

Articles of Incorporation of The Club At Twelve Oaks, Inc.

The undersigned incorporator, being of full legal age, executes the incorporation for the purpose of forming and does hereby form a non-profit corporation under the laws of the Commonwealth of Kentucky, KRS 273.161 et seq., in accordance with the following provisions. The corporation shall commence business as soon as practicable after the filing of the Articles of Incorporation in the Office of the Secretary of State of the Commonwealth of Kentucky.

052186789  
John Y. B. B. III  
Secretary of State  
Received and filed  
11/01/2001 10:40 AM  
Fee Receipt: \$8.00  
rpayne - NAOI

ARTICLE I  
NAME

- (A) The name of the Corporation is The Club At Twelve Oaks, Inc. ("Corporation").
- (B) The existence of the Corporation will be perpetual.
- (C) The principal office of the Corporation will be located at 179 Oak Valley Court, Mt. Washington, Kentucky 40047.
- (D) The registered agent of the Corporation is David B. Mour, Suite 1100, One Riverfront Plaza, Louisville, Kentucky 40202.

ARTICLE II  
PURPOSES

The purposes for which the Corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

- (A) The Corporation is organized as a Kentucky non-profit corporation, exclusively for pleasure, recreation and other non-profitable purposes, substantially all the activities of which are for such purposes in accordance with Section 501(c)(7) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law (the "Code").
- (B) 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 actually rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall consist of 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 distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a Corporation exempt from Federal income taxation under Section 501(c)(7) of the Code.

### ARTICLE III POWERS

In furtherance and not in limitation of the general powers conferred by the laws of the Commonwealth of Kentucky, and the objects and purposes herein set forth, it is expressly provided that this Corporation shall also have the following powers, to wit:

(A) To buy, own, sell, assign, mortgage, or lease any interest in real estate and personal property and to construct, maintain, and operate improvements thereon incident to the accomplishment of the purposes set forth in Article II hereof.

(B) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge, or other lien on the Corporation's property. There shall be no limit on the amount of indebtedness the Corporation shall or may incur. The incorporators, directors, and officers of the Corporation shall not be liable for the payment of its debts. Furthermore, no member of the Board of Directors (as hereinafter defined) of the Corporation shall incur any personal liability to the Corporation for monetary damages arising out of or in connection with a breach of any of his or her duties as a Director.

(C) To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation.

(D) Upon the dissolution of the Corporation, all of the remaining assets of the Corporation shall be distributed only in a manner which will not affect or impair the Corporation's exempt status under Section 501 (c)(7) of the Code.

### ARTICLE IV DIRECTORS, OFFICERS AND MEMBERS

(A) **Members:** The rights of the members of the Corporation shall be those as set forth by the Corporation's board of directors (the "Board of Directors"). All residents and property owners of Twelve Oaks Subdivision located in Mt. Washington, Kentucky who pay all fees, dues and other assessments prescribed shall be eligible for membership in the Corporation. Membership shall also be extended as provided in the Corporation's bylaws and as prescribed by the Corporation's Board of Directors from time to time.

1. Members shall be required to pay other dues, fees and/or assessments as prescribed by and as levied by the Corporation's Board of Directors.

2. An annual meeting, and other regular and special meetings, of the members shall be held at the times and places, and upon such notice and call, as provided in the bylaws of the Corporation.

(B) **Directors:** The business and affairs of the Corporation shall be governed by a Board of Directors, who shall be vested with all powers conferred on directors by Chapter 273 of the Kentucky Revised Statutes. Notwithstanding the provisions of this section, the initial Board of Directors shall consist of those persons appointed hereinbelow. The directors must be members of the Corporation and the number of directors shall be determined from time to time by the Board of Directors and shall be at least seven (7), but no more than eleven (11) individuals with the initial Board of Directors consisting of seven (7) directors. In addition, of the seven directors, at least five (5) shall at all times pay the dues and fees assessed by the Corporation which make them eligible to have use of the swimming pool operated by the Corporation for the benefit of the membership. Five (5) of the Directors shall be elected by the members (the "Elected Directors") and two (2) shall be appointed by the Board of Directors of Twelve Oaks Residents Association, Inc. (the "Appointed Directors"). The Appointed Directors in addition to being members of the Corporation, must also be members of the Board of Directors of Twelve Oaks Residents Association, Inc. The Elected Directors shall serve two (2) year terms. However, two (2) so designated of the initial Elected Directors shall serve initial three (3) year terms such that the election of the Elected Directors will ultimately be staggered. The Appointed Directors shall serve at the pleasure of the Board of Directors of Twelve Oaks Residents Association, Inc. The following seven (7) persons are appointed as the initial directors who shall serve the term indicated unless they shall resign or are otherwise removed, with directors one through five (1-5) being the Elected Directors and directors six (6) and seven (7) being the Appointed Directors:

