

***BANNISTER LAKES
HOMEOWNERS ASSOCIATION***

**AMENDED
ARTICLES OF INCORPORATION
AND BY-LAWS**

2005

“That all shall be governed by certain laws for the common good”.

Constitution of the Commonwealth of Massachusetts
1780

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**AMENDED NON-PROFIT
ARTICLES OF INCORPORATION**

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, of the State of Michigan, as follows:

**ARTICLE I
NAME OF CORPORATION**

The name of the corporation is the Bannister Lakes Homeowners Association.

**ARTICLE II
PURPOSES**

The purpose of the Association is to represent the best interest of the member homeowners, to manage and administer the affairs of the Bannister Lakes Homeowners Association subject to and in accordance with the restrictive covenants applying to these subdivisions and as described and set forth in the By-laws, Building Restrictions, Use Restrictions, Articles of Incorporation and the Auxiliary Construction Restrictions of said Association.

**ARTICLE III
BASIS OR ORGANIZATION AND ASSETS**

Said corporation is organized upon a non-stock, membership basis and is to be financed by assessment of the members. The amount of assets which said corporation possesses is:

Real Property: None
Personal Property: None

**ARTICLE IV
REGISTERED OFFICE**

Location of the registered office is 46974 Kramer Dr., Shelby Township, Macomb County, MI 48315. Post office address of the registered office is Postal Box 180631, Utica, MI 48318. The name of the resident agent is Ronald Black.

**ARTICLE V
MEMBERSHIP**

The Association shall consist of all the lot owners of lots in Bannister Lakes Subdivision #1, Bannister Lakes Subdivision #2, Bannister Lakes Subdivision #3 and Cedar Lakes Subdivision #2. Membership in the Association shall be mandatory for each lot owner.

**ARTICLE VI
TERM OF EXISTENCE**

The term of corporate existence is perpetual

**ARTICLE VII
AMENDED BY-LAWS AND RESTRICTIONS**

These By-laws, Building Restrictions, Use Restrictions, and Auxiliary Construction Restrictions of the Association supercede all previous editions.

PART 2 BY-LAWS

There is hereby established the Bannister Lakes Homeowners Association (hereinafter referred to as the "Association") a lot owners association. The Association shall have such powers as are granted to it by this Declaration, plus those powers that are hereafter conveyed and assigned to it by those powers as set forth in its Articles of Incorporation, By-laws, Building Restrictions, Use Restrictions and the Auxiliary Construction Restrictions.

The purpose of these By-laws establishes the organization, duties and procedures for the governance of the Association.

ARTICLE I PURPOSE

SECTION 1. The Association is given the responsibility to manage and administer the affairs of the Association and to maintain the architectural and building integrity of the residences contained within the Association.

SECTION 2. The Association may adopt and enforce stringent rules and regulations to carry out the purposes and intent of this declaration. The Association may also assess lot owners in the manner and for the purposes as set forth in its By-laws.

SECTION 3. To adopt, cause to be recorded of record and to enforce such Articles on Incorporation, By-laws, Building Restrictions, Use Restrictions and Auxiliary Construction Restrictions and other procedures as are approved by the majority of the qualified members of the association to carry out their purposes.

SECTION 4. The Association may assess, levy and collect from the lot owners of the corporation and to use the proceeds thereof in the manner and for the purposes as set forth in its By-Laws.

SECTION 5. The Association may make and enforce reasonable regulations concerning the construction of improvements in and the use and enjoyment of said subdivisions, including such reconstruction made following a casualty.

SECTION 6. The Association may contract for and employ persons, firms or corporations to assist in management, operation, maintenance and administration of the Association.

SECTION 7. The Association shall maintain and make improvements as needed, to any common areas contained within the Association.

SECTION 8. The Association may borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business, to secure the same by mortgage, pledge or other lien.

SECTION 9. In general, the Association may 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, maintenance, repair, replacement and operation of the Association and to the accomplishment of any of the purposes thereof.

