

ARTICLES OF INCORPORATION
OF
CUMBERLAND LAKES HOMEOWNERS' ASSOCIATION, INC.

The undersigned Incorporator, desiring to form a corporation pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991, as amended (hereinafter referred to as the "Act"), execute the following Articles of Incorporation.

ARTICLE I
NAME

The name of the Corporation is Cumberland Lakes Homeowners' Association, Inc. (hereinafter referred to as the "Corporation").

ARTICLE II
DEFINITIONS

The following terms, whenever used in these Articles of Incorporation, shall have the meanings assigned to them by this Article II:

Section 1. Assessment. "Assessment" shall mean the share of the Common Expenses imposed upon the Owner of each Lot, as determined and levied pursuant to the provisions of these Articles of Incorporation and the Code of By-Laws of Cumberland Lakes Homeowners' Association, Inc., as the same may be amended from time to time.

Section 2. Association. "Association" shall mean Cumberland Lakes Homeowners' Association, Inc., an Indiana nonprofit corporation, formed for the purpose of determining and collecting the Assessments and overseeing and enforcing the terms of the Declaration for the benefit of all Lot Owners.

Section 3. Committee. "Committee" shall mean the Cumberland Lakes Architectural Review Committee, composed of three (3) members appointed by Declarant, who shall be subject to removal by Declarant at any time with or without cause. Any vacancies from time to time existing shall be filled by appointment of the remaining members until such time as Declarant may turn over its responsibilities to Cumberland Lakes Homeowners at which time, from that time forward, the Cumberland Lakes Homeowners shall appoint from its Members to its Committee pursuant to the provisions of the Code of By-Laws of Cumberland Lakes Homeowners' Association, Inc.

Section 4. Common Area. "Common Areas" shall mean certain areas which may be designated by Declarant as Common Areas on the Plat or Plats of the Cumberland Lakes subdivision as the same may be recorded, amended or supplemented from time to time, and which is intended for the common benefit of all Lots. Common Areas may not be developed nor separated from the Plat.

Section 5. Common Expense. "Common Expense" shall mean the actual and estimated cost to the Association for maintenance, management, operation, repair, improvement, and replacement of Common Property and any other cost or expense incurred by the Association for the benefit of the Common Property; provided however, that there shall not be included in Common Expenses any costs or expenses incurred in connection with the initial installation or completion of the Streets, utility lines and mains, or other improvements constructed by Declarant.

Section 6. Common Property. "Common Property" shall mean all real and personal property which is in the nature of common or public improvements or areas, and which is located in, upon, or under the Common Areas, Easements or Streets within Cumberland Lakes to the extent that Common Property is not publicly dedicated. Common Property includes, but is not limited to, all private streets, street lights and signs upon the streets, landscaping, lakes, parks, ponds, open spaces and recreational facilities.

Section 7. Declarant. "Declarant" shall mean Crooked Creek at Geist Development Co., Inc., an Indiana corporation, or any other person, firm, corporation or partnership which succeeds to the interest of Crooked Creek at Geist Development Co., Inc., as developer of Cumberland Lakes.

Section 8. Declaration. "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions of Cumberland Lakes recorded on _____, 1998, as Instrument No. _____, in the Office of the Recorder of Marion County, Indiana, as the same may be amended or supplemented from time to time.

Section 9. Drainage System. "Drainage System" shall mean the storm sewers, subsurface drainage tiles, pipes and structures, and other structures, fixtures, properties, equipment and facilities located in, upon or under the Common Areas, Easements or Streets and designed for the purpose of expediting the drainage of surface and subsurface waters from, over and across Cumberland Lakes.

Section 10. Easements. "Easements" shall refer to those areas reserved as easements on the Plat or Plats of Cumberland Lakes, as the same may be recorded, amended or supplemented from time to time.

