

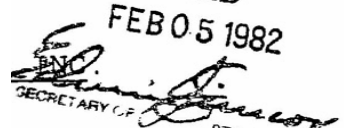


**ARTICLES
OF
INCORPORATION**

OF

**HERITAGE LAKE
PROPERTY OWNERS'
ASSOCIATION, INC.**

**AMENDED
ARTICLES OF INCORPORATION
OF
HERITAGE LAKE PROPERTY OWNERS' ASSOCIATION, INC.**

APPROVED
AND
FILED
FEB 05 1982

SECRETARY OF
STATE OF INDIANA

**ARTICLE I
Name**

The name of the Corporation is Heritage Lake Property Owners' Association, Inc. (hereinafter referred to as the "Corporation").

**ARTICLE II
Purposes and Powers**

Section 1. **Purposes.** The purposes for which the Corporation is formed are:

- (a) To manage and maintain the Common Properties in the several Subdivisions at Heritage Lake, Putnam County, Indiana; to enforce and interpret the duly recorded Restrictive Covenants applicable to the several Heritage Lake Subdivisions; and generally to promote the pleasure, recreation and welfare of the Heritage Lake Community and its individual lot owners and residents consistent with the Laws of the United States of America and the State of Indiana and the Heritage .Lake Restrictive Covenants (hereinafter referred to as the "Restrictive Covenants");
- (b) To engage in any other not-for-profit activity not forbidden by the Indiana Not-for-Profit Corporation (hereinafter referred to as the "Act"), by other law, or by these Articles of Incorporation (hereinafter referred to as these "Articles");
- (c) To do everything necessary, proper, advisable, or convenient for the accomplishment of the purposes hereinabove set forth, and, to do all other things incidental to them or connected with them that are not forbidden by the Act, by other law, by the Restrictive Covenants or by these Articles; and
- (d) To carry out the purposes hereinabove set forth in the State of Indiana or elsewhere (including in any state, territory, district, or possession of the United States, or in any foreign country), to the extent that these purposes are not forbidden by the law of the state, territory, district, or, possession of the United States, or by the foreign country.

Section 2. **Powers.** The Corporation shall have the capacity to act possessed by natural persons, but shall have authority to perform only such acts as are necessary, convenient, or' expedient to accomplish the purposes for which it is formed and as are not repugnant to the Act, to other law, to the Restrictive Covenants or to these Articles; and the Corporation shall have and exercise the following powers, subject to any limitations or restrictions imposed by the Act, by other law, by the Restrictive Covenants or by these Articles (including the not-for-profit purposes of the Corporation):

- (a) To elect or appoint officers and agents and to hire employees, to define their duties and to fix their reasonable compensation for services actually rendered.
- (b) To indemnify any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses reasonably incurred by him in connection with the defense of any action, suit, or proceeding, civil or criminal, in which he is made, or threatened to be made, a party by reason of being or having been in any such capacity or arising out of his status as such, except in relation to matters as to which he is adjudged in such action, suit or proceeding, civil or criminal, to be liable for negligence or misconduct in the performance of his duties to the Corporation; to purchase and maintain insurance on behalf of any such person against liability asserted against him and incurred by him in. any such capacity or arising out of his status as such director, officer, employee or agent, whether or not the Corporation would have the power to indemnify him against liability under the provisions of the Act or these Articles of Incorporation; and to advance defense funds to any such person prior to the final disposition of any such action, suit or proceeding, upon receipt from such person of a written

agreement or undertaking to repay all funds so advanced if it is ultimately determined that he was not entitled to indemnification under the Act of these Articles;

