Amended and Restated Bylaws

These Bylaws supersede the original Bylaws of Norton Hills Estates Recreation Association, Inc. as adopted the 18th day of May, 1967, amended the 8th day of February, 1982, and amended the 1st day of February, 1992. The original and amended Bylaws are repealed with the adoption of these amended and restated Bylaws effective the 26th day of April 2004.

[This printing includes amendments adopted through Dec. 31, 2014.]

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Article I – Purpose and Organizational Structure

SECTION 1.1 PURPOSE OF CORPORATION
SECTION 1.2 ORGANIZATIONAL STRUCTURE

Section 1.1 Purpose of Corporation

The Purposes for which this Corporation exists shall be to:

A. Protect and enhance the quality, value, desirability and attractiveness of all property which falls within the boundaries of any plat designated as Norton Hills Estates or an adjacent numerical addition thereto.
B. To hold title to real estate which is to be utilized for recreational purposes or other such purposes that are in furtherance of Sec. 1.1(A) above for the benefit of all shareholders and to provide a vehicle to maintain and manage that real estate.
C. To provide various recreational and management functions for the common enjoyment and wellbeing of all shareholders.

Section 1.2 Organizational Structure

This Corporation is organized upon a Non-Profit Stock-share basis under the provisions of Act No. 327 of the Michigan Public Acts of 1931, as amended. The Corporation shall have the authority to issue 500 assessable shares of common stock at $100.00 par value per share. The fiscal year of the Corporation shall end on the 31st day of December of each year.

Article II – Shares of Stock

SECTION 2.1 OWNERSHIP OF STOCK
SECTION 2.2 CERTIFICATE OF SHARES
SECTION 2.3 TRANSFER OF SHARES
SECTION 2.4 LOST CERTIFICATES
SECTION 2.5 LIEN

Section 2.1 Ownership of Stock

The named purchaser(s) of any lot located within the boundaries of the original plat known as Norton Hills Estates or any adjacent numerical addition thereto will be issued 2 shares of common stock in Norton Hills Estates Recreation Association, Inc. at a par value of $125.00 per share, shall be known as Shareholder(s), and shall acquire all the privileges, rights, interests and obligations of Shareholder(s) in this Corporation

Section 2.2 Certificate of Shares

The Certificates for shares of the Capital Stock of this Corporation shall be in such form, not inconsistent with the Articles of Incorporation, as shall be prepared or be approved by the Board of Directors. The Certificates shall be signed by the President and also by the Secretary.

Section 2.3 Transfer of Shares

Upon receipt by the Secretary of documentary proof that the fee title to any Lot within the Plat of Norton Hills Estates, or any numerical addition thereto, has been transferred from an owner thereof to any subsequent purchaser(s), the Secretary shall request that the prior fee owner(s) surrender the certificate representing shares held in Norton Hills Estates Recreation Association, Inc., but upon the prior owner's failure to surrender said certificate the Secretary shall void it and shall issue a new certificate representing a like number of shares to the new fee owner(s). This provision is deemed to effectuate the mandatory transfer of share provision set forth in the covenant of title recorded in the Office of the Register of Deeds of Muskegon County, and affecting said premises. Upon transfer of shares, which will be deemed to have occurred as of the date that fee title to the Lot was transferred, each transferee shall acquire all the privileges, rights, interest and obligations of a shareholder in this Corporation. Each new shareholder shall be deemed to assent to these Bylaws in their entirety.

Section 2.4 Lost Certificates

If any Certificate for Shares of stock in this Corporation is lost, the Secretary shall issue a replacement Certificate upon receipt of an affidavit attesting to the loss as well as a statement fully indemnifying the Corporation therefor issued by the registered holder(s) or the holder's authorized representative.

Section 2.5 Lien

The Corporation shall have a lien upon all stock or property of its members invested therein, for all debts due it by the owners thereof.

