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ARTICLES OF INCORPORATION  
OF  
STUART HALL HOMEOWNERS ASSOCIATION

Trey Grayson  
Secretary of State  
Received and Filed  
11/24/2004 9:38:37 AM  
Fee Receipt: \$8.00

The undersigned, acting as incorporator of a nonprofit, nonstock corporation under and pursuant to the laws of the Commonwealth of Kentucky, and more particularly Chapter 273 of the Kentucky Revised Statutes, adopts the following Articles of Incorporation for such corporation.

ARTICLE I - Name

The name of the Corporation shall be Stuart Hall Homeowners Association, Inc. (the "Corporation").

ARTICLE II - Duration

The Corporation's duration shall be perpetual.

ARTICLE III - Definitions

As used in these Articles of Incorporation, the following terms shall have the respective meanings set forth below:

(a) "Developer" shall mean Richardson Development Company, LLC, a Kentucky limited liability company, and shall include any person, corporation, association or other entity to which it may expressly assign its rights, or any of them, from time to time, under these Articles of Incorporation and/or the Declaration (as hereinafter defined).

(b) "Declaration" shall mean that certain Declaration of Covenants, Conditions, and Restrictions for the Richardson Property (Stuart Hall) declared by Developer and recorded as of this date in Deed Book 2361, page 682; Deed Book 2372, page 724; Deed Book 2413, page 729; Deed Book 2451, page 600; Deed Book 2465, page 96; Deed Book 2465, page 104; Deed Book 2476, page 142; Deed Book 2476, page 150; Deed Book 2505, page 421; Deed Book 2505, page 430; and Deed Book 2505, page 439, in the Office of the Fayette County Clerk, as amended and/or supplemented from time to time, and any other declaration of covenants, conditions, and restrictions designated by Developer applicable to the Subdivision.

(c) "Subdivision" shall mean that certain real property designated as the Richardson Property (and more commonly known as "Stuart Hall"), as evidenced by the subdivision plats of record in Plat Cabinet L, Slide 923; Plat Cabinet L, Slide 958; Plat Cabinet L, Slide 972; Plat Cabinet M, Slide 70; Plat Cabinet M, Slide 159; Plat Cabinet M, Slide 183; Plat Cabinet M, Slide 215; Plat Cabinet M, Slide 246; Plat Cabinet M, Slide 247; Plat Cabinet M, Slide 335; Plat Cabinet M, Slide 336; and Plat Cabinet M, Slide 355, in the Office of the aforesaid Clerk, as heretofore and hereafter amended and/or supplemented from time to time, and any additional property designated by Developer from time to time to be subjected to the Declaration.

(d) "Lot" shall mean each individual lot within the Subdivision, the owner of which is a Member of the Corporation pursuant to the Declaration.

#### ARTICLE IV - Purpose and Powers

The purposes for which the Corporation is organized include:

(a) To provide for the acquisition, construction, management, maintenance and care of association property.

(b) To provide and render the services, and to perform such other duties and to exercise such other rights or privileges granted to the Corporation in the Declaration and to enforce the provisions thereof;

(c) To assess, levy and collect the assessments, both annual and special, against each Lot and the Members of the Corporation, under and as defined in the Declaration; and

(d) To transact any and all lawful business for which nonprofit, nonstock corporations may be incorporated under Chapter 273 of the Kentucky Revised Statutes, and to exercise any and all powers that nonprofit, nonstock corporations may now or hereafter exercise under such statutes, subject to the following:

1. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

2. The Corporation shall not carry on other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its members, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above.

The Corporation is organized and shall be operated exclusively for nonprofit purposes and as a Homeowners Association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

#### ARTICLE V - Registered Office; Registered Agent

The street address of the initial registered office of the Corporation is 3473 Yorkshire Boulevard, Lexington, Kentucky 40509, and the name of its initial registered agent at such address is John D. Barlow.

#### ARTICLE VI - Principal Office

The mailing address of the principal office of the Corporation is 3473 Yorkshire Boulevard, Lexington, Kentucky 40509.

#### ARTICLE VII - Membership

The membership of the Corporation shall consist of the members ("Members") who are owners of Lots in the Subdivision; provided, that any person or entity holding an interest in a Lot as security for the performance of an obligation shall not be a Member or entitled to membership in the Corporation.

#### ARTICLE VIII - Classes of Membership; Voting

The Association shall have two (2) classes of voting membership:

CLASS A - All Members, with the exception of the Developer, shall belong to this class and shall be entitled to one vote for each lot in which they hold the interest

required for membership. If more than one person is an Owner of any lot, all such persons shall be Members and the vote for such lot shall be exercised as they determine among themselves; but in no event shall more than one vote be cast with respect to any individual lot.

