

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

**FILING ENDORSEMENT**

*This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT*

*for*

**OAKLAND CREST CONDOMINIUM ASSOCIATION**

**ID NUMBER: 71536K**

*received by facsimile transmission on February 17, 2014 is hereby endorsed.*

*Filed on February 18, 2014 by the Administrator.*

*This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.*



*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 18th day of February, 2014.*

A handwritten signature in black ink, appearing to read "Alan J. Scheike".

**Alan J. Scheike, Director  
Corporations, Securities & Commercial Licensing Bureau**

*Sent by Facsimile Transmission*

CSCL/CD-502 (Rev. 02/13)

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

Date Received

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Name

Sandra Sorini Elser

Address

Bodman PLC  
201 S. Division, Suite 400

City State Zip Code

Ann Arbor, Michigan 48104

EFFECTIVE DATE:

Document will be returned to the name and address you enter above.  
If left blank, document will be returned to the registered office.

**ARTICLES OF INCORPORATION**  
For use by Domestic Nonprofit Corporations

*Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:*

**ARTICLE I**

The name of the corporation is: Oakland Crest Condominium Association. The corporation is sometimes referred to in these Articles as the "Association."

**ARTICLE II**

The purpose or purposes for which the corporation is formed are as follows:

- A. To manage and administer the affairs of and to maintain the common elements of Oakland Crest Condominium, a Michigan residential condominium located in the Township of Oakland, Oakland County, Michigan (the "Condominium");
- B. To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes set forth in the Master Deed for the Condominium recorded in the Oakland County Records, as may be amended from time to time as therein provided (the "Master Deed");
- C. To carry insurance and to collect and allocate the proceeds thereof;
- D. To repair and rebuild improvements owned by the Association after casualty;
- E. To maintain and repair all General Common Elements and any Limited Common Elements for which the Association is responsible within or adjacent to the Condominium, in accordance with, and as such terms are defined in, the Master Deed;
- F. To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance, and administration of the Condominium;

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G. To make and enforce reasonable regulations concerning the use and enjoyment of the General Common Elements and any Limited Common Elements for which the Association is responsible in the Condominium;

H. To acquire, own, maintain and improve, and to buy, sell, convey, assign, mortgage, lease (as Landlord or Tenant), or otherwise grant interests in any real or personal property, including but not limited to any unit in the Condominium, any easements or licenses or any other real property, whether or not contiguous to the Condominium for the purpose of providing benefit to the members of the Association and in furtherance of any of the purposes of the Association;

I. To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business and to secure the same by mortgage, pledge or other lien;

J. To enforce the provisions of the Master Deed, Condominium and By-Laws and these Articles of Incorporation and such Rules and Regulations of the Association as may hereafter be adopted;

K. To sue in all courts and participate in actions and proceedings judicial, administrative, arbitative or otherwise, subject to the express limitations on suits, actions and proceedings as set forth in Article IX of these Articles;

L. To do anything required of or permitted to the Association as administrator of the Condominium by the Condominium Master Deed or By-Laws or by Act No. 59 of Public Acts of Michigan of 1978, as from time to time amended; and

M. In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes thereof.

**ARTICLE III**

The corporation is organized upon a non-stock, membership basis. The amount of assets which the corporation possesses is:

Real Property: None  
Personal Property: None

The corporation is to be financed under the following general plan: Assessment of Members.

**ARTICLE IV**

The location and street address of the first registered office is:

100 Bloomfield Hills Parkway, Bloomfield Hills, Michigan 48304

The name of the first resident agent is Kevin Christofferson.

**ARTICLE V**

The name and address of the incorporator is as follows:

Pulte Land Company, LLC

100 Bloomfield Hills Parkway  
Bloomfield Hills, Michigan 48304

**ARTICLE VI**

The term of corporate existence is perpetual.

**ARTICLE VII**

The qualifications of members, the manner of their admission to the Association, the termination of membership, and voting by such members shall be as follows:

A. Each co-owner of a unit in the Condominium shall be a member of the Association, and no other person or entity shall be entitled to membership, except as otherwise provided in the Master Deed. The Developer named in the Condominium Master Deed and any successor Developer shall be a member of the Association until all units have been conveyed to individual purchasers.

B. Membership in the Association by persons other than the Developer shall be established by acquisition of ownership of a unit in the Condominium and by recording with the Register of Deeds in the County where the Condominium is located a deed or other instrument establishing a change of ownership of the unit and the furnishing of evidence of such change of ownership satisfactory to the Association, the new co-owner thereby becoming a member of the Association and the membership of the prior co-owner thereby being terminated. In the event of the conveyance of a Unit by land contract, the land contract vendees shall be the "Co-Owners" of the Unit and shall bear sole liability for all obligations arising with respect to the Unit to the exclusion of the land contract vendors; provided that the Developer or an affiliate of the Developer shall retain the rights and obligations of a Co-Owner with respect to any Unit sold under land contract by the Developer or an affiliate of the Developer.

C. The share of a member in the funds and assets of the Association or other rights of membership cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to the Condominium unit.

