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Per-707

Commonwealth of Kentucky

Department of State



Office of Secretary of State

ELMER BEGLEY, SECRETARY
DOMESTIC CORPORATION DEPARTMENT

NON-STOCK CORPORATION

I, **ELMER BEGLEY**, Secretary of the State of Kentucky, hereby certify that Articles of Incorporation of the

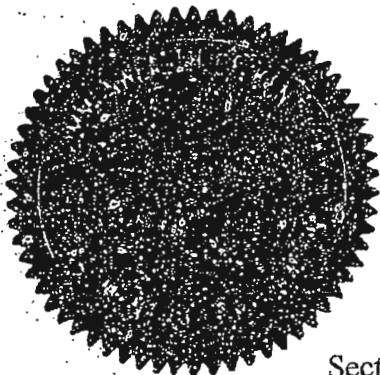
PERRY PARK RECREATION DEVELOPMENT CO., INC. (Perry Park, Kentucky)

has this day been filed in my office.

It appearing from said Articles of Incorporation that the said Corporation has no capital stock, and no private pecuniary profit is to be derived therefrom, the said Corporation is not required by law to pay a tax on organization; and it further appearing that the aforesaid Corporation has complied with all the requirements of the law, this certificate is issued as evidence of the fact that the said Corporation is now authorized and empowered to do business in this State under its charter, subject to the restrictions imposed by the statutes of Kentucky.

Given under my hand as Secretary of State,
this 24th day of October 1968

By Elmer Begley Secretary of State
Mary P. Galus Assistant Secretary of State



**ARTICLES OF AMENDMENT OF PERRY PARK
RESORT OWNERS' ASSOCIATION, INC.**

Whereas, Perry Park Resort Owners' Association, Inc. convened a meeting of its members on September 11, 2004, and on said date and at said meeting presented and adopted amendments to Articles X and VII of its Articles of Incorporation;

WHEREAS, a quorum of the members of Perry Park Resort Owners' Association, Inc. entitled to cast votes respecting amendments to Articles of Incorporation was present at said meeting;

WHEREAS, at least two-thirds (2/3) of the votes cast in person or by proxy of members entitled to vote respecting amendments to Articles of Incorporation were cast in favor of the following amendments to the Articles of Incorporation of Perry Park Resort Owners' Association, Inc.;

ARTICLE X

The members of the PPROA shall be every person, firm or corporation who is the record owner, or has contracted for the purchase of any platted lot which is bound by covenants of record applicable to all other lots, which includes the obligation to pay assessments to the PPROA as prescribed in the Articles of Incorporation. Each member who has paid their assessments may vote either in person or by proxy. All ballots shall be in writing and all proxy voting must be received by the PPROA Board prior to the established time published by the Board of Directors for each election. Eligible members shall be entitled to: (1) one vote per property owner, regardless of the number of lots owned for each vacant position being voted upon for any election, or (1) one vote per property owner for special issues requiring the approval of eligible members. When more than one person or corporation holds interest in any property all such persons shall be members, and the one vote permitted shall be as they among themselves determine. Annual meetings of the members and election of Directors shall be held in accordance with the date set forth in the By-Laws.

The number of Directors elected each year will be no more than one-third (1/3) of the total of all Directors, which shall never be less than three (3) nor more than nine (9) and until otherwise determined by the eligible members shall be nine(9).

Article VII

1. At each annual meeting, the eligible members, by a majority vote of those present in person or by proxy, shall elect as provided for in Article X the number of directors to fill the expired terms. The term of the new director(s) shall be three (3) years or until their successors have been elected and have accepted office. It shall be necessary for a director to be a eligible member of the Association as provided for in Article X.

2. The directors shall elect a President, a Secretary and a Treasurer and may elect, or the Board of Directors may appoint, such other officers or assistant officers as may be provided for in the By-Laws of the Association or by appropriate resolution of the Board of Directors.

Officer's needs to be a director, and any two (2) of the offices of Secretary and Treasurer, and of any assistant to such officer may be combined in one person. All elected officers shall serve for a term of one (1) year and until their respective successors shall have been elected and shall have accepted office, unless sooner removed in the manner provided by the By-Laws. All officers shall hold office at the pleasure of the Board members electing them, except as the By-Laws may otherwise provide. The duties of the officers and of the assistant officers shall be prescribed by the By-Laws, or shall be those usually incident to such offices where the By-Laws fail to provide otherwise, and, where not inconsistent with the By-Laws those which may be assigned to them from time to time by the Board of Directors.