CLASS B - The Class B Member shall be the Developer. The Class B Member shall be entitled to three (3) votes for each lot in which it holds the interest required for membership, provided, however, that the Class B membership shall cease and become converted to Class A membership on the happening of either of the following events, whichever occurs earlier; (a) upon the sale of seventy-five (75%) percent of the Lots which are planned for development in the Subdivision, or (b) five (5) years from the date of sale of the first Lot planned for development in the Subdivision. When the Class B membership is converted to Class A membership as herein provided, each Lot shall be entitled to one vote.

#### ARTICLE IX - Future Development

Nothing in these Articles of Incorporation shall limit the right of the Developer to alter in any way and at any time the plans for the Subdivision, or prevent the addition or removal by Developer from time to time of property to or from the Subdivision.

#### ARTICLE X - Board of Directors; Initial Directors

All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors. The number of directors shall be fixed by, or in accordance with, the By-Laws of the Corporation.

The number of directors constituting the initial Board of Directors is three (3), and the names and mailing addresses of each such person who is to serve as an initial director is as follows, each such person to hold office until their successors are duly elected and qualified:

James L. Barlow, Sr.	3473 Yorkshire Boulevard Lexington, KY 40509
John D. Barlow	3473 Yorkshire Boulevard Lexington, KY 40509
Andy Hills	3473 Yorkshire Boulevard Lexington, KY 40509

## ARTICLE XI - Director Liability

(a) The officers, directors, and members of the Corporation shall not be held personally liable for any debt or obligation of the Corporation solely because of their position as officers, directors or members of the Corporation.

(b) Neither the initial directors nor subsequent directors of the Corporation shall be personally liable for monetary damages for breach of their duties as directors and, accordingly, the Corporation shall indemnify any such director who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer or agent of the Corporation, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding. Provided, however, that said liability limitation shall not apply:

1. For any transaction for which the director's personal financial interests are in conflict with the financial interests of the Corporation;
2. For acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be in violation of a law; or
3. For any transaction from which the director derived an improper personal benefit.

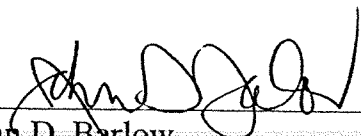
## ARTICLE XII - Dissolution

In the event of dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Corporation, dispose of all assets of the Corporation exclusively for the purposes of the Corporation, in such manner, or to such organizations organized and operated exclusively as a homeowners association qualifying as an exempt organization under Section 528 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any later federal tax laws, as designated in the Corporation's By-Laws. The remaining assets not disposed of through a designation in the Corporation's By-Laws (as aforesaid), if any, shall be disposed of by the circuit court of the county in which the principal office for the Corporation is then located, exclusively for such purposes or to such organizations as said court shall determine are organized and operated exclusively for such purposes.

ARTICLE XIII - Incorporator

John D. Barlow, whose mailing address is 3473 Yorkshire Boulevard, Lexington, Kentucky 40509 is the sole incorporator of the Corporation.

16<sup>th</sup> IN TESTIMONY WHEREOF, witness the signature of the sole incorporator, this day of November, 2004.

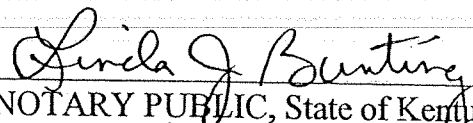
  
\_\_\_\_\_  
John D. Barlow  
Incorporator

STATE OF KENTUCKY  
COUNTY OF FAYETTE


The foregoing was subscribed, sworn to and acknowledged before me this 16 day of Nov, 2004, by John D. Barlow.

MY COMMISSION EXPIRES:

3/3/06  
\_\_\_\_\_

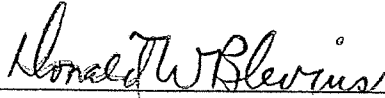
  
\_\_\_\_\_  
NOTARY PUBLIC, State of Kentucky  
at Large

PREPARED BY:

  
\_\_\_\_\_  
W. RODES BROWN  
JACKSON KELLY PLLC  
175 East Main Street, Suite 500  
P.O. Box 2150  
Lexington, Kentucky 40588-9945  
Telephone: (859) 255-9500

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I, Donald W Blevins, County Court Clerk  
of Fayette County, Kentucky, hereby  
certify that the foregoing instrument  
has been duly recorded in my office.



By: Doug BRADLEY, dc

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February 10, 2005 14:27:13 PM

Fees \$15.00 Tax \$0.00

Total Paid \$15.00

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