Name	Address	Term
1. Greg McIntyre	Mt. Washington, Ky.	Expires 03/31/03
2. Bobby Sullivan	Mt. Washington, Ky.	Expires 03/31/03
3. Betty Fitzgerald	Mt. Washington, Ky.	Expires 03/31/03
4. Donna Stout	Mt. Washington, Ky.	Expires 03/31/04
5. Susie Lahue	Mt. Washington, Ky.	Expires 03/31/04
6. Steve Wiedmar	Mt. Washington, Ky.	Appointed
7. Sharon McAdams	Mt. Washington, Ky.	Appointed

1. The directors shall serve without compensation.

2. In the event that a director of the Corporation ceases to be a member of Twelve Oaks Residents Association, Inc. or a member of the Corporation, such shall constitute automatic resignation as a director of the Corporation. In addition, in the event an appointed director resigns, is removed as a director of Twelve Oaks Residents Association, Inc. or ceases to be a member of the Corporation, such shall constitute automatic resignation as a director of the Corporation.

3. In the event of a vacancy on the Board of Directors, such vacancy may be filled (and if a vacancy causes the number of remaining directors to be less than seven (7), such vacancy must be filled) by the remaining directors for the unexpired term provided that any vacancy in the seat of an Appointed Director must be filled by a person who is a member of the Board of Directors of Twelve Oaks Residents Association, Inc.

4. An annual meeting, and other regular and special meetings, of the Board of Directors shall be held at the times and places, and upon such notice and call, as provided in the bylaws of the Corporation. A majority of the directors shall constitute a quorum at all meetings of the Board of Directors.

(C) **Officers:** The officers of the Corporation, as provided by the bylaws of the Corporation, shall be elected by the Directors of the Corporation, in the manner therein set out, and shall serve until their successors are elected and have qualified.

(D) Any action required to be taken at a meeting of the members or directors of the Corporation, or any action which may be taken at a meeting of the members or directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, or all of the directors, as the case may be. Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any articles or document.

(E) Every past, present and future director and officer of this Corporation, and their respective heirs, executors, administrators, and estates, shall be indemnified by the Corporation against all costs, expenses and amounts of liability therefor, including fees for legal counsel approved by the Board of Directors which are reasonably incurred by or imposed upon them in connection with or resulting from any action, suit, proceeding or claim to which they may be made a defendant, or in which they may be asked to testify, by reason of their acts of omission or commission, or alleged acts of omission or commission as such director or officer, and, subject to the provisions hereof, any settlement thereof, whether or not they continue to be such director or officer at the time of incurring such costs, expenses or amounts, and whether or not the action or omission, proceeding or claim, occurred before or after the adoption of these Articles; provided, however, that such indemnification shall not apply with respect to any matter as to which

such director or officer shall be finally adjudged in such action, suit or proceeding to have been individually guilty of willful misfeasance or malfeasance in the performance of the director's or officer's duty as such; and provided further, that the indemnification herein provided shall, with respect to any settlement of any such suit, action, proceeding or claim, include reimbursement of any amounts paid and expenses reasonably incurred in settling any such suit, action, proceeding or claim, when in the judgment of the Board of Directors of the Corporation, such settlement and reimbursement appear to be for the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such director or officer may be entitled by law, under any agreement, by vote of the members, or otherwise. The Board of Directors may, in the Corporation's name or in the name of the directors and officers, obtain and pay for such insurance as will protect the Corporation from the obligations and expenses herein assumed.

#### **ARTICLE V** **BYLAWS**

Bylaws of the Corporation may be adopted by the directors so long as they are not inconsistent with the provisions of these Articles, the law or statutes of Kentucky or Section 501(c)(7) of the Code. In the event of any conflict between the bylaws, or any other organizational document, and the laws or statutes of Kentucky or Section 501(c)(7) of the Code, the law, statute or Code shall take precedence.

#### **ARTICLE VI** **AMENDMENTS**

This Corporation reserves the right to alter, amend, change, or repeal any provision contained in these Articles of Incorporation, in the manner now or hereinafter prescribed by statute.

#### **ARTICLE VII** **INCORPORATOR**

The name and address of the incorporator is David B. Mour, Esq., Suite 1100, One Riverfront Plaza, Louisville, Kentucky 40202.

BOROWITZ & GOLDSMITH  
No. 2582 P. 7  
Signed by the incorporator at Louisville, Kentucky, the 20<sup>th</sup> day of October,  
2001.

  
INCORPORATOR

COMMONWEALTH OF KENTUCKY

COUNTY OF JEFFERSON

Subscribed and sworn to before me by David B. Mour this 30<sup>th</sup> day of October,  
2001.

My Commission Expires: 12/15/01.

  
NOTARY PUBLIC, State at Large

This instrument prepared by:

BOROWITZ & GOLDSMITH, PLC

BY:

  
DAVID B. MOUR, ESQ.  
Suite 1100, One Riverfront Plaza  
401 West Main Street  
Louisville, Kentucky 40202  
(502) 584-7371