SECTION 10. In the event any part or provisions of the restrictions contained in this Declaration should be held ineffective or invalid for any reason by waiver, judgment, decree or other court order or otherwise, all other parts and provisions of these restrictions shall nevertheless remain in full force and effect.

SECTION 11. All of the restrictions, conditions, covenants, charges, easements and agreements herein contained are perpetual and will remain in effect until deleted or changed by being amended as per Article X, page 11.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Membership in the Association shall be required of and limited to every person or entity who or which is a record owner of a fee or undivided fee interest in any residential lot within these subdivisions, but not including any owners who have sold interest under executory land contract. During which time as such a land contract is in force, the land contract vendee shall be considered to be the member of the Association.

SECTION 2. Members in good standing shall be entitled to one (1) vote for each lot in which they hold the interest required for membership. When more than one person holds any such interest in any lot, all such persons together shall constitute one membership. The one vote for such lot shall be exercised as they among themselves determine.

SECTION 3. A member in good standing is a member whose dues are fully paid and is in compliance with the restrictive covenants of the Association.

ARTICLE III MEETINGS

SECTION 1. An annual meeting of the members shall be held in the fourth quarter of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

SECTION 2. Special meetings of the members may be called when authorized by a majority of the Board of Directors or when requested by ten (10) or more of the members of the Association.

SECTION 3. Written or printed notice stating the place, day, time and reason of any meeting of members shall be delivered either personally or by mail to each member no less than Thirty (30) days before the annual meeting and no less than five (5) days before special meetings.

SECTION 4. Attendance by a minimum of twenty (20) members in good standing shall constitute a quorum at each general membership meeting.

SECTION 5. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid from eleven (11) months after the date of execution, unless provided for in the proxy.

SECTION 6. Each member in good standing is entitled to one vote on each matter submitted to a vote. The votes shall be cast orally unless the majority of the members present and entitled to vote at said meeting should determine that the vote should be in writing.

SECTION 7. Every person or entity becoming a member in this Association shall be deemed to have a set of this By-Laws. Such person or entity shall deliver to the secretary, the address to which they desire notices to be sent. All notices mailed to said address shall be deemed to have been properly served upon said new member.

ARTICLE IV ORGANIZATION

SECTION 1. The Association shall be managed by a Board of Directors which shall consist of seven (7) members in good standing. Directors shall be residents of the Bannister Lakes Homeowners Association. Directors shall serve without compensation but will be exempt from annual general membership dues.

SECTION 2. The Board of Directors shall hold its annual meeting within ten (10) days after the annual meeting of the membership, and at such meeting, shall elect from its own number a president, vice-president, treasurer and secretary, all of whom shall serve until the succeeding Annual Meeting of the Board of Directors, or until their successors shall have been elected and qualified. The duties of said officers shall be as follows:

- (a) **The President:** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board of Directors. He shall appoint all committees with the consent and approval of the Board, and shall be ex officio a member of said committees. He shall make annual reports to the Board of Directors and to the members. He shall exercise generally all of the powers and perform the duties of supervision and management usually vested in the office of president of an association of this character. The Lake Committees will be self-governing and shall be exempted from this paragraph.
- (b) **The Vice President:** The Vice President shall in the absence of the President, perform all of his duties, and if the office of President shall become vacant, the Vice President shall hold the office of President until the vacancy shall be filled by the Board of Directors. He/she shall perform all other duties as assigned by the President.
- (c) **The Secretary:** The Secretary shall attend all meetings of the Board of Directors and General Membership meetings, and shall record in books of the Association, true minutes of the proceedings of all such meetings. He shall give all notices required by statute, by-law or resolution. He shall conduct or cause to be conducted all official correspondence of the Association, and generally shall perform such duties as may be delegated to him by the Board of Directors.
- (d) **The Treasurer:** The Treasurer shall have custody of all Association funds, and shall keep in books belonging to the Association, full and accurate accounts of all receipts and disbursements. He shall deposit all monies in the name of the Association in such depositories as may be designated for that purpose by the Board of Directors. Whenever requested, he shall render to the President and the Board of Directors an accounting of his transactions as Treasurer, and of the financial condition of the Association.