- (c) To enter into, perform, terminate, and rescind contracts and other agreements for any lawful purposes pertaining to its activities;
- (d) To acquire (by purchase, exchange, lease, or otherwise), own, hold,, use, lease, mortgage, pledge, sell, convey, or otherwise dispose of property, real (including, but not limited to, that lake known as Heritage, which is hereinafter referred to as “The Heritage Lake”) and personal, tangible and intangible, in the State of Indiana and elsewhere and to acquire, hold, own and vote and to sell, assign, transfer, mortgage, pledge, or otherwise dispose of the capital stock, bonds, securities or evidences of indebtedness of any other corporation, domestic or foreign, insofar as the same shall be consistent with the purposes of the Corporation except that any disposition of all or substantially all of the Corporation’s assets which effects a special corporate transaction must be strictly carried out as is set forth in the Act;
- (e) To engage in undertakings for profit so long as any such activity does not at all inure to the personal benefit, profit or pecuniary remuneration of any of the Corporation’s members as such;
- (f) To incur liabilities and borrow money, in order to carry out its purposes, at such rates of interest as it may determine and without limit as to amount (except that no member of the Corporation shall, ever be repaid more than the principal sum of any moneys advanced together with reasonable interest at a rate not in excess of current market rates) and, pursuant thereto, to execute and issue notes and other evidence of indebtedness and to secure any such obligations by mortgage or pledge of all or any of. its property, real and/or personal, tangible and/or intangible;
- (g) To sue in its corporate name,
- (h) To have and exercise all the rights, privileges, and powers specified or permitted by the Act;
- (i) To carry out its purposes in any state, territory, district, or possession of the United States or in any foreign country, for itself or, as agent, for any individual, association, corporation, or legal entity, to the extent that it is authorized to do such business in any state, territory, district, or possession of the United States or in any foreign country;
- (j) To make, amend and enforce rules and regulations governing the affairs of the Corporation (including its Directors, Officers, Members, Committees, agents and employees) and the management, maintenance and use of the Common Properties (and, by contract, lease or purchase, The Heritage Lake) at Heritage Lake, Indiana; and
- (k) To do all acts and things necessary, convenient, or expedient, to carry out the purposes and the powers hereinabove set forth and to do every other act and thing incidental thereto or connected therewith which is not forbidden by the Act, or other law, by the Restrictive Covenants or by these Articles.

Section 3. **Construction.** Each of the foregoing clauses of Section 1 and 2 of this Article II shall be construed as independent purposes or powers, and, unless otherwise expressly provided, the matters expressed in each clause shall not be limited by reference to or inference from the terms of any other clause. The enumeration of specific purposes and powers shall not be construed as limiting or restricting in any manner either the meaning of general terms used in any of these clauses, or the scope of the general purposes and powers of the Corporation created by them; nor shall the expression of one thing in any of these clauses be deemed to exclude another not expressed, although it be of like nature.

Section 4. **Priority of Governing Rules.** The affairs of the Corporation (including, but not limited to, its Directors, Members and Officers) are governed in order of controlling priority by the Laws of the State of Indiana (including the Indiana Not-for-Profit Corporation Act) and. of the United State of America., the Ordinances of Putnam County, Indiana, the Heritage Lake Restrictive Covenants, these Articles of Incorporation (which do however control over any provision in the Restrictive Covenants which is in contravention of the Act), the Corporation’s By-Laws and those Rules and Regulations of the Corporation and its Committees.

Section 5. **Limiting Clause.** Nothing in this Article II shall be construed to authorize the conduct or carrying on by the Corporation of any activity of any nature which is not permitted to be conducted or carried on by a corporation organized and existing under the Act (such as banking, building and loan, insurance, railroad, surety, trust and utilities business) or which would cause the Corporation to lose any status as a corporation exempt from State or Federal taxation (including, but not limited to, income, property and sales).

ARTICLE III

Period of Existence

The period during which the Corporation shall continue is perpetual,

ARTICLE IV

Resident Agent and Principal Office

Section 1. **Resident Agent.** The name and address of the Resident Agent in charge of the Corporation's Principal Office are Robert J. Breiner, Two South Jackson Street, Greencastle, Indiana 46135.

Section 2. **Principal Office.** The post office address of the Principal Office of the Corporation is R.R. #2 (Heritage Lake Clubhouse), Coatesville, Indiana 46121.

ARTICLE V

Membership

Section 1. **Classes.** The Corporation shall have two (2) classes of membership:
(i) Owner ("voting") and (ii) Associate ("non-voting"). An "owner member" is any person who has either fee simple title to a Lot at Heritage Lake, Indiana, or equitable interest in a Heritage Lake Lot as an installment purchaser thereof (including all persons who share any such legal or equitable interest with any other person(s)). An "associate member" is any person (other than an "owner") who is so designated pursuant to such terms and conditions as the Board of Directors of the Corporation may from time to time prescribe.