Article III – Duties and Powers of the Corporation

SECTION 3.1 GENERAL
SECTION 3.2 DUTY TO MANAGE AND CARE FOR PROPERTY
SECTION 3.3 DUTY TO PAY TAXES, MAINTAIN CASUALTY INSURANCE AND MAINTAIN LIABILITY INSURANCE
SECTION 3.4 DUTY TO ASCERTAIN BUDGETARY REQUIREMENTS AND TO LEVY DUES AND ASSESSMENTS
SECTION 3.5 DUTY TO ENFORCE COLLECTION OF DUES ASSESSMENTS AND SPECIAL ASSESSMENTS
SECTION 3.6 POWER TO ADOPT RULES AND REGULATIONS
SECTION 3.7 POWER TO ENFORCE BYLAWS AND RULES OR REGULATIONS

Section 3.1 General

The Corporation has been formed to further the common interests of the Shareholders. The Corporation, acting through the Board of Directors, shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interests of the shareholders, to maintain, improve and enhance corporation properties and to improve and enhance the attractiveness, desirability and safety of all areas which fall within the boundaries of Norton Hills Estates.

Section 3.2 Duty to manage and care for property
The Corporation shall manage, operate, care for, maintain and repair all corporation owned properties and keep same in a safe, attractive and desirable condition for the use and enjoyment of the shareholders, their family members and guests.

Section 3.3 Duty to pay taxes, maintain casualty insurance and maintain liability insurance
The Corporation shall pay all real estate taxes and assessments levied upon corporation owned properties and shall obtain and keep in force and effect at all times, to the extent reasonably obtainable, casualty, fire and comprehensive liability insurances.

Section 3.4 Duty to ascertain budgetary requirements and to levy dues and assessments
The Corporation shall determine the revenue required to fund all general operations, including foreseeable reserves for repair and replacement of capital improvements upon corporate owned properties and necessary personal property related thereto, and will levy annual dues assessments against all shareholders in sufficient amounts to fund such operations. Said dues assessments will be issued on or before January 31st of each year and will be due and payable within 30 days of issuance. In addition, if the Board of Directors determines the need for additional revenue required for extraordinary purposes such as constructing, reconstructing, repairing or replacing capital improvements upon corporation properties, or for any other extraordinary requirement, the Board will inform the shareholders of the need for a special assessment and will deliver a ballot for approval by the shareholders to each shareholder's last known address to be returned to the corporation in no more than 30 days. If, upon counting the ballots returned, 51 percent or more of the shares represented by the responding shareholders approve the issuance of the special assessment, the Corporation shall issue said special assessment immediately, to be due and payable within 30 days of issuance.

Section 3.5 Duty to enforce collection of dues assessments and special assessments
The Corporation shall make every reasonable effort to collect any and all dues assessments and special assessments levied upon the shareholders under Sec. No. 3.4 above. A late fee equal to one-third of the dues or assessment will be added to any account not paid in full by the due date. The late fee will increase to two-thirds of the dues or assessment for any account not paid in full within 30 days of the original due date, and to 100 percent of the dues or assessment for any account not paid in full within 60 days of the original due date. Any account not paid in full within 90 days of the original due date shall be declared delinquent, and the Treasurer will bring the delinquency to the attention of the Board and recommend an appropriate action. The Board may, at its discretion, either refer the account to a collection agency, file a claim or lien against the shareholder's property, bring a suit at law to enforce the obligation, suspend the delinquent shareholder's voting rights or any combination of the above. Notification of the action taken against the delinquency will be mailed to the shareholder's last known address. The cost of any enforcement action will be added to the delinquency and will be borne in full by the delinquent shareholder. The terms of this section supersede any and all previous resolutions pertaining to late fees.

Section 3.6 Power to adopt rules and regulations
The Corporation may adopt, amend, repeal and enforce rules and regulations, fines, levies and enforcement provisions deemed necessary or desirable with respect to the operation of the corporation, the use and enjoyment of corporation owned properties and the use of any other property within the boundaries of Norton Hills Estates, including privately owned sites. These rules and regulations shall be reasonable and uniformly applied. Notice of the adoption, amendment or repeal of any rule or regulation shall be delivered to each home site, published in the Norton Hills Estates Newsletter, or mailed to the shareholder's last known address 30 days in advance of the effective date. Copies of currently effective rules and regulations will be made available to each shareholder. Each shareholder, family member and guest will be bound by and will comply with all rules and regulations.

