

CdS 502

780-898

NON-PROFIT
ARTICLES OF INCORPORATION

Trans: 7069600-1 06/06/02
CHRG# 12905 120/00
DR. HEDNER AND ASSOC

BEAUFAIT FARMS SUBDIVISION ASSOCIATION

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, as follows:

FILED

ARTICLE I

JUN 12 2002

NAME

Administrator
MI DEPT. OF CONSUMER & INDUSTRY SERVICES
BUREAU OF COMMERCIAL SERVICES

The name of the corporation is Beaufait Farms Subdivision Association.

ARTICLE II

PURPOSES

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

- (a) To manage and administer the affairs of and to maintain Beaufait Farms Subdivision, a platted subdivision (hereinafter called "Subdivision");
- (b) To encourage and promote the highest standards of management and maintenance for the Subdivision;
- (c) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (d) To carry insurance and to collect and allocate the proceeds thereof;
- (e) To contract for and employ persons, firms or corporations to assist in the management, operation, maintenance and administration of said Subdivision;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Subdivision;

(g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage or lease (as landlord or tenant) any real and personal property, for the purpose of providing benefit to the members of the corporation and in furtherance of any purposes of the corporation;

(h) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

(i) To enforce the provisions of the Declaration of Covenants and Restrictions of the Beaufait Farms Subdivision, and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this corporation as may hereinafter be adopted;

(j) In general, 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 said Subdivision and to the accomplishment of any of the purposes thereof.

ARTICLE III

ADDRESSES

Location of the first registered office is 308 North Avenue, Mt. Clemens, Macomb County, Michigan 48043.

Post office address of the first registered office is 308 North Avenue, Mt. Clemens, Macomb County, Michigan 48043.

ARTICLE IV

RESIDENT AGENT

The name of the first resident agent is David E. Weber.

ARTICLE V

BASIS OF ORGANIZATION AND ASSETS

Said corporation is organized on a non-stock, membership basis.

The amount of assets which said corporation possess is:

Real Property: None
Personal Property: None

Said corporation is to be financed under the following general plan: Assessments of members.

ARTICLE VI

INCORPORATOR

The name and place of business of the incorporator is Wayne G. Wegner, Wegner and Associates, P.C., 23201 Jefferson Avenue, St. Clair Shores, Michigan 48080.

ARTICLE VII

EXISTENCE

The term of corporate existence is perpetual.

ARTICLE VIII

MEMBERSHIP AND VOTING

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

(a) Each owner (including the Grantor) of a lot in the Subdivision shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the subscribers hereto shall be members of the corporation until such time as their membership shall terminate, as hereinafter provided.

(b) Membership in the corporation (except with respect to any non-owner incorporators, who shall cease to be members upon the qualification of membership of any owner) shall be established by acquisition of fee simple title to a lot in the Subdivision and by recording with the Register of Deed in the county where the Subdivision is located, a deed or other instrument establishing a change of record title to such lot and the furnishing of

evidence of same satisfactory to the corporation (except that the Grantor of the Subdivision shall become a member immediately upon establishment of the Subdivision) the new owner thereby becoming a member of the corporation, and the membership of the prior owner thereby being terminated.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his lot in the Subdivision.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

ARTICLE IX

VOLUNTEER DIRECTORS

Section 1. A volunteer Director, as defined in Section 110(2) of Act No. 162 of the Public Acts of 1982, as amended, and/or a volunteer officer are not personally liable to the Corporation or its members for monetary damages for a breach of the director's or officer's fiduciary duty. However, this provision shall not eliminate or limit the liability of a director or officer for any of the following:

- (a) A breach of the director's or officer's duty of loyalty to the Corporation or its members.
- (b) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law.
- (c) A violation of Section 551(1) of Act No. 162 of Public Acts of 1982, as amended.
- (d) A transaction from which the director or officer derived an improper personal benefit.
- (e) An act or omission occurring before the effective date of this Amendment.
- (f) An act or omission that is grossly negligent.

Section 2. The Corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after the effective date of this Amendment if all of the following are met:

- (a) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.
- (b) The volunteer was acting in good faith.
- (c) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.
- (d) The volunteer's conduct was not an intentional tort.
- (e) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Insurance Code of 1956, Act No. 218 of the Public Acts of 1956, being Section 500.3135 of the Michigan Compiled Laws.

Section 3. If, after the adoption of this Article by the Corporation, the Michigan Nonprofit Corporation Act is amended to further limit or eliminate the liability of a volunteer director, volunteer officer, or other volunteer, then a volunteer director, volunteer officer, or other volunteer shall not be liable to the Corporation or its members as provided in the Michigan Nonprofit Corporation Act, as amended.

Section 4. No amendment, alteration, modification or repeal Article shall have any effect on the liability of any volunteer director, volunteer officer, or other volunteer of the Corporation with respect to any act or omission of such volunteer director, volunteer officer, or other volunteer occurring prior to such amendment, alteration, modification or repeal.

Section 5. The invalidity or enforceability of any provision of this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE X

Any action which may be taken at a meeting of the members of the Corporation (except for the election or removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members. Written consents may be solicited in the same manner as provided in the Bylaws for the Corporation for the giving of notice of meetings of members. Such solicitation may specify:

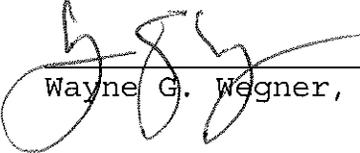
- (1) The percentage of consents necessary to approve the action; and
- (2) The time by which consents must be received in order to be counted.

The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted.

Beaufait Farms Subdivision Association hereby assumes all liability to any person other than the corporation or its members for all acts or omissions of a voluntary director.

Signed this 5th day of June, 2002.

BEAUFAIT FARMS
SUBDIVISION ASSOCIATION



Wayne G. Wegner, Incorporator