Section 2. **Rights, Preferences, Limitations, and Restrictions of Classes.** Each Owner Member of the Corporation may participate in the management of the Corporation and may use or otherwise enjoy the Common Properties (and, by contract, lease or purchase of the Corporation, The Heritage Lake) at Heritage Lake, Indiana, (i) so long as such participation and use is consistent with the similar rights of all Owner Members and with the Act, the Restrictive Covenants and these Articles (and those By-Laws, Rules and Regulations promulgated under the Articles) and (ii) so long as such Members current in his payment of all assessments and other charges due to or made by the Corporation from such Member pursuant to these Articles, the Restrictive Covenants or both. Associate Members shall have such rights, privileges, duties, liabilities, limitations and restrictions as may from time to time be set forth in the By-Laws of the Corporation or by Resolution of the Board of Directors of the Corporation. However, only Owner Members shall have any right to vote at Members' meetings. The Corporation may through its Board of Directors charge all Owner Members with those Annual Maintenance Assessments and Special Capital Improvement Assessments established by the Restrictive Covenants and charge Owner Members, Associate Members and other persons reasonable admission and other fees for the use of the Common Properties (and The Heritage Lake) at Heritage Lake, Indiana.

Section 3. **Voting.** Every Owner Member who is current in the payment of all assessments and other charges due to or made by the Corporation pursuant to these Articles and/or the Restrictive Covenants shall have the right at every Members' meeting to one (1) vote for each Heritage Lake Lot that he owns or in which he has an equitable interest as an installment purchaser (as such membership stands in his name on the books, of the Corporation). When more than one person has a legal or equitable ownership interest in any Lot, all persons who share such interest have only a single vote (representing their lot) among them and may exercise their single vote as they may determine among themselves. All votes shall be cast either in person or by absentee ballot and shall not be cast by proxy.

ARTICLE VI

Directors

Section 1. **Number of Directors.** The current Board of Directors is composed of Seven (7) members who are serving for one year or until their successors are elected and qualified, The number of Directors may be from time to time prescribed by the By-Laws at any number not less than six (6) nor more than eighteen (18), and the length of their terms be may established as one, two or three years, and such terms may be staggered among two or more groups of directors, if there are nine (9) Directors or more.

Section 2. **Names and Post Office Addresses of the Directors.** The names and post office addresses of the Board of Directors of the Corporation holding office at the time of the adoption of these Amended Articles of Incorporation are:

Kenneth Barker (125 VH), David Burns (299 VH), Ann Chandler (91 JV), Jack Jackson (53 JV), Ben Olsen Jr, (35 MS), Kenneth Smith (214 MS), Marjorie Weaver (18 LH) all in Coatesville, IN 46121.

Section 3. **Qualifications of Directors.** Directors must be members of the Corporation and be current in the payment of all assessments and other charges due to made or by the Corporation pursuant to these Articles, the Restrictive Covenants or both.

ARTICLE VII

Officers

The names and post office addresses of the Officers of the Corporation holding office at the time of the adoption of these Amended Articles of Incorporation are:

Ben Olsen, Jr (President), David G. Burns, (Vice-President), Ann Chandler (Secretary), Kenneth D. Smith (Treasurer). All of Coatesville, IN.

ARTICLE VIII

Statement of Members and Property

Section 1. **Members.** A membership list for the Corporation is open, and three (3) or more persons have signed that list.

Section 2. **Property.** The Corporation has real estate and personal property, tangible and intangible, having an estimated value of \$80,000.00.

ARTICLE IX

Provisions for Regulation and Conduct of Affairs of Corporation

Section 1. **By-Laws.** The Corporation may make By-Laws for the government and regulation of its affairs. The initial By-Laws of the Corporation has been adopted by its Board of Directors. The By-Laws may contain any provisions for the regulation and management of the Corporation by and through its Directors, Offices and Committees not inconsistent with the Act, with the Restrictive Covenants or with these Articles. The Board

of Directors and the Owner Members shall each have the power to make, alter, amend, or repeal the By-Laws at any time by the affirmative vote of a majority of the entire number of Directors or Owner Members.