Section 3.7 Power to enforce Bylaws and rules or regulations

The Corporation shall have the power to enforce the provisions of these Bylaws and any adopted rules and regulations and shall take such action as the Board deems necessary or desirable to cause compliance by each shareholder, the shareholder's family members and guests. Without limiting the generality of the foregoing, the corporation will have the power to assess and collect fines, suspend the voting rights of shareholders, and initiate legal action as the Board deems appropriate.

Article IV – Shareholders' Meetings

SECTION 4.1 ANNUAL MEETING OF THE SHAREHOLDERS
SECTION 4.2 SPECIAL MEETINGS
SECTION 4.3 NOTICE
SECTION 4.4 QUORUM
SECTION 4.5 VOTING RIGHTS
SECTION 4.6 VOTING AT MEETINGS OF THE SHAREHOLDERS.
SECTION 4.7 INSPECTORS

Section 4.1 Annual meeting of the Shareholders

The annual meeting of the Shareholders of the Corporation will be held on the last Wednesday of September of each year provided that day is not a legal holiday, and if a legal holiday then on the day following. The meeting will be convened at a reasonable hour and in a reasonably convenient location as determined by the Board of Directors. The time and location of the meeting will be conveyed in writing to the Shareholders at least ten (10) days prior to the meeting. The purpose of the meeting shall be to elect Officers and Directors, approve the subsequent fiscal year's dues assessment and to transact any other business as may be brought before the Shareholders. Proxies will be supplied to all Shareholders of record prior to the meeting date in the event that any Shareholder is unable to attend the meeting.

Section 4.2 Special Meetings

Special meetings of the Shareholders may be called by any two directors, or at the request in writing by the Shareholders of record owning a majority of the entire Capital Stock of the Corporation issued and outstanding.

Section 4.3 Notice

Written notice of any shareholder's meeting shall be mailed to each shareholder at the shareholder's last known address, or hand delivered to the shareholder's home site, at least 30 days prior to the meeting. If notice is mailed, depositing same in any post office box depository will be deemed sufficient provided the notice is properly addressed and bears appropriate postage. Notice of any special meeting shall briefly indicate the purpose thereof.

Section 4.4 Quorum

At the annual meeting of the shareholders, shareholders of record owning 10 percent of the entire capital stock of the corporation issued and outstanding, present either in person or represented by proxy, shall constitute a quorum. At special meetings of the shareholders, the shareholders of record owning at least 25 percent of the entire Capital Stock of the Corporation issued and outstanding, present in person or represented by proxy, shall constitute a quorum. Meetings, other than the annual meeting of the shareholders, at which less than a quorum is represented may, however, be adjourned to a later date by those in attendance. When a quorum is present, any business may be transacted, at said meeting, as originally called.

Section 4.5 Voting Rights

Each shareholder shall be entitled to one vote for each full share of stock and a proportional vote for any proportional share of stock registered in that shareholder's name on the books of the Corporation, provided such shareholder's voting rights have not been suspended under Sec. Nos. 3.5 or 3.7 above.

Section 4.6 Voting at meetings of the shareholders.

A. All votes at any annual or special meeting of the shareholders may be cast either in person or by proxy duly appointed in writing and filed with the Secretary of the Corporation prior to the commencement of said meeting. Voting may be by voice or by show of hands as determined by the presiding officer of said meeting, but may be by written secret ballot upon approval of a duly seconded motion.
B. Assignment of proxy shall be in writing and shall specify the name(s) of the Shareholder(s) assigning the proxy, the name(s) of the person(s) entitled to execute the proxy, and the effective date of the assignment of proxy. Such assignment also may specify the issue(s) or election(s) to which the assignment applies, absent which the assignment shall apply to all issues and elections on which the assigner is entitled to vote; and may specify the expiration date of the assignment not more than one year from the effective date, absent which the proxy shall expire one year from the effective date. Assignments of proxy shall be filed with the Secretary of the Corporation prior to a vote being cast under its terms. Assignment of proxy may be revoked by the assigner by filing a written notice of revocation with the Secretary of the Corporation.