Section 11. Lot. "Lot" shall mean any of the separate parcels numbered and identified on the Plat or Plats of Cumberland Lakes, as the same may be recorded, amended or supplemented from time to time, including any additional lots which are identified on any future Plats to be filed by Declarant as part of the Cumberland Lakes development.

Section 12. Members. "Members" shall mean and include both Class A Members and Class B Members as each of those terms is defined in Article VI of these Articles of Incorporation. Reference to the "Members" shall be to any one of the Class A Members or Class B Members, unless the context indicates otherwise.

Section 13. Mortgagee. "Mortgagee" shall mean any holder, insurer or guarantor of any first mortgage on any Lot.

Section 14. Cumberland Lakes. "Cumberland Lakes" shall mean and include all portions of the Real Estate, as hereinafter defined, and other real property as may be platted, subdivided and recorded from time to time by Declarant in accordance with the provisions of the Declaration.

Section 15. Owner. "Owner" shall mean any person or persons who acquire, after the date of the Declaration, legal and/or equitable title to any Lot; provided, however, that "Owner" shall not include any holder of any mortgage of all or any part of any Lot, so long as such holder does not hold both legal and equitable title hereto. Regardless of the number of holders of legal and/or equitable title to any one (1) Lot, for purposes of membership to the Association and voting privileges attendant thereto, there shall be only one (1) Owner as a matter of Association record.

Section 16. Sewage System. "Sewage System" shall mean any sanitary sewer lines, lift stations, equipment or facilities located in, upon or under the Common Areas, Easements, Streets or Lots, as the same are or may be constructed at any time, and any replacement thereof or substitute therefor.

Section 17. Streets. "Streets" shall mean all of the public and private roadways to the respective right-of-way lines thereof, as shown on the Plat or Plats of Cumberland Lakes, which have been or hereafter are constructed for the purpose of providing common access for Owners, occupants and their guests and invitees, to any; or all Lots.

ARTICLE III PURPOSES

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

- (a) This Corporation is a mutual benefit Corporation.

(b) To promote and develop the health, safety, common good and social welfare of the Owners and residents and to provide for the operation of the real estate, Common Property and Common Areas of the residential community known as Cumberland Lakes which shall be developed by Declarant, or by its successors, on all or portions of the real estate as described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Real Estate").

(c) So long as the same are in furtherance of the purpose of the Corporation described in Section 1 of this Article III and are not contrary to any limitation or restriction imposed by the Act, the Declaration, the Plats, the Code of By-Laws of the Corporation or any other provisions of these Articles of Incorporation:

(i) to exercise all of the rights, privileges, powers and authority, and to perform all of the duties and obligations, of the Association provided for in the Declaration, the Articles of Incorporation and the Code of By-Laws of the Corporation which are applicable to all or portion of the Real Estate, all the aforementioned documents being incorporated by reference as if set forth verbatim and at length;

(ii) to fix, levy, collect and enforce payment by any lawful means of all charges and Assessments pursuant to the terms of the Declaration, the Articles of Incorporation, the Code of By-Laws of the Corporation and the Act; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including, but not limited to, all licenses, taxes or governmental charges levied or imposed against the real or personal property of the Corporation;

(iii) to 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 which is held in title by the Corporation;

(iv) to borrow money and pledge, mortgage, deed in trust or hypothecate any or all of the Corporation's real or personal property as security for money borrowed or debts incurred;

(v) to transact any and all lawful business for which corporations may be incorporated under the Act;

(vi) to have the capacity to act possessed by natural person, but to have authority to perform only those acts as are necessary, convenient or expedient to accomplish the purposes for which the Corporation is formed and such as are not repugnant to law;

(vii) to carry out the purposes hereinabove set forth in any state, territory, district or possession of the United States, or any foreign country to the extent

such purposes are not forbidden by the law of any such state, territory, district or possession of the United States or by any such foreign country;

(viii) to dedicate, sell or transfer all or part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members (hereinafter defined). No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the Members, agreeing to such dedication, sale or transfer; provided, however, that there shall be no dedication, sale or transfer of all or part of the Common Areas without the prior written approval of the Declarant so long as Declarant owns at least six (6) Lots within Cumberland Lakes; and

(ix) to have, possess, exercise and enjoy any and all of the rights, privileges and powers granted to corporations by the Act, as now existing or hereafter amended, and by the common law.