3. All annual and other meetings of the members and directors shall be called in such manner, and held at such time and places as shall be fixed by the By-Laws.

4. Election to the Board of Directors shall be by written ballot as provided by the By-Laws. At such election, the eligible members or their proxies may cast as many votes in the aggregate as the eligible member shall be entitled to vote under Article VII hereof, multiplied by the number of directors to be elected at such election; and each eligible member may cast one (1) vote for each open director position. Cumulative voting is not permitted. The names receiving the largest number of votes shall be elected directors.

5. A director may be removed with cause by a majority vote of the Board of Directors or a director or the entire Board of Directors may be removed, with cause, by the eligible members cumulatively voting a majority of the voting power then held by all eligible members

6. Any vacancy occurring in the Board of Directors shall be filled for the unexpired term by the majority vote of the remaining directors even if less than a quorum; and if there shall be no directors remaining, then by a plurality cumulative vote of the members present at a meeting called for that purpose by any member, upon like notice and in like manner as provided for an annual election.

Paul Minch 10-5-04
Paul Minch
PRESIDENT

Nancy Bowman 10-5-04
ATTEST Nancy Bowman
SECRETARY

FILED
BOOK 5 PAGE
AT 10:55 AM

OCT 11 2004

REC. FEE 9.10 TAX
MARY K. DUNCAN, OWEN CO. CLERK
BY M 92 10 D.C.

SECRETARY OF STATE
RECEIVED
OCT 24 1968

ARTICLES OF INCORPORATION

Commonwealth of Kentucky

OF

PERRY PARK RESORT OWNERS ASSOCIATION, INC. 85931

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, EDWARD J. CARLISLE and ROBERT T. SHAW, associate ourselves together for the purpose of forming a corporation not for profit under the provisions of Chapter 273 of the Kentucky Revised Statutes, and to that end adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation shall be PERRY PARK RESORT OWNERS ASSOCIATION, INC.

ARTICLE II

The purposes and powers of the Association are:

1. To promote the health, safety and welfare of the residents and purchasers of the real property shown on a series of subdivision plats filed and to be filed covering the property conveyed to AMERICAN PYRAMID COMPANIES, INC., by deed dated September 30, 1968, and recorded in Deed Book 113, Page 272, in the Office of the County Court Clerk of Owen County, Kentucky.

2. (a) To own, acquire, build, operate, and maintain recreation parks, playgrounds, swimming pools, lakes, golf courses, camping areas, commons, streets, including all appurtenances thereto and all buildings, structures, personal properties incident thereto; and, in general, to do all acts reasonably related to the maintenance and improvement of a residential resort area;

(b) To provide exterior maintenance for lots and homes;

(c) To provide garbage and trash collection;

(d) To provide fire and police protection;

(e) To supplement governmental services;

(f) To care for vacant, unimproved and unkempt lots, remove therefrom and destroy grass, weeds and rodents, and any unsightly and obnoxious thing, and to do any other things, and perform any labor appearing to be necessary, or desirable, to keep the property in good order;

(g) To fix assessments (or charges) to be levied against all or any portions of the property or any other property or against the members of the corporation;

(h) To expend money for the payment and discharge of all costs, expenses and obligations incurred by this Association in carrying out any or all of its purposes;

(i) To be a party to and to enforce charges, restrictions, conditions and covenants upon or against the property or any other property; to pay all expenses incident thereto; to enforce the decisions and rulings of this Association over any property, to pay

all of the expenses in connection therewith; and to reimburse any declarant under any declaration of conditions, covenants, restrictions, assessments or charges affecting said property, or any part thereof, for all costs and expenses incurred or paid by it in connection with the enforcement, or attempted enforcement, of any of the conditions, covenants, restrictions, charges, assessments or terms set forth in any declaration;

(j) To pay the taxes and assessments, if any, which may be levied by any governmental authority upon the property, and any other open spaces maintained, and lands used or acquired for the general use of the owners of lots or building sites within the property, and on any property of this Association, or which may be held in trust for this Association, or in which the Association may have any interest or any other property;

(k) In furtherance of the foregoing, to acquire, purchase, own, hold, operate, develop, lease, mortgage, pledge, exchange, sell, transfer, dedicate to public use, or otherwise dispose of and to invest, trade or deal in, real and personal property of every kind and description or any interest therein.

