

ARTICLES OF INCORPORATION
OF
LIBERTY LAKES HOMEOWNER'S ASSOCIATION

In compliance with the requirements of the provisions of Chapter 1702 of the Revised Code of Ohio, the undersigned hereby forms a corporation not-for-profit and certifies:

ARTICLE I

Name

The name of the corporation is Liberty Lakes Homeowner's Association, "the Association".

ARTICLE II

Principal Office

The corporation shall not be required to have a principal office at any specific location. However, initially, and until otherwise specified by the trustees, the principal office of the Association shall be in the City of Columbus, Franklin County, Ohio.

ARTICLE III

Purpose and Powers

The general purposes of the Association are: (1) to be an association of the owners of all of the Lots in the Liberty Lakes Subdivision, "the Subdivision", a residential subdivision in Liberty Township, Delaware County, Ohio, whether presently a part thereof or hereafter made a part thereof, (2) to administer and enforce restrictions and architectural standards as provided in the Declaration of Subdivision Restrictive Covenants, recorded on March 27, 1996, in Deed Volume 601, page 673, records of the Recorder of Delaware County, Ohio, and additional declarations of restrictive covenants from time to time created with respect to property added to the Subdivision, from time to time, and amendments thereto, collectively referred to as "the Declaration", and (3) to take such actions as are necessary or desirable to maintain the Subdivision as a safe, high quality residential community. Without limiting the generality of the foregoing, specific purposes for which the Association is formed are to:

- (a) maintain the Subdivision entryways and improvements a part thereof;
- (b) maintain streets and berm, and open space and common areas, to the extent not maintained by the appropriate governmental authorities or the owners of the Lots abutting or upon which those amenities are situated;

- (c) exercise architectural and environmental control over all Lots in the Subdivision, to maintain a visually first class appearance and environment in the Subdivision;
- (d) provide security, as needed, for all property in the Subdivision;
- (e) exercise all of the powers and privileges and perform all of the duties and fulfill all obligations of the Association as set forth in the Declaration, or as the same may be amended from time to time;
- (f) establish and enforce reasonable rules and regulations for the use of property and conduct in the Subdivision;
- (g) fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of the Declaration, and pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association;
- (h) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (i) maintain such insurance as the trustees of the Association from time to time determine;
- (j) borrow money to fulfill its purposes and invest reserves and excess funds, if any, in government insured accounts or such other investments as the members approve;
- (k) have and exercise any and all powers, rights and privileges which a corporation organized under Chapter 1702 may now or hereafter have or exercise by law; and
- (l) take any action necessary, expedient, incidental, appropriate or convenient to the carrying out of the foregoing purposes.

The Association shall not do any act or enter into any agreement or enter into any transaction in a manner which would violate any provision of Chapter 1702 of the Ohio Revised Code or the provisions of these Articles, the Declaration, or the Code of Regulations of the Association, nor shall it carry on any activity for the profit of its members, or distribute any gains, profits, or dividends to its members.

ARTICLE IV

Membership; Assessment Obligations

Every person or entity who is a record owner of a fee or undivided fee simple interest in a Lot in the Subdivision other than Boston Development Co., the "Declarant", or its assignee who develops land and makes it part of the Subdivision, shall, during such time as he, she, it or

they own such interest, be a member of the Association, and is herein called "a member". For these purposes each owner of an undivided interest in a Lot, other than Declarant or its assignee, as aforesaid, whether or not there is a dwelling on it, is an owner of a Lot and a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot, and transfer of a Lot shall automatically transfer membership to the transferee. Voting rights of members and assessment obligations of members shall be as set forth in the Declaration and additional declarations made with respect to property added to the Subdivision, and in the Association's Code of Regulations, provided, that for purposes of assessments, only, Lots owned by Declarant or its assignee developer, shall not be subject to assessment by the Association.

ARTICLE V

Board of Trustees

The names and addresses of the persons who are initially to act in the capacity of trustees are:

<u>Name</u>	<u>Address</u>
William D. Denk	1152 Goodale Boulevard Columbus, Ohio 43212
Rosalinde Childers	1152 Goodale Boulevard Columbus, Ohio 43212
David C. Ruma	1152 Goodale Boulevard Columbus, Ohio 43212

The number, qualifications, manner and time of selection of successor trustees, and their terms of office, shall be as set forth in the Association's Code of Regulations.