(d) Provided, however, that the Association is and shall at all times be a nonprofit corporation, and its activities shall be conducted for the foregoing purposes in such a manner that no part of its activities shall result in pecuniary remuneration to its Members (except for reasonable compensation to Members for services actually rendered) and no part of its net earnings shall inure to the benefit of any individual Member (Other than earnings caused by acquiring, constructing or providing management services, maintenance services and care of Association property and other than by rebate of excess membership dues, fees, charges and Assessments).

Section 2. Powers. The foregoing clauses shall be construed to constitute powers as well as purposes of the Association, and the enumeration of particular powers or purposes shall not be deemed a limitation upon or exclusion of other powers or purposes not particularly expressed or stated, and which other powers are properly within the general scope of the purposes of the Association, or incidental thereto, or are convenient or appropriate for the accomplishment of such purposes.

ARTICLE IV PERIOD OF EXISTENCE

The period during which the Corporation shall continue is perpetual.

ARTICLE V RESIDENT AGENT AND PRINCIPAL OFFICE

Section 1. Registered Agent and Address. The name and address of the Corporation's Resident Agent for service of process is Richard E. Jones, 9125 E. 146th Street, Noblesville, Indiana 46060.

Section 2. Principal Office. The post office address of the principal office of the Corporation is 9125 East 146th Street, Noblesville, Indiana 46060

ARTICLE VI
MEMBERSHIP

Section 1. Members Defined.

(a) Class A Members. Each Owner of a Lot, other than Declarant, shall, automatically upon becoming an Owner of a Lot, be and become a Member of the Association ("Member") and shall remain a Member until such ownership ceases. In any event, an individual's membership shall terminate when such person ceases to be an Owner. Except as provided in Subsection (b) of Section 1 of this Article VI, membership shall be appurtenant to and run with the Lots and cannot be separated from nor assigned, hypothecated, or transferred in any manner except as an appurtenance to a Lot. For purposes of membership to the Association and for the purposes of voting rights attendant with such membership, there shall only be one (1) Owner of a Lot as a matter of Association record.

(b) Class B Members. Class B Members shall be the Declarant and all successors and assigns of Declarant designated by Declarant as Class B Members in a written notice mailed or delivered to the registered agent of the Corporation. Each Class B Member shall be entitled to three (3) votes for each Lot or seventy-five percent (75%) of the total voting power of the Association, whichever is greater, so long as the Class B membership continues to exist. The Class B membership shall cease and terminate seven (7) years after the Declaration is filed of record (the "Applicable Date").

Section 2. Rights, Preferences, Limitations and Restrictions of Classes. The Members described in subsection (a) of Section 1 of this Article VI shall have such rights, duties, liabilities and obligations, and shall be subject to such limitations and restrictions, as are provided herein, in the Declaration, in the Code of By-Laws of the Corporation and in the Act.

Section 3. Voting Rights of Members.

(a) Class A Members. The Class A Members described in Subsection (a) of Section 1 of this Article VI shall have the same and equal voting rights on all matters submitted to vote of the membership at any annual or special meeting of the Members, the same being one (1) vote for each Lot of which such Member is the Owner; provided, however, in the event that more than one (1) person, partnership, trust, corporation, or other entity constitutes the Owner of a particular Lot, all such persons shall be treated collectively as one (1) Member of the Association, and all of such persons shall have only one (1) vote for such Lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

(b) Class B Members. Each Class B Member described in subsection (b) of Section 1 of this Article VI shall be entitled to three (3) votes for each Lot of which it is the Owner and five (5) votes for each single numbered parcel of land shown upon and identified as a Lot on the recorded subdivision Plat or Plats of the Real Estate of which it is the Owner.