3. To do any and all things that a corporation organized under said laws of the State of Kentucky may lawfully do, and generally to do and perform any and all other acts which may be either necessary for, or proper or incident to the exercise of any of the foregoing powers, and such powers as are granted by the provisions of the laws of the State of Kentucky to a non-profit corporation.

4. To do any and all lawful things which may be advisable, proper, authorized or permitted to be done by this Association under, in connection with, or by virtue of any condition, covenant, restriction, reservation, charge, or assessment affecting the property or any other property, or any portion thereof; or to do and perform any and all acts which may be either necessary for or incident to the exercise of any of the foregoing powers, or for the peace, health, comfort, safety, or general welfare of its members, residents of the property, or any other persons.

5. Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of its members, residents of the property, or any other persons which will further its other purposes.

ARTICLE III

The corporation shall have perpetual duration.

ARTICLE IV

Until otherwise fixed, as provided by law, the address of the Association's registered office in Kentucky is Perry Park, Owen County, Kentucky, and the Association's resident agent for service of process is Mr. T. A. Perry, Esq., Owenton, Owen County, Kentucky.

ARTICLE V

Notwithstanding any other provisions hereof, the Association shall have no capital stock or stockholders and its business and affairs shall not be conducted for private pecuniary gain or profit, nor shall any of its gain, profit or property inure to the incorporators thereof, or to any other member thereof, nor to any officer or director thereof (except that the corporation is authorized to pay fair compensation to any person for services actually rendered), but its entire gain, profit, net earnings and property shall be devoted exclusively to the uses and purposes set out in Article II hereof.

ARTICLE VI

1. The affairs of the Association shall be managed and conducted by a Board of Directors. The powers of the Board of Directors shall be those generally possessed by Boards of Directors and such additional powers as the members may from time to time give the directors.

2. The Powers of the Board of Directors shall include the power:

(a) To call special meetings of members whenever it deems necessary.

(b) To elect and remove all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as may be deemed expedient.

Nothing contained in these Articles shall be construed to prohibit the employment of any member, officer or director of the Association in any capacity whatsoever. The Association may enter contracts or transact business with one or more of its members, officers, directors or employees, or with any firm of which one or more of the above-named persons are members, or with any corporation or association in which any of the above-named persons is a stockholder, director, or officer, and such contract or transaction shall not be invalidated or affected by the fact that such person has, or may have, interests therein which are or might be adverse to the interests of the Association, even though if that person is a director his vote was necessary to obligate the Association upon such contract or transaction; and no person having such adverse interests shall be liable to the Association or to any member or creditor thereof, or to any person for any loss incurred by it under or by reason of any such contract or transaction; nor shall any such person be accountable for any gain or profit realized thereon; provided, however, that such contract or transaction shall, at the time it was entered into, have been a reasonable one to be entered into and shall have been upon terms that, at the time, were fair.

(c) To establish, levy and assess, and collect the assessments or charges upon its members or upon any person, including those having a legal or equitable interest in the property.

(d) To adopt and publish rules and regulations governing the use of the common properties and facilities and the personal conduct of the members and their guests thereon.

(e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those legally reserved to the members. The Board of Directors may delegate any of its powers to any person, group of persons, committee, trustee or trustees.

(f) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.

(g) As more fully provided in any "Declaration of Restrictions" applicable to the Property:

(1) To fix the amount of the assessment against each Building Site for each assessment period at least thirty (30) days in advance of such date or period.

(2) To prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member.

(3) To send written notice of each assessment to every owner subject thereto.

(4) To record and foreclose the lien of any assessment.

(h) To issue, or cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE VII

1. At each annual meeting, the members, by a majority vote of those present in person or by proxy, shall determine the number of directors, which shall never be less than three (3), nor more than nine (9), and, until otherwise determined by the members shall be three (3). The number of directors so determined shall be elected at such meeting to serve for the ensuing year and until their successors have been elected and have accepted office. It shall not be necessary for a director to be a member of the Association.