The trustees shall have all of the powers and authority and discharge all of the duties of trustees as defined in Chapter 1702 of the Revised Code of Ohio, except as such powers may be limited or expanded by the provisions of these Articles, the Declaration or the Association's Code of Regulations.

ARTICLE VI

Notice and Quorum

Notice and quorum requirements shall be in accordance with the provisions of the Code of Regulations.

ARTICLE VII

Indemnification

(1) Third Party Actions. The Association shall indemnify any person who is or was a party or is threatened to be made a party to any threatened, pending, or completed civil, criminal, administrative or investigative action, suit, or proceeding, including all appeals, other than an action, suit or proceeding by or in the right of the Association, by reason of the fact that the person is or was a trustee or officer of the Association or is or was serving at the request of the Association as a director, trustee, officer or employee of another domestic or foreign non-profit corporation or corporation for profit, or a partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if that person acted in good faith and in a manner that person reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, if that person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not create, of itself, a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, a presumption that the person had reasonable cause to believe that his or her conduct was unlawful.

(2) Derivative Actions. The Association shall indemnify any person who is or was a party or threatened to be made a party to any threatened, pending, or completed action or suit, including all appeals, by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a trustee or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, or employee of another domestic or foreign non-profit corporation or corporation for profit, or a partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith, and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of (a) any claim, issue, or matter as to which such person is finally adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association unless, and only to the extent that, the Court of Common Pleas or the court in which such action or suit was brought determines, upon application, that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court of Common Pleas or such other court considers proper, or (b) any action or suit in which liability is asserted against a trustee pursuant to Section 1702.55 of the Ohio Revised Code.

(3) Rights After Successful Defense. To the extent that a trustee, officer, or employee has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in the preceding paragraphs, or in defense of any claim, issue, or matter in such an action, suit or proceeding, he or she shall be indemnified against expenses (including attorney's fees) he or she actually incurred in connection with that action, suit or proceeding.

(4) Other Determinations of Rights. Unless ordered by a court and subject to the provisions of paragraph 3 of this Article, any indemnification under paragraphs 1 and 2 of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the trustee, officer or employee is proper under the circumstances because he or she has met the applicable standard of conduct set forth in paragraphs 1 and 2 of this Article. Such determination shall be made by (a) the Court of Common Pleas or the court in which the action, suit, or proceeding referred to in paragraph 1 or 2 of this Article was brought, or (b) by a majority vote of a quorum consisting of trustees of the Association who were not and are not parties to or threatened with the action, suit or proceeding referred to in paragraph 1 or 2 of this Article, or (c) in a written opinion by independent legal counsel (meaning a lawyer who is not a trustee, officer, or employee of the Association, and is not a partner or professional associate of a trustee, officer, or employee of the Association), if a majority of a quorum of disinterested trustees so directs or (d) by a committee (selected by the board of trustees) of three or more persons (excluding any person involved in the matter) who are, to the extent possible, members of the Association, provided that such indemnity in case of a settlement shall not be allowed by such committee unless independent legal counsel finds that such settlement is reasonable in amount and in the best interest of the Association. If independent legal counsel is used, he or she shall be compensated by the Association.

(5) Indemnification of Agents, Employees, and Other Representatives. The Association may, from time to time, and in its sole discretion, indemnify any person who is or was an agent, employee, or other authorized representative of the Association, or is or was serving at the request of the Association as a director, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of that person's status as such, in the same manner and to the same extent as provided herein for trustees and officers of the Association.

(6) Indemnification of Trustees. Expenses incurred by a trustee of the Association in defending any action, suit or proceeding referred to in paragraph 1 or 2 of this Article, except any action, suit or proceeding brought pursuant only to Section 1702.55 of the Ohio Revised Code, shall be paid by the Association. Upon request of the trustee, and in accordance with paragraph 7 of this Article, such expenses shall be paid by the Association as incurred. However, expenses incurred by a trustee in defending an action, suit, or proceeding shall not be paid by the Association upon final disposition of the action, suit, or proceeding, or if paid in advance shall be repaid by the trustee, if it is proved, by clear and convincing evidence in a court with jurisdiction, that the act or omission of the trustee was one undertaken with a deliberate intent to cause injury to the Association or was one undertaken with a reckless disregard for the best interests of the Association.

