith performance of his/her lawful duties or activities on behalf of the Association.
11. Any repeal or modification of the foregoing provisions of this Article by the Directors of the Association shall not adversely affect any right or protection of the Director, Officer, committee member, Association member, volunteer, employee or agent of the Association existing at the time of such rule or modification.
12. Except as may be limited by this Article IX of the Articles and applicable Michigan law, the Association assumes all liability for all acts or omissions of any Director, Officer, committee member, Association member, volunteer, employee or agent, incurred in the good faith performance of his/her lawful duties or activities on behalf of the Association.

**ARTICLE X IS ADDED TO THE ARTICLES OF INCORPORATION STATING AS FOLLOWS:**

**“ARTICLE X**

**AMENDMENTS**

The Association’s By-laws may be amended, altered, changed, added to, or repealed by a two-thirds (2/3) vote of the Association’s membership in good standing at that time and who are present in person and by proxy at any annual or special meeting of the members of the Association. Proposed amendments shall be delivered personally, sent electronically (by fax, email or other electronic means of communication) or sent by mail to the membership for consideration at least ten (10) days before the meeting thereon.”