2. The initial Board of Directors shall take office at the moment of incorporation and serve until the election of their successors. Such election shall occur at or before the first annual meeting. The initial Board of Directors shall consist of the incorporators, EDWARD J. CARLISLE, 1815 Gardiner Lane, Louisville, Kentucky, and ROBERT T. SHAW, 3009 Lighthouse, Louisville, Kentucky, and B. F. SHAMBURGER, 21st at Main Street, Little Rock, Arkansas.

3. The directors shall elect a President, a Secretary and a Treasurer and may elect, or the Board of Directors may appoint, such other officers or assistant officers as may be provided for in the By-Laws of the Association or by appropriate resolution of the Board of Directors. No officer need be a director or member of the Association, and any two (2) of the offices of Secretary and Treasurer, and of any assistant to such officer may be combined in one person. All elected officers shall serve for a term of one (1) year and until

their respective successors shall have been elected and shall have accepted office, unless sooner removed in the manner provided in the By-Laws. All appointed officers shall hold office at the pleasure of the person or persons appointing them, except as the By-Laws may otherwise provide. The duties of the officers and of the assistant officers shall be prescribed by the By-Laws, or shall be those usually incident to such offices where the By-Laws fail to provide otherwise, and, where not inconsistent with the By-Laws those which may be assigned to them from time to time by the Board of Directors.

4. All annual and other meetings of the members and directors shall be called in such manner, and held at such time and places as shall be fixed by the By-Laws.

5. Election to the Board of Directors shall be by written ballot as provided by the By-Laws. At such election, the members or their proxies may cast as many votes in the aggregate as the member shall be entitled to vote under Article VIII hereof, multiplied by the number of directors to be elected at such election; and each member may cast the whole number of votes for one candidate, or distribute such votes among two (2) or more candidates. The names receiving the largest number of votes shall be elected directors.

6. Directors may be removed in the manner provided in this paragraph at a meeting of the members called expressly for that purpose. The entire Board of Directors may be removed, with or without cause, by members cumulatively voting a majority of the voting power then held by all members entitled to vote at an election

of directors. If less than the entire Board is to be removed, no one of the directors may be removed if the votes cast against his removal would be insufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

7. Any vacancy occurring in the Board of Directors shall be filled for the unexpired term by the majority vote of the remaining (or other) directors even if less than a quorum; and if there shall be no directors remaining, then by a plurality cumulative vote of the members present at a meeting called for that purpose by any member, upon like notice and in like manner as provided for an annual election.

ARTICLE VIII

1. Every person, firm or corporation who is the record owner, or has contracted for the purchase, of any Building Site which is subject by covenants of record to assessments by this Association shall be a member of the Association. However, no person who holds an interest in a Building Site solely as security for the performance of an obligation of another shall be a member.

2. A Building Site shall consist of that portion of the property referred to in Article II, Paragraph 1, upon which construction of one, but no more than one, one-family dwelling is authorized by the series of plats referred to in Article II, Paragraph 1, above.

3. Persons owning or purchasing an undivided fractional ownership interest in a Building Site shall be entitled to assert the rights and prerogatives of membership and be subject to its liabilities

in the same proportion as their respective fractional interests in the Building Site bear to the total of all such interests in the Building Site; subject, however, to such reasonable limitation or regulation of the voting thereof as may be provided for by the By-Laws.

ARTICLE IX

1. The rights of membership are subject to the payment of annual, special and other assessments levied by the Association, the obligation of which assessments is imposed against each owner or purchaser or all owners or purchasers of, and becomes a lien upon, the property against which such assessments are made as provided by any "declaration of covenants or restrictions" to which the properties are, or may subsequently become, subject.

2. The membership rights of any person whose interest in the properties is subject to assessments whether or not he be personally obligated to pay such assessments, may be suspended by action of the directors during the period any such assessment remains unpaid; but, upon payment of such assessment, his rights and privileges shall be automatically restored. If the directors have adopted and published rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of any person thereof, they may, in their discretion, suspend the rights of any such person to use and enjoy such Common Properties and facilities for violation of such rules and regulations for periods not to exceed thirty (30) successive days each.

ARTICLE X

The Association shall have one class of voting membership.