Section 4.7 Inspectors

In the ordinary course of events, any 2 of the 3 Corporate Officers shall jointly receive and count the votes either upon an election or for the decision of any question and shall determine the result. However, whenever any shareholder present at a meeting of the shareholders shall request the appointment of inspectors, such inspectors, who need not be shareholders, will be appointed by a majority of the shareholders present at such meeting and entitled to vote thereat. If the right of any person to vote at such meeting is challenged, the inspectors of election shall determine such right. If inspectors have been appointed, those inspectors shall receive and count the votes either upon an election or for the decision of any question and shall determine the result.

Article V – Directors and Officers

Section 5.1 Designations and general responsibilities
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Section 5.8 Duties of the President
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Section 5.13 Duties of the Maintenance Committee Chair
Section 5.14 Duties of the Shareholders Committee Chair
Section 5.15 Removal of directors

Section 5.1 Designations and general responsibilities

The number of Directors will total 7, consisting of 4 Officers and the chairs of the Activities Committee, Maintenance Committee, and Shareholders Committee. All business and property of the Corporation will be managed and controlled by the Board of Directors.

Section 5.2 Qualifications for Directors

All directors shall be Shareholders of record in good standing in Norton Hills Estates Recreation Association.

Section 5.3 Officers

There will be 4 Corporate Officers consisting of a President, Vice-President, a Secretary, and a Treasurer. All 4 Officers will be elected by a simple majority vote by all the shareholders in attendance or represented by proxy at the annual meeting of the shareholders and will hold office from the adjournment of the Annual Meeting until their successors are elected and assume their duties or until their resignation or removal from the Board.

Section 5.4 Meetings of the Board of Directors
The Board of Directors shall meet at least once quarterly, but meetings of the Board may be called at any time by any two Directors. Directors shall be notified in any reasonable manner of the time, place and purpose of all meetings of the Board at least seven days prior to such meeting. Any officer may seek whatever assistance may be required to perform the duties of office. Each officer or director shall have one vote in any question put to the Board of Directors. In case of a tie vote at any meeting of the Board of Directors, the Officers shall decide the question. If the vote of the Officers is tied, the President shall cast a second deciding vote.

Section 5.5 Quorum
A majority of the Board of Directors shall constitute a quorum for the transaction of business, and if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting to a future date.

Section 5.6 Vacancies
Vacancies in the Board of Directors will be filled by appointment of a majority of the remaining Directors. Each Director so appointed shall hold office until a successor is elected by the shareholders at the next annual meeting of the shareholders or at any special meeting duly called for that purpose.

Section 5.7 Compensation
Directors shall serve the Corporation without compensation for the performance of their official duties, but may be reimbursed for reasonable expenses incurred in the performance of those duties.

Section 5.8 Duties of the President
The President shall be the chief executive officer of the Corporation, and in the recess of the Board of Directors shall have the general control and management of the Corporation's business and affairs, subject, however, to the right of the Board of Directors to delegate any specific power (except those which may by statute be conferred exclusively upon the President) to any other Officer or Officers of the Corporation. The President shall preside at all meetings of the Directors and all meetings of the shareholders. The President shall, with the Secretary, sign any certificates of stock in the Corporation issued during his or her term in office. The President may, from time to time, delegate any of his or her duties to the Vice-President except those which may by statute only be performed by the President.

Section 5.9 Duties of the Vice-president
The Vice-president shall succeed to President should the office of President become vacant by death, disability or other cause and, in the event of the absence of the President, or the President's inability to discharge the duties of his or her office, such duties shall temporarily devolve upon the Vice-president.

The Vice-president shall, within 15 days of taking office or within 15 days of the effective date of this amendment, become a signatory, with the Treasurer, on the Corporation’s bank accounts, and shall remain a signatory until the expiration of the Vice-president’s term or his or her removal from office. The Vice-president is authorized to act as Treasurer should the office of Treasurer become vacant by death, disability or other cause and, in the event of the absence of the Treasurer, or the Treasurer’s inability to discharge the duties of his or her office, such duties shall temporarily devolve upon the Vice-president.