Section 2. **Action Without Meeting.** Any action required or permitted to be taken at any meeting of the Board of Directors (or of any committee thereof) or of the Owner Members may be taken without a meeting if, prior to such action, a written consent thereto is signed by all Directors (or of such committee thereof) or Owner Members, as the case may be, and such written consent is filed with the minutes of proceedings of the Board (or such committee) or the Members.

Section 3. Compensation of Directors. The Board of Directors is authorized to make provision for reasonable compensation to its members for their services as Directors and to fix the basis and conditions upon which this compensation shall be paid. Unless otherwise provided in the By-Laws, no director serving the Corporation in any other capacity may receive compensation therefore in any form.

Section 4. Transactions Between Directors and the Corporation. Any contract or other transaction between the Corporation and one or more, of its directors, or between the Corporation and any firm of which one or more of its directors are members or employees, or in which they are otherwise interested, or between the Corporation and any corporation or association of which, one or more of its directors are stockholders, members, directors, officers, or employees, or in which they are otherwise interested, shall be valid for all purposes if the fact of such relationship or interest is disclosed or known to the Shareholders of the Corporation entitled to vote or to the Board of Directors and if those Shareholders authorize, approve, or ratify such contract or other transaction by vote or written consent or the Board authorizes, approves, or ratifies such contract or other transaction by a vote or consent sufficient for that purpose without counting the vote or consent of any interested director, any such interested director to be counted in determining whether a quorum is present but not to be counted in calculating the majority of directors necessary to carry such vote. This Section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

Section 5. Compensation Determined to be Unreasonable.

If the United States Commissioner of Internal Revenue should ever determine that any amount the Corporation paid any director, officer, or employee was not a reasonable compensation for personal services actually rendered in any taxable year and should thereupon determine that such amount does not constitute an allowable deduction

for said taxable year under the provisions of the ten current United States Internal Revenue Code, such director, officer, or employee must repay to the Corporation that amount of his compensation determined by the Commissioner to be unreasonable.

Section 6. Loans to Directors and Officers Proscribed.

The Corporation shall not make any loans of money or property (including any advancements for services to be performed in the future) to any director or officer of the Corporation.

Section 7. Meetings of Members. Meetings of the Members of the Corporation shall be held at such places, within the State of Indiana, and times as specified in the respective notices or waivers of notice thereof or in the By-Laws. An annual meeting of the Shareholders shall be held within six (6) months after the closing of each fiscal year of the Corporation. Special meetings of Members may be called by the President, by a majority of the Board of Directors or by written petition, signed by at least one-tenth (or lesser number as the By-Laws may provide) of all Members authorized to vote by these Articles. Unless

otherwise provided in the By-Laws, a majority of persons qualified to vote as Members by these Articles present in person or represented by absentee ballot shall constitute a quorum (except, in cases of a meeting called for the purpose of voting on a proposed amendment to the Articles of Incorporation, merger, consolidation, reorganization, special corporate transaction, or voluntary dissolution, or an annual meeting at which such vote is conducted, for the purpose of voting on that matter only, a quorum shall be constituted by those Members that are otherwise entitled to vote in respect thereof and that are present, in person or by absentee ballot, at the meeting at which such vote is conducted and, in cases of a meeting called for the purpose of levying a special assessment for capital improvements or changing the Corporation's annual maintenance assessment, a quorum shall be as is provided in the Restrictive Covenants.

Section 8. Earnings for Members and other Persons Proscribed. No member of or other person associated with the Corporation shall as such have or receive any earnings or other pecuniary remuneration from the Corporation (although any member or other person may be reasonably compensated for services rendered or monies loaned to the Corporation).

Section 9. Nonliability of Members. Any member shall be liable to the Corporation or for the debts of the Corporation only to the extent of any unpaid portion of such membership assessment, fee or other charge imposed upon him or for any other indebtedness owed by him to the Corporation.

Section 10. Political Activity Proscribed. No substantial part of the activities of the Corporation shall be devoted to carrying on propaganda attempting to influence legislation or to participating or intervening in any political campaign on behalf of any candidate for political office.

