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OCT 28 2021 ARTICLES OF INCORPORATION OF THE CRYSTAL HIGHLANDS PRESERVE OWNER'S ASSOCIATION

These Articles of Incorporation are signed by the incorporators to form a nonprofit corporation under the provisions of the Michigan Nonprofit Corporation Act (the Act), MCL 450.2101 et seq., as follows:

ARTICLE I

The name of the corporation is The Crystal Highlands Preserve Owner's Association.

ARTICLE II

The purpose for which the corporation is formed is to provide an entity for the operation of properties in Benzie County, Michigan, including the following:

- a. to maintain, operate, and administer the property of the association for the use and enjoyment of its members and their guests, invitees, and families.
- b. to make and enforce reasonable rules and regulations concerning the use of the association property in furtherance of the bylaws.
- c. to levy and collect assessments from members of the corporation to defray the costs, expenses, and losses of the association.
- d. to employ personnel; to contract for the maintenance, administration, and management of the association and association property; and to delegate to the persons such powers and duties as are necessary.
- e. to purchase insurance on the association property and to collect and allocate the proceeds.
- f. to authorize and approve the signing of contracts, deeds, or easements affecting the association property.
- g. to carry on any other business in connection with and incident to the above purposes that is not forbidden and with all the powers conferred on nonprofit corporations by the laws of the state of Michigan

All funds and the titles to all properties acquired by the corporation and the proceeds shall be held in trust for the members in accordance with the provisions of the bylaws of the association.

ARTICLE III

The address of the initial registered office is 7367 Lumley Rd., Bear Lake, MI 49614.

The mailing address of the registered office is 7367 Lumley Rd., Bear Lake, MI 49614.

The name of the resident agent at the registered office is Stephen R. Kelly

FILED
NOV 01 2021
ADMINISTRATOR
CORPORATIONS DIVISION

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ARTICLE IV

The corporation is organized on a nonstock membership basis.

The description and value of all assets that the corporation possesses at the time of its incorporation are as follows:

Real property: None

Personal property: None

The corporation is to be financed by assessment of members to defray the costs, expenses, and losses of the association.

ARTICLE V

The name and address of the incorporator is Stephen R. Kelly

ARTICLE VI

The names and addresses of the first board of directors are as follows:

Michael M. Kelly – 1145 E 3rd Ave., Durango, CO 81301

James P. Kelly – 25 Sachs Rd., Nottingham, NH 03296

Stephen R. Kelly -7367 Lumley Rd., Bear Lake, MI 49614

Daniel Joseph Kelly – 4077 Crystal Dr., Beulah, MI 49617

ARTICLE VII

The term of the corporation shall be perpetual.

ARTICLE VIII

The corporation is organized on a membership basis, and each owner of record of a lot in the Plat of Crystal Highlands Preserve, including the developer until all units have been sold, shall be a member of the corporation. Membership shall not be assigned, pledged, encumbered, or transferred in any manner except as an appurtenance to the lot. The directors shall also be members of the corporation until their successors have been elected and qualified.

Each member of the corporation shall be entitled to one vote, the value of which and the manner of exercise of which are to be determined in accordance with the bylaws of the corporation.

ARTICLE IX

Any action required or permitted by the Act to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action to be taken, is signed by a number of members of the corporation not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote were present and voted. Prompt notice of the taking of corporate action without a meeting by less than unanimous consent shall be given to members who have not consented in writing.

ARTICLE X

No contract or other transaction between this corporation and any other corporation, firm, or association shall be subject to cancellation by the fact that any one or more of the directors or officers of the corporation are interested in or are directors or officers of the other corporation, firm, or association. Any director or officer may individually be a party to or be interested in any contract or transaction of the corporation. However, the contract or other transaction must be fair and reasonable to the corporation when it is authorized, approved, or ratified. The material facts of the relationship or interest must be disclosed or known to the board or committee when it authorized, approved, or ratified the contract or transaction by a vote sufficient for the purpose without counting the vote of the interested director or officer. Every person who may become a director or an officer of the corporation is relieved from any liability that might otherwise exist from contracting with the corporation for the benefit of the officer or director or any firm, association, or corporation in which the officer or director may otherwise have an interest as set forth in these articles.

ARTICLE XI

The members of the board shall be volunteer directors within the meaning of the Act. A volunteer director shall not be personally liable to the corporation or to its members for monetary damages for a breach of the director's fiduciary duty arising under applicable law. However, this article shall not eliminate or limit the liability of a director for any of the following:

- a. the amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled.
- b. intentional infliction of harm on the corporation, its shareholders, or members.
- c. a violation of Section 551 of the Act (MCL 450.2551).
- d. an intentional criminal act.
- e. a liability imposed under Section 497(a) of the Act (MCL 450.2497)).
- f. a breach of the director's duty of loyalty to the corporation or its members.
- g. acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law.
- h. a transaction from which the director derived an improper personal benefit
- i. an act or omission that is grossly negligent
- j. an act or omission occurring before the date on which this document is filed