The Vice-president shall perform any other duties which the President or the Board of Directors may, from time to time, authorize him or her to do.

Section 5.10 Duties of the Secretary

The Secretary of the Corporation shall:

a. keep the minutes of all meetings of the shareholders and all meetings of the Board of Directors in books provided for that purpose (except that in the Secretary's absence or inability to discharge the duties of office, the presiding officer may appoint any person to act as Secretary of that particular meeting);
b. attend to the giving and receiving of all notices of the Corporation, including collecting mail from the Corporation's post office box at least once per month;
c. sign, with the President or Vice-president, all contracts authorized by the Board of Directors in the name of the Corporation;
d. sign, with the President, any certificates of stock in the Corporation issued during his or her term in office;
e. take charge of the stock certificate ledger and manage the transfer and replacement of stock certificates as specified in Article II of these bylaws;
f. take charge of any other books and papers as the Board of Directors may direct;
g. accept and record all proxies and revocations thereof;
h. act as Resident Agent for the Corporation;
i. accurately complete and promptly file the "Nonprofit Corporation Information Update" or similar replacement form with the Michigan Department of Consumer and Industry Services or its successor annually or as may be required by law;
j. immediately upon taking office, accurately complete and promptly file a "Certificate of Change of Registered Office and/or Change of Resident Agent" or similar replacement form with the Michigan Department of Commerce-Corporation & Securities Bureau or its successor;
k. accurately complete and promptly file any other forms or statements required by law except those forms and statements assigned to another officer in these bylaws or required by law to be completed by another officer;
l. make any and all records in the Secretary's charge, at all reasonable times, open to the examination of any Director.

Section 5.11 Duties of the Treasurer

The Treasurer shall:

a. have custody and keep account of all money, funds and property of the Corporation, unless otherwise determined by the Board of Directors;
b. present a financial report showing a balance sheet and a record of income and expenses at each quarterly meeting of the Board of Directors;
c. render such accounts and present such statements to the President and other Directors as may be reasonably required;
d. deposit all funds of the Corporation which may come into the Treasurer's hands in such bank or banks as the Board of Directors may designate
e. title all bank accounts in the name of the Corporation;
f. send all billings for annual dues and special assessments as determined by the Board of Directors;
g. keep an accurate accounting of dues, special assessments, and other payments received;
h. pay out money to satisfy the Corporation's legal debts;
i. obtain approval from the Board of Directors before paying any unbudgeted expense in excess of $100;
j. maintain an accurate accounting of all expenditures;
k. provide the Board of Directors, at least 30 days prior to the Annual Meeting, with the financial records of the Corporation for verification;
l. present at the Annual Meeting a report of the Corporation's assets and liabilities and a summary of actual and anticipated expenditures;

m. accurately complete and promptly file the "Michigan Annual Report Nonprofit Corporations" with the appropriate governmental agency annually or as required by law;
n. accurately complete and promptly file the Corporation's tax return(s);
o. accurately complete and promptly file other forms or statements required by law as they become known to the association except those forms and statements assigned to another officer in these bylaws or required by law to be completed by another officer.

Section 5.12 Duties of the Activities Committee Chair

The chair of the Activities Committee shall, with members of the committee:

a. Arrange neighborhood garage sales, including communicating dates to shareholders, securing advertising, and posting and collecting sale signs throughout the nearby area.
b. Arrange for curbside charity pickup following each garage sale.
c. Suggest to the Board of Directors such other activities as may foster the goals of the corporation, and coordinate any such activities approved by the Board of Directors.
d. Assist the Treasurer in preparing budget estimates for future events within the committee's purview.
e. Keep accurate records of expenses for events within the committee's purview and provide them to the Treasurer promptly upon completion of each event for reimbursement.