Section 11. Other provisions. All other provisions for the regulations of business and the conduct of the affairs of the Corporation shall be contained in its By-Laws and any Rules and Regulations promulgated thereunder.

ARTICLE X

Amendment of Articles of incorporation

The Corporation reserves the right from time to time to amend, alter, or repeal any provision in its Articles of Incorporation in any manner now or hereafter permitted by the Act or any other applicable statute, and all rights and powers conferred hereby on members, directors, and officers of the Corporation are subject to such reserved right.

IN WITNESS WHEREOF, the Board of Directors of the Corporation does hereby execute these Amended Articles of Incorporation this 7th day of November, 1981, stating that they supercede and take the place of the previously existing Articles of Incorporation and affirming, under the penalties for perjury, that the facts contained in these Amended Articles of Incorporation are true.

Ben Olsen, Jr.
Ben Olsen, Jr.
President-Director

Kenneth D. Barker
Kenneth D. Barker, Director

David G. Burns
David G. Burns, Director

Ann Chandler
Ann Chandler
Secretary-Director

Jack F. Jackson
Jack F. Jackson, Director

Kenneth D. Smith
Kenneth D. Smith, Director

Marjorie H. Weaver
Marjorie H. Weaver, Director

STATE OF INDIANA }
COUNTY OF PUTNAM } SS:

Before me, a Notary Public acting and residing in said County and State, personally appeared the above Directors and acknowledged their execution of the foregoing Amended Articles of Incorporation.

Witness my hand and Notarial Seal this 7th day of November, 1981.

My Commission expires:
2/12/83

Judy Little
Judy Little Notary Public

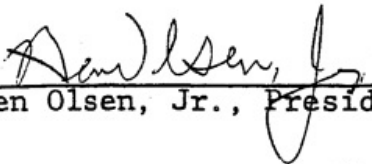
This Instrument was prepared by Robert J. Bremer, attorney-at-law, Greencastle, Indiana

**CERTIFICATE OF ADOPTION
OF
AMENDED ARTICLES OF INCORPORATION
FOR
HERITAGE LAKE PROPERTY OWNERS' ASSOCIATION, INC.**

Ben Olsen, Jr., and Ann Chandler, President and Secretary, respectively, of the Heritage Lake Property Owners' Association, Inc., an Indiana Not-for-Profit Corporation (Corporation"), certify that the foregoing Amended Articles of Incorporation of Heritage Lake Property Owners' Association, Inc., ("Amended Articles") were adopted by the Corporation on November 7, 1981, as follows:

1. The Board of Directors of the Corporation at a duly called and constituted meeting thereof held on September 23, 1981, at which a quorum of such Board of Directors was present, duly adopted a Resolution proposing to the Members of the Corporation entitled to vote in respect thereof that the Amended Articles be adopted by the Corporation at a Special Meeting of its Members on November 7, 1981; and

2. The Members of the Corporation entitled to vote in respect of the Amended Articles at a duly called and constituted meeting thereof held on November 7, 1981, adopted the Amended Articles. Two Hundred Forty-Four (244) Members entitled to vote in respect of the Amended Articles were present at the Meeting, either in person or by absentee ballot, and cast Two Hundred Seventeen (217) votes in favor of the Amended Articles and Twenty-Three (23) votes against the Amended Articles (four votes not being counted because of invalidated ballots).



Ben Olsen, Jr., President



Ann Chandler, Secretary

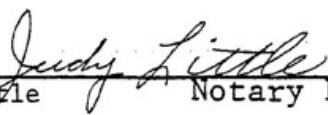
Heritage Lake Property Owners' Association, Inc.

STATE OF INDIANA)
) SS:
COUNTY OF PUTNAM)

Before me, a Notary Public acting and residing in said County and State, personally appeared Ben Olsen, Jr., and Ann Chandler, the President and Secretary, respectively, of the Heritage Lake Property Owners Association, Inc., executed the foregoing Certificate of Adoption of Amended Articles of Incorporation and swore to the truth of the fact therein stated.

Witness my hand and Notarial Seal this 7th day of December, 1981.

My Commission expires:
2/12/83



Judy Little Notary Public