Members shall be all those persons described in Article VIII, Paragraph 11, with the exception of the Developer, American Pyramid Companies, Inc., a Kentucky corporation and any and all affiliates of the Developer. Members shall be entitled to one vote for each Building Site in which they hold the interests fixed for membership by Article VIII. When more than one person holds such interest or interests in any Building Site all such persons shall be members, and the vote for such Building Site shall be exercised as they among themselves determine, consistent with the corporation's By-Laws relating thereto.

The Developer shall be entitled to attend all meetings of the Association and shall be entitled to one vote at any such meeting.

Each member may vote either in person or by proxy. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond the period of eleven (11) months and every proxy shall automatically cease upon sale by the member of his interest in the properties.

ARTICLE XI

By-Laws may be adopted or amended by a majority of the Board of Directors subject to the power of the members to change or repeal such By-Laws.

ARTICLE XII

Additions to the properties described in Article II, Paragraph 1, may be made by vote of the directors and by an affirmative vote of over one-half (1/2) of the voting power of all members then eligible to vote, but only if the provisions of the recorded covenants and restrictions applicable to portions of said properties described in Article II, Paragraph 1, or substantially similar covenants and restrictions, are made and can legally become applicable to the additional properties. The property so added and the rights and obligations of the owners or purchasers thereof, and of this Association and its members and directors with reference thereto, shall be the same as if said property had originally been included in the properties. Where the applicable covenants require that such additions of property to those referred to in Article II be approved by this Association, the provisions of such applicable covenants shall be complied with.

ARTICLE XIII

Subject to the provisions of any recorded covenants and restrictions applicable to the properties described in Article II, and to the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purpose, provided that any such merger or consolidation shall have the assent of over one-half (1/2) of the votes of members who are voting in person or by proxy at the meeting duly called for this purpose.

ARTICLE XIV

The quorum required for any action at a meeting of the Board of Directors and of the members shall be a majority. Once a quorum is achieved, the Board or the members, as the case may be, may act upon the vote of a majority of those attending, unless these Articles, or the By-Laws, specifically provide otherwise.

ARTICLE XV

The Association shall have the power to dispose of its real properties only as authorized under any recorded covenants and restrictions applicable to all or any part of said properties.

ARTICLE XVI

1. The Association may be voluntarily dissolved by the written consent of all of its members.
2. The Association may also be dissolved by its own act. To do so, it shall proceed in the following manner:
 - (a) The Board of Directors shall, by a majority vote, adopt a resolution recommending that the Association be dissolved, and directing that the question of such dissolution be submitted to a vote at a meeting of the members, which may be either an annual or a special meeting.

(b) Written notice of said resolution, setting forth the reasons therefor and the dispositions to be made of the assets (which shall be consonant with Article XVII hereof) shall be mailed to every member at least ninety (90) days in advance of the meeting.

(c) Said resolution shall be adopted upon receiving the affirmative vote of over one-half (1/2) of membership at said meeting. Said resolution shall set out the manner in which all assets of the Association shall be disposed of.

3. Upon dissolution of the Association, the assets, both real and personal of the Association, may be dedicated to an appropriate public agency, or otherwise be disposed of, but only in a manner consistent with the purposes of the Association.

ARTICLE XVII

The Association shall have power to indemnify any person 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 investigate (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted

in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. 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 did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to herein, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Any indemnification herein (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth herein. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a

written opinion, or (c) by the members. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, 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 Association would have the power to indemnify him against such liability under the provisions hereof.

ARTICLE XVIII

In due course, there may be filed in the Office of the County Clerk of Owen County, Kentucky, a series of declaration of restrictions covering the residential portions of the property described in Article II, Paragraph 1, and there may from time to time, be filed in said Office supplements or additions thereto or changes therein. The authority of this Association shall not be construed to include the power or right to do anything inconsistent with any such document or

documents, or to do anything in contravention thereof.

IN TESTIMONY WHEREOF, witness the signatures of the above named incorporators, this 15th day of October, 1968.

Edward J. Carlisle
Edward J. Carlisle

Robert T. Shaw
Robert T. Shaw

STATE OF KENTUCKY)

JEFFERSON COUNTY)

I, a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing Articles of Incorporation of PERRY PARK RESORT OWNERS ASSOCIATION, INC., were this day produced before me in the State and County aforesaid, signed and acknowledged by Edward J. Carlisle and Robert T