Section 5.13 Duties of the Maintenance Committee Chair

The chair of the Maintenance Committee shall, with members of the committee:

a. Arrange for park cleanup each spring.
b. Arrange for regular mowing of the park and pathways during the growing season.
c. Respond promptly to any repair or maintenance needs that may arise.
d. Solicit bids and/or work estimates for such maintenance or improvements as the Board of Directors may request, and submit such bids and estimates to the Board of Directors with a recommendation.
e. Assist the Treasurer in preparing budget estimates for future maintenance.
f. Keep accurate records of expenses for maintenance, repairs and improvements, and submit them promptly to the Treasurer for reimbursement.

Section 5.14 Duties of the Shareholders Committee Chair

The chair of the Shareholders Committee shall, with members of the committee:

a. Welcome each new resident to the neighborhood.
b. Provide each new resident with a welcome packet including but not necessarily limited to a welcome letter, a copy of the most recent neighborhood directory, a copy of these Bylaws and any rules and regulations then in effect, and a directory information update form.
c. Make reservations for the annual shareholders meeting at a location approved by the Board of Directors, and communicate the date, time and location of that meeting to all shareholders in compliance with Section 4.1.

Section 5.15 Removal of directors

1. Any officer or block chairperson who ceases to meet the qualifications for his or her office as specified in Section 5.2 of these bylaws shall be deemed to have resigned from office effective on the date on which the qualifications or requirements were no longer met.
2. Any officer or block chairperson who fails to meet the requirements for attendance at board meetings, special meetings or annual meetings as specified in Section 5.4 of these bylaws may be removed from his or her position by majority vote of the remaining members of the Board.
3. Any officer or block chairperson who fails to pay dues or special assessments within 60 days of the due date shall be deemed to have resigned the position on the 61st day after the due date.
4. Any shareholder in good standing may request that any officer(s) be removed from office by delivering to any other officer of the Corporation a petition signed by Shareholders of record owning at least one-third of the entire Capital Stock of the Corporation issued and outstanding.

5. Any shareholder in good standing may request that the Block Chairperson representing the shareholder's area be removed from office by delivering to any other officer of the Corporation a petition signed by Shareholders of record owning at least one-third of that portion of the Capital Stock of the Corporation held by residents of the shareholder's area.
6. Any officer receiving a petition requesting the removal of an officer or Block Chairperson and meeting the requirements of Section 5.15 (4) or Section 5.15 (5) will inform the Board of Directors of the petition within seven days of receipt. The Board of Directors will meet within seven days of being so informed, and will vote at that meeting on whether to remove from office the director(s) named in the petition. The director(s) named in the petition may be heard at that meeting but cannot vote. If a majority of the remaining officers votes to remove the director(s) named in the petition, the director(s) will be deemed to have resigned from office upon the completion of the vote. The Secretary, or other person acting as Secretary at that meeting, will record the vote of each officer and, within seven days of that meeting, communicate such record to the Shareholder who filed the petition.

Article VI – Establishment of Committees

Section 6.1 Purpose and Composition

The Board of Directors shall have the authority to establish committees, either permanent or temporary in nature, for the purpose of evaluating alternatives and making recommendations to the Board.
These committees may be comprised of members of the Board, Shareholders, outside parties, or any combination thereof. The Board may, at its discretion, allow these committees to implement recommendations in the Board's name.

Article VII – Miscellaneous

SECTION 7.1 LIMITATION OF LIABILITY
SECTION 7.2 POWER TO AMEND, ALTER OR REPEAL BYLAWS

Section 7.1 Limitation of Liability

The Corporation, the Board of Directors, the Officers, the committee members or any other party acting within the scope of his or her duties described in these Bylaws shall not be liable to any Person for any action or failure to act if the action or failure to act was in good faith and without malice.

Section 7.2 Power to Amend, Alter or Repeal Bylaws

A simple majority of the shareholders in good standing may amend, alter or repeal these Bylaws in whole or in part whenever they deem it necessary. A two-thirds majority of the Board of Directors may amend, alter or repeal any provision in these Bylaws except any provision governing:

a. number, designation or composition of the Board of Directors;
b. term of office;
c. qualifications for office;
d. removal from office;
e. compensation; or
f. the powers of the Board of Directors to alter, amend or repeal these bylaws.