(7) Advances of Expenses. Expenses of each person indemnified herein incurred in defending a civil, criminal, administrative, or investigative action, suit, or proceeding (including all appeals), or threat thereof, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the board of trustees, whether a disinterested quorum exists or not, upon receipt of an undertaking by or on behalf of the trustee, officer, or employee, to repay such amount, if it is ultimately determined that he or she is not entitled to be indemnified by the Association.

(8) Nonexclusiveness: Heirs. The foregoing rights of indemnification are not exclusive, and shall be in addition to any other rights granted to those seeking indemnification, as a matter of law or under these Articles, the regulations, any agreement, vote of members or disinterested trustees, or otherwise, both as to actions in their official capacities and as to actions in another capacity while holding their offices or positions, and shall continue as to a person who has ceased to be a trustee, officer, or employee and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(9) Purchase of Insurance. The Association may purchase and maintain insurance, or furnish similar protection, including but not limited to trust funds, letters of credit, or self-insurance, for or on behalf of any person who is or was a trustee, officer, agent, or employee of the Association, or is or was serving at the request of the Association as a director, trustee, officer or employee of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her or incurred by him or her in any such capacity, or arising out of that person's status as such, whether or not the Association would have the power to indemnify that person against such liability under the provisions of this Article or of the Ohio Nonprofit Corporation Law. Insurance may be purchased from or maintained with a person in which the Association has a financial interest.

ARTICLE VIII

Net Earnings and Dissolution

(1) Net Earnings. No part of the net earnings of the Association shall inure to the benefit of or be distributable to the members, trustees, officers, or other persons, except that the Association shall be authorized and empowered to reimburse any trustee, officer, or member for the actual expenses incurred in the performance of that individual's duties and in the furtherance of the purposes set forth in Article I.

(2) Dissolution. The Association shall exist so long as any restrictions, enforceable by the Association, remain applicable to any Lot in the Subdivision. Each holder or insurer of a first mortgage upon any such Lot shall be entitled to timely written notice of any proposed termination of the Association. Upon dissolution, the assets of the Association shall be dedicated to public use, or conveyed to an association with substantially the same purposes if not acceptable by the appropriate public authority.

ARTICLE IX

Definitions

All terms used herein shall have the same meanings as set forth in the Declaration.

ARTICLE X

Amendments

The Articles may be amended only under the same terms and conditions, and with the same approvals, as are provided in the Declaration for its amendment. Notwithstanding the foregoing, and in addition thereto, the consent of members entitled to exercise not less than a

majority of the voting power of members, and, if amended at any time within five years of the recording of the Declaration with the Delaware County Recorder, the written consent of the Declarant under the provisions of the Declaration, shall be required for any amendment hereto which effects a change in (1) share of costs allocable to each Lot, (2) voting power of members, and (3) the fundamental purposes for which the Association is organized. A holder or insurer of a first mortgage on any Lot, upon written request to the Association (which request shall state the name and address of such holder or insurer and a description of the Lot), shall be entitled to timely written notice of any proposed amendment hereto.



Rosalinde Childers
SOLE INCORPORATOR

ORIGINAL APPOINTMENT OF AGENT

The undersigned, the sole incorporator of Liberty Lakes Homeowner's Association, a corporation not-for-profit, hereby appoints Rosalinde Childers, a natural person resident in the county in which the corporation has its principal office, upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. Her complete address is 1152 Goodale Boulevard, Columbus, Franklin County, Ohio 43212.

Rosalinde Childers

Rosalinde Childers
SOLE INCORPORATOR

Gentlemen:

I hereby accept appointment as agent of Liberty Lakes Homeowner's Association, upon whom process, tax notices or demands may be served.

Rosalinde Childers

Rosalinde Childers