D. Voting by members shall be in accordance with the provisions of the Master Deed, and the Corporate By-Laws of the Association.

**ARTICLE VIII****LIMITATION OF LIABILITY OF VOLUNTEER DIRECTORS  
AND VOLUNTEER OFFICERS**

A. No member of the Board of Directors of the corporation who is a Volunteer Director as that term is defined in the Michigan Nonprofit Corporation Act, as amended (the "Act"), and no officer who is a Volunteer Officer shall be personally liable to the corporation or its members for monetary damages for breach of a fiduciary duty by such Volunteer Director or Volunteer Officer; provided, however, that this provision shall not eliminate or limit the liability of a Volunteer Director or a Volunteer Officer for any of the following:

1. A breach of the director or officer's duty of loyalty to the corporation or its members;
2. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
3. A violation of Section 551(1) of the Act;
4. A transaction from which the director or officer derived an improper personal benefit;
5. An act or omission occurring before the effective date of this Article; or

6. An act or omission that is grossly negligent.

B. The corporation assumes the liability for all acts or omissions of a Volunteer Director, Volunteer Officer or other volunteer as defined in the Act occurring on or after the effective date of this Article if all of the following are met:

1. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
2. The volunteer was acting in good faith;
3. The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
4. The volunteer's conduct was not an intentional tort; and
5. The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Act.

C. If the liability of a Volunteer Director or Volunteer Officer might be limited or eliminated under more than one paragraph of this Article, then the provision or provisions offering the maximum protection to the Volunteer Director or Volunteer Officer will apply.

D. If the Act is amended after the filing of these Articles of Incorporation to authorize the further elimination or limitation of the liability of directors, officers or other volunteers of nonprofit corporations, then the liability of directors, officers or such other volunteers of the corporation, in addition to the limitation, elimination and assumption of personal liability contained in this Article, shall be assumed by the corporation or eliminated or limited to the fullest extent permitted by the Act as so amended. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of a director, officer or other volunteer of the corporation for or with respect to any acts or omissions occurring prior to the effective date of such amendment or repeal.

## ARTICLE IX

### JUDICIAL CLAIMS AND ACTIONS

The requirements of this Article IX shall govern the corporation's commencement and conduct of any civil action except for the actions to enforce the Bylaws of the corporation or collect delinquent assessments. The requirements of this Article IX will ensure that the members of the corporation are fully informed regarding the prospects and likely costs of any civil action the corporation proposes to engage in, as well as the ongoing status of any civil actions actually filed by the corporation. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the corporation's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each member of the corporation shall have standing to sue to enforce the requirements of this Article IX. The following procedures and requirements apply to the corporation's commencement of any civil action other than an action to enforce the Bylaws of the corporation or collect delinquent assessments:

A. Board of Directors' Recommendation to Co-owners. The Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed, and supervising and directing any civil actions that are filed.

B. Litigation Evaluation Meeting. If an attorney is to be engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners

("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The notice requirements for a regular meeting of the Association shall apply. The Board of Directors shall provide to all Co-owners in advance of such meeting all necessary information related to the proposed civil action so as to allow Co-owners to make an informed decision as to the merits and estimated costs of such proceeding, how the litigation will be funded, all possible alternatives to litigation, the history of actions taken to date to avoid litigation, and all opinions of experts retained or hired by the Association to give advice concerning the proposed action.

C. Fee Agreement with Litigation Attorney. The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners prior to the litigation evaluation meeting.

D. Co-Owner Vote Required. At the litigation evaluation meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action. The commencement of any civil action by the Association (other than a suit to enforce the Condominium Documents or collect delinquent assessments) shall require the approval of a majority of all of the Co-owners.

E. Disclosure of Litigation Expenses. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("litigation expenses") shall be fully disclosed to Co-owners in the Association's annual reviewed financial statements. The litigation expenses for each civil action filed by the Association shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget and annual reviewed financial statements.

## ARTICLE X

### INDEMNIFICATION

Each person who is, was, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding of any sort, whether civil, criminal, administrative, or investigative, and whether formal or informal, by reason of the fact such person is or was a director, officer, or member of a committee of the corporation or that such person serves or has served at the request of the corporation as a director, officer, partner, trustee, employee, non-director volunteer or agent of any other corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the corporation to the fullest extent permitted by the laws of the State of Michigan as they may be in effect from time to time. The corporation may, to the extent authorized from time to time by the Board of Directors, grant such rights to indemnification to any employee, non-director volunteer, or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any person described in this Article against any liability asserted against and incurred by such person in any such capacity or arising out of such status, whether or not the corporation would have power to indemnify such person against such liability under the laws of the State of Michigan. This right of indemnification shall continue as to a person who ceases to be a director or officer, and shall inure to the benefit of the heirs, executors, and administrators of that person.

## ARTICLE XI

### AMENDMENT

These Articles of Incorporation may only be amended by the affirmative vote of two-thirds (2/3) of all members.

I, the incorporator, sign my name this 17<sup>th</sup> day of February, 2014.

INCORPORATOR

Pulte Land Company, LLC

By: 

Kevin Christofferson

Its: Authorized Representative