

Cert. Corp. # 684 197

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ARTICLES OF INCORPORATION
OF

27-Aug-86

F0987-0716 Roll: Frame#

FIELD STONE LAKE 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 Field Stone Lake Association, "the Association".

ARTICLE II

Principal Office

The principal office of the Association shall be at such place in the City of Worthington, Franklin County, Ohio, as the Board of Trustees of the Association shall specify from time to time.

ARTICLE III

Purpose and Powers

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to:

(a) acquire, own, maintain, and manage a private lake, to be known as Field Stone Lake, and four private streets which service residential lots in and around this lake, all of which property is situated in the City of Worthington, Franklin County, Ohio, and described as follows:

Being Reserve A (the lake area, and embankment thereof, consisting of 0.86 acres), Reserve B (a private street consisting of 0.09 acres), Reserve C (a private street consisting of 0.10 acres), Reserve D (a private street consisting of 0.15 acres), and Reserve E (a private street consisting of 0.16 acres), of POTTERS CREEK, SECTION 2, as the same are lettered and delineated upon the recorded plat thereof, of record in Plat Book _____, page _____, records of the Recorder of Franklin County, Ohio;

and any other property which may, from time to time, be conveyed to the Association, with its consent, all of which property conveyed to the Association being referred to hereinafter as the "Association Property"; and to purchase, construct, own, maintain, and manage any and all facilities and improvements (including personal property) presently or in the future constructed or located thereon; all for the benefit of the owners of Lots numbered 111 through 135, inclusive, (the "Lots") in said Potters Creek, Section 2 subdivision, and the City of Worthington;

(b) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Easements, Restrictions and Assessment Liens, hereinafter called the "Declaration", applicable to the Lots and the Association Property, and recorded or to be recorded in the records of the Recorder of Franklin County, Ohio, and as the same may be amended from time to time as therein provided;

(c) establish and enforce reasonable rules and regulations for the use of the Association Property;

(d) 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;

(e) 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;

(f) borrow money to fulfill its purposes;

(g) 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

(h) 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.

ARTICLE IV

Membership

Every person or entity who is the record owner of a fee or undivided fee simple interest in any Lot shall be a member of the Association, and is called a "Member". 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, together with all rights of the transferor with respect to the Association Property to which ownership of such Lot relates. Voting rights of Members shall be as set forth in the Declaration and Code of Regulations.

ARTICLE V

Board of Trustees

The names and addresses of the persons who are initially to act in the capacity of Trustees, until the selection of their successors, (as provided in the Code of Regulations), are:

<u>Name</u>	<u>Address</u>
Joseph B. Betts	476 Glenglade Avenue Worthington, Ohio 43085
F. Stevens Potter	7038 Worthington-Galena Road Worthington, Ohio 43085
Richard L. Loveland	50 West Broad street Columbus, Ohio 43215

The number, qualifications, manner and time of selection of successor Trustees, and their terms of office, shall be as set forth in the Declaration and Code of Regulations.

The Trustees shall exercise all of the power and authority and discharge all of the duties of Trustees as defined in Chapter 1702 of the Revised Code of Ohio, except as such power and authority may be limited or expanded by the provisions of these Articles, the Declaration or the 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) The Association shall indemnify every person who is or has been a Trustee, officer, agent or employee of the Association and those persons' respective heirs, legal representatives, successors and assigns, against expenses, including attorneys' fees, and judgments, decrees, fines, penalties and amounts paid in settlement actually and reasonably incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether in an action or proceeding by or in the right of the Association, or otherwise, in which such person was or is a party or is threatened to be made a party by reason of the fact that person was a Trustee, officer, employee or agent of the Association, or is or was serving in such capacity at the request of the Association, provided that person (a) acted in good faith and in a manner that person believed to be in or not opposed to the best interests of the Association, and (b) in any matter the subject of a criminal action or proceeding, had no reasonable cause to believe the questioned conduct was unlawful, but provided that in the case of any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor against any such person by reason of that person serving in such capacity, no indemnification shall be made with respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of a duty to the Association unless and only to the extent that the court in which such action was brought shall determine upon application that in view of all the circumstances of the case that person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

(2) Unless ordered by a court, the determination of indemnification, pursuant to the foregoing criteria, shall be made (a) by a majority vote of a quorum of Trustees of the Association who were not and are not parties to or threatened with any such action, suit, or proceeding, or (b) if such a quorum is not obtainable, or if a majority of a quorum of disinterested Trustees so direct, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Association or any person to be indemnified within the past five years, or (c) by the Lot owners, or (d) by the court in which such action, suit or proceeding was brought.

(3) Any such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under law, any agreement, or any insurance purchased by the Association, or by vote of Lot owners, or otherwise.

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: (a) the Association owns any portion of the Association Property, or (b) any restrictions remain applicable to any Lot, which restrictions are enforceable by the Association, or (c) the arbitration of disputes in connection with such restrictions has been delegated by such restrictions to the Association and continues to remain in force; whichever is longest. Each holder or insurer of a first mortgage upon any Lot shall be entitled to timely written notice of any proposed termination of the Association.

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 with the affirmative approval of Members exercising no less than seventy-five percent (75%) of the voting power of Members. Notwithstanding the foregoing, and in addition thereto, the consent of all Members present, in person or by proxy, who are entitled to vote at a duly called and noticed meeting of the Association, the written consent of Potters Creek Co., a partnership, (the "Declarant" under the Declaration), so long as it continues to own one or more of the Lots, and the consent of the City of Worthington, Ohio, shall be required for any amendment hereto which effects a change in (1) the method of dividing the assessments, (2) the method of voting on Association matters, 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.

Richard L. Loveland
SOLE INCORPORATOR

ORIGINAL APPOINTMENT OF AGENT

The undersigned, the sole incorporator of Field Stone Lake Association, a corporation not-for-profit, hereby appoints Richard L. Loveland, 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. His complete address is 50 West Broad Street, Columbus, Ohio 43215.

Richard L. Loveland
SOLE INCORPORATOR

Gentlemen:

I hereby accept appointment as agent of Field Stone Lake Association upon whom process, tax notices or demands may be served.

Richard L. Loveland