ARTICLE VII DISSOLUTION

In the event of dissolution of the Corporation, all assets remaining after paying or making provisions for the payment of all debts and liabilities of the Corporation shall be transferred and distributed by the Board of Directors to the then Owners of the Lots, pro-rata.

ARTICLE VIII DIRECTORS

Section 1. Number of Directors. The Initial Board of Directors is composed of three (3) Members, which shall be appointed by the Declarant. If the exact number of directors is not stated, the minimum number shall be three (3) and the maximum number shall be nine (9), provided, however, that the exact number of directors shall be prescribed from time to time in the Code of By-Laws of the Corporation; and provided further that under no circumstances shall the minimum number of directors be less than three (3).

Section 2. Names and Post Office Addresses of the Initial Board of Directors:

Ronald L. Tooley
9125 East 146th Street
Noblesville, Indiana 46060

Harold E. Harvey
9125 East 146th Street
Noblesville, Indiana 46060

Richard E. Jones
9125 East 146th Street
Noblesville, Indiana 46060

(hereinafter referred to as the "Initial Board").

ARTICLE IX
INCORPORATOR

The name and post office address of the Incorporator of the Corporation is as follows:

Richard E. Jones
9125 E. 146th Street
Noblesville, Indiana 46060

ARTICLE X
STATEMENT OF PROPERTY

The Corporation will take over no property at or upon its incorporation.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Code of By-Laws of the Corporation, each Owner of a Lot(s) is obligated to pay to the Corporation annual and special Assessments which are secured by a continuing lien upon the Lot against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. Payments of the regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board of Directors or the Corporation and neither the Board of Directors nor the Corporation shall be responsible for providing any notice or statements to Owners for the same. No Owner may waive or otherwise escape liability for the Assessments provided for in the Declaration, the Articles of Incorporation or the Code of By-Laws by non-use of the Common Areas, Common Properties or the abandonment of his Lot.

ARTICLE XII
PROVISIONS OF REGULATION AND CONDUCT
OF THE AFFAIRS OF THE CORPORATION

Section 1. Interest of Directors or Officers in Transactions. Any contract or transaction between the Corporation and one or more of its directors or officers, or between this Corporation and any firm of which one or more of its directors or officers are members or employees, or in which they are interested, or between this Corporation and any other corporation or association of which one or more of its directors or officers are shareholders, members, directors, officers or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of such director or directors at the meeting of the Board of Directors which acts upon or in reference to such contract or transaction, and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall authorize, approve and ratify such

contract or transaction by the approving vote of all of the directors present. The interested director or directors may be counted in determining the presence of a quorum at such meeting. This Section 1 of this Article XII shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common, or statutory law applicable thereto.

Section 2. Meetings of Members. Meetings of the Members of the Association shall be held at such place within or without the State of Indiana, as may be specified in the respective notices or waivers of notice thereof.

Section 3. Meetings of Directors. Meetings of the directors of the Association shall be held at such place within or without the State of Indiana, as may be specified in the respective notices or waivers of notice thereof. Any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee thereof, may be taken without a meeting, if prior to such action a written consent thereto is signed by all members of the Board of Directors, or of such Committee, as the case may be, and such written consent is filed with the minutes or proceedings of the Board of Directors or Committee.

Section 4. Powers Relative to the Code of By-Laws. The initial Code of By-Laws of the Corporation (the "By-Laws") shall be adopted by the Initial Board. The power to alter, amend, add to and repeal the By-Laws of the Corporation is hereby vested in the Members, which power shall be exercised in accordance with the requirements of the By-Laws; provided, however, that there shall be no amendment, alteration, addition to or repeal of the By-Laws without the prior written approval of the Declarant so long as Declarant owns at least six (6) Lots within Cumberland Lakes, and further provided that there shall be no amendment, alteration to or repeal of the By-Laws without the consent and approval of at least two-thirds (2/3) of the Members.