SECTION 3. The Board of Directors shall have the right to appoint such assistance to the Officers above named, as it shall deem necessary to the proper operation of the Association.

SECTION 4. The Board of Directors shall have power to fill vacancies in any office and in its own membership, provided that any Director so appointed by the Board to fill a vacancy shall serve only until the next annual meeting of members, and at such meeting, a vacancy in such directorship shall be deemed to exist. The Director elected to fill such vacancy shall serve only the unexpired term of the person originally elected as Director.

SECTION 5. The Board of Directors is empowered from time to time to make, establish and enforce such rules and regulations as it may deem necessary or desirable for the proper conduct of the Association and its affairs, so long as such rules and regulations do not conflict with these By-Laws.

SECTION 6. The Board of Directors shall have the power to employ, remove or suspend such agents and employees of the Association as it may deem fit, and to determine their duties and provide for or

change their compensation. The Board shall also have the power to determine who shall be authorized, on behalf of the Association, to sign checks, notes, deeds, leases, mortgages, contracts, and other documents, to sell, lease, mortgage, pledge, convey, release, surrender or otherwise dispose of property belonging to the Association.)

SECTION 7. The Board of Directors shall hold regular meetings at least once every quarter (3 months), at such times and places as may be designated by the President, and shall hold special meetings at the order of the President or at the request of any two (2) members of the Board. Notice of regular and special meetings shall be communicated to each member of the Board on a timely basis.

SECTION 8. Four (4) members of the Board of Directors shall constitute a quorum at meetings of the Board of Directors.

SECTION 9. There shall be no more than one Board member per lot.

SECTION 10. Any Board member or the entire Board may be removed from office by a simple majority vote of the membership.

SECTION 11. Any Officer elected or appointed by the Board of Directors may be removed by a two-thirds (2/3) vote of the entire Board of Directors either with or without cause.

ARTICLE V ELECTIONS

SECTION 1. Only members in good standing shall be eligible for nomination for election as a Director. No member shall be considered in good standing if his or her dues are in arrears or is not in compliance with the restrictive covenants of the association.

SECTION 2. Nominations shall be for a term of two (2) years. Elections for the Board of Directors shall be staggered, with four being elected the first year followed by three the next year.

SECTION 3. The nominating process shall be as follows:

- (a) Any members in good standing may offer their name as a candidate for nomination, to the Secretary.
- (b) Additional nominations of eligible members may be made at the annual meeting and must be accepted by the nominee.
- (c) Election of Directors to be by secret ballot unless there is only one nomination for each vacancy at which times the election may be declared by acclamation.

ARTICLE VI FINANCIAL

SECTION 1. The fiscal year of the Association shall begin on the first day of January and end on the last day of December of each year.

SECTION 2. The Board of Directors shall determine the amount necessary to accomplish the purpose and needs of the annual maintenance set forth in the restrictive covenants. The Board of Directors shall publish an accounting of the anticipated expenditures and notify the members of amounts payable there under. By the end of each year, the Board of Directors shall determine the amount of the annual dues

payable to the Association by members for the next year and shall publish the budget for the next year and notify the members of the dues payable.

SECTION 3. Dues shall be payable on the first day of February each fiscal year. If dues are not paid by the first day of February, a second notice shall be issued. If dues remain unpaid by the first day of March, the Association shall commence such legal action as may be necessary to collect the unpaid dues in addition to assessing a late fee of twenty-five dollars (\$25.00) and any filing fees, court costs and attorney fees expended by the Association.