Section 5. General Powers of Directors. In addition to the powers and authority expressly conferred by these Articles of Incorporation, the Board of Directors is hereby authorized to exercise such powers and to do all such acts as may be exercised or done by a corporation organized and existing under the provisions of the Act, and as may be exercised or done by virtue of any other law.

Section 6. Indemnification of Directors, Officers, Agents, Employees and Others.

(a) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he 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 (including attorneys' fees), judgment, fines and amounts paid settlement reasonably incurred by

him in connection with such action, suit or proceeding or in connection with any appeal therein, except in relation to matters in which such officer, director, employee or agent is found and adjudged to be liable for negligence or misconduct in the performance of his duties to the Corporation. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person was liable for negligence or misconduct in the performance of his duties to the Corporation.

(b) To the extent that director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsection (a) of this Section Six (6) or in defense of any claim, issue or matter therein, he shall be indemnified against any expenses (including attorneys' fees) reasonably incurred by him in connection therewith.

(c) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in a specific case upon receipt of a promise to repay such amount or of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, and if it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Section, such director, officer, employee or agent of the Corporation shall not be bound by such promise to repay or the undertaking to repay such advances.

(d) The indemnification provided by Section Six (6) of this Article XII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any other Article or Section of these Articles of Incorporation or any By-Law, resolution, authorization or agreement adopted, after notice, by a majority of all the voting Members of the Corporation, and shall continue as to a person who has ceased to be a director, officer, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. Fidelity Bonds and Insurance.

(a) The Corporation shall have the power to purchase and maintain insurance on behalf of 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 any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability.

(b) The Corporation may maintain a fidelity bond indemnifying the Association, the Board of Directors, and the Lot Owners for loss of funds resulting from fraudulent or dishonest acts of any director, officer, employee, agent of the Corporation

or anyone who either handles or is responsible for funds held or administered by the Association.

(c) The Corporation shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury and such other insurance in accordance with the requirements, if any, of the Declaration or as the Board of Directors shall reasonably determine is necessary.

(d) All insurance policies and fidelity bonds shall provide at least ten (10) days' written notice to the Association and all Members requesting such notice before the insurance policies or fidelity bonds are cancelled or substantially modified for any reason.

Section 8. Right to Amend Articles. The Corporation reserves the right to amend, alter, change or repeal, in the manner now or hereafter prescribed by the Act, any provisions contained in these Articles, and all rights, powers and privileges hereby conferred on Members, directors or officers of the Corporation are subject to this reserved power; provided, however, that there shall be no amendment, alteration, change or repeal of these Articles of Incorporation without the prior written approval of Declarant so long as Declarant owns at least six (6) Lots within Cumberland Lakes and provided further that there shall be no amendment, alteration to or repeal of these Articles of Incorporation without the consent and approval of two-thirds(2/3) of the Members.

Section 9. Initial Board. The Initial Board named in Article VIII hereof shall serve as the Board of Directors of the Corporation until the Applicable Date and until their successors have been duly elected and qualified, unless said directors sooner resign, be removed or otherwise disqualified to serve. In the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever prior to the Applicable Date, every such vacancy shall be filled by a person appointed by Declarant. Any such person so appointed by Declarant shall thereafter be deemed a member of the Initial Board.

Section 10. Terms of Directors After the Applicable Date. After the Applicable Date, except as otherwise permitted by the Act, each member of the Board of Directors of the Corporation shall be elected for a term of one (1) year.

The undersigned hereby adopts these Articles of Incorporation, representing beforehand to the Secretary of State of the State of Indiana and all persons whom it may concern that a membership list or lists of the above-named Corporation for which a

Certificate of Incorporation is hereby applied for, have heretofore been opened and kept in accordance with the Act.

IN WITNESS WHEREOF, I, the undersigned Incorporator, do hereby execute these Articles of Incorporation and certify to the truth of the facts herein stated this 25 day of Sept., 1998.


Richard E. Jones, Incorporator