SECTION 4. The Association shall not refund members dues or assessments. A pro-ration of members' dues, if any, shall occur at time of closing of a sale of a member's property. Such pro-ration shall be effected by an entry on the mortgage documents to the credit of the seller for any unused portion of the fiscal year.

SECTION 5. Amounts paid to the Association to accomplish the purposes and needs of the annual maintenance shall be held in an account established for that purpose, in trust, and shall be expended only upon presentation of a proposed expenditure, adequately documented, and consistent with the purposes and needs of the annual maintenance.

SECTION 6. The Association shall keep detailed books of accounts showing all expenditures and receipts of administration, which shall specify the maintenance, and repair expenses of the easements and any other expenses incurred by or on behalf of the Association. Such accounts shall be open for inspection by the members during reasonable working hours and shall be audited annually.

SECTION 7. The Treasurer shall maintain an account or accounts in a depository as designated by the Board of Directors for the purpose of depositing promptly all monies received by him in the name of the association.

SECTION 8. Two Board members of the Association shall sign cash disbursement checks. A check made payable to any officer, who is authorized to sign checks, cannot be signed by that officer.

SECTION 9. A special committee appointed by the president from the general membership shall conduct a financial audit after the end of each fiscal year.

SECTION 10. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgement. In the event of default by any member in the payment of any installment of the annual assessment levied against the member's unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. A co-owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues. All of these remedies shall be cumulative and not alternative.

SECTION 11. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, plus any late charges, shall be chargeable to the member in default and shall be secured by the lien on that unit. Among other expenses that will charged to a member delinquent in paying dues are lien fees, transportation costs, plus any other miscellaneous costs associated with the Association taking legal action against a delinquent member.

ARTICLE VII COMMITTEES

SECTION 1. The Board of Directors may set up committees and designate the membership of said committees. Members of any such committee shall be members in good standing of the Association. Any member thereof may be removed by the person or persons chosen as committee chairperson, whenever in their judgement, the best interest of the Association shall be served by such removal. Such removal of a committee member shall be approved by the Board of Directors.

SECTION 2. Each member of a committee shall continue as such until the next annual meeting of the members of the Association, or until his successor is appointed, unless the committee shall be sooner terminated, or unless such member is not qualified as a member thereof.

SECTION 3. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 4. Appointments made in the same manner as provided in the case of original appointments may fill vacancies in the membership of any committee.

SECTION 5. Each committee may adopt rules for its own government not inconsistent with these By-laws, or with rules adopted by the Board of Directors.

ARTICLE VIII LAKE COMMITTEES

SECTION 1. A separate lake committee shall be established in the manner set forth in these By-laws for both Hawkins and Bannister Lakes. The Lake Committee shall be elected by a majority vote of lake property owners, meeting the voting eligibility standards as previously set forth in these By-laws. The Board of Directors may also appoint Lake Committee members. The lake committee members must be lake property owners of the lake for which the committee oversees and also members in good standing.

SECTION 2. Each lake committee shall consist of a chairman and any number of members as determined by the lake chairman. Each member shall serve a term concurrent and consistent with those on the Board of Directors of the whole homeowners association. They will, at their meeting, elect a chairman and any other officer they deem necessary to carry on the business of the committee.

SECTION 3. A majority of committee members will constitute a quorum for the transaction of business at any meeting of the committee.

SECTION 4. An annual meeting of each Lake Committee shall be held in the spring of each year to conduct any such business necessary to represent the best interest of the lake property owners, including but not limited to the setting of special fees for lake maintenance. Callings of special meetings are subject to the rules and regulations as those put forth for the Board of Directors. The lake committees shall be subject to all rules and regulations of the Association, and will adopt rules consistent with the Association.

SECTION 5. The Board of Directors of the Association, in the absence of a Lake Chairperson or Lake Committee for Bannister Lake or Hawkins Lake, may contract with or hire a professional lake maintenance company to manage that lake which has no Chairman or lake committee. The cost of such professional lake management will be charged to the residents residing around that lake.

ARTICLE IX INSURANCE

SECTION 1. Every Director and Officer of the Association shall be indemnified by the Association against all expenses and liabilities by reason of his being or having been a Director or Officer on the Association except in such cases wherein the Officer or Director is adjudged guilty of willful misfeasance or malfeasance in the performance of their duties. The Association may purchase insurance to provide such indemnification at the discretion of the Board of Directors.

SECTION 2. The Association shall also carry liability insurance and workman's compensation insurance if applicable.

SECTION 3. The Board of Directors of the Association shall be responsible for collecting and allocating any proceeds received by the Association from any insurance actions.

ARTICLE X AMENDMENTS TO BY-LAWS

SECTION 1. These By-laws, Building Restrictions, Use Restrictions and Auxiliary Construction Restrictions may be added to, amended, or repealed by the members of the Association. To add, amend, or repeal a specific section or sections, a group of five (5) voting members must file with the secretary, such amendment or amendments as they may think advisable. The Secretary will present such amendment or amendments to the Board of Directors for review and possible recommendations during which time a meeting will be scheduled within thirty (30) days of presentation. All voting members of the Association shall be notified of such intention at the meeting scheduled stating the specific section or sections to be added to, amended or repealed. At the scheduled meeting the Board of Directors will present their recommendations on the proposed amendment or amendments. A two-thirds (2/3) vote of approval of members in good standing of the Association shall be required for approval of any amendment.

ARTICLE XI REMEDIES

SECTION 1. By this acceptance of title each lot owner shall be held to vest in the Bannister Lakes Homeowners Association and/or the township of Shelby or its successor and they shall be deemed to have the right and power in their own name to take, prosecute, and enforce pursuant to act 228 of P.A of 1967, all suits- legal, equitable or otherwise which they may deem necessary or advisable.

SECTION 2. Upon violation of any restriction or breach of any covenant of the Articles of Incorporation, By-laws or duly adopted rules, restrictions and regulations of the Association (including, but not limited to, the collection of the maintenance charge or any others sums owed to them by a lot owner), the Association or its successor may seek to enforce them by a suit for money judgement, by recording an affidavit of their lien for nonpayment of assessment, foreclosure of the lien securing payment, or by an action in equity seeking a mandatory injunction, and the exercise of any one or more of them shall not be deemed to constitute an election of remedies.

SECTION 3. The expenses incurred by the Association in collecting unpaid assessments and in the enforcement of the rules, restrictions and regulations of the Association shall be chargeable to the member in default or in violation. These expenses include but not limited to, late fees, actual costs, interest, attorney fees, filing and recording fees and officer's expenses and charges. The Association may enforce collection of these expenses by a suit at law for a money judgment or by placing a lien against the member's property.

SECTION 4. In addition to all other remedies, the Association may enter upon the land as to which such violation or breach exists, and summarily abate and remove at the expense of the owner thereof any construction or other violation that may be or exist thereon contrary to the intent and provisions hereof of the Association and/or the Township of Shelby or its successor. Failure to complain of any act or omission on the part of a lot owner, no matter how long the same may continue, shall not be deemed to be a waiver by the Association of any of their rights hereunder.

SECTION 5. Any and all rights and remedies which the Association and/or the township of Shelby or its successor may have under this declaration or by operation of law, either at law or in equity, upon any violation or breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other. No one of them, whether exercised by the Association and/or the Township of Shelby or its successor or not shall be deemed to be in exclusion of any other; and any two or more or all of such rights and remedies may be exercised at any time.

SECTION 6. If a lot owner makes any payment of any amount less than that due hereunder, the Association without notice may accept the same as a payment on account. The Association shall not be deemed bound by any notation on any check involving such payment nor any settlement in any accompanying letter.

ARTICLE XII DISSOLUTION

SECTION 1. The Association may be dissolved upon resolution adopted by the Board of Directors and agreed upon by three quarters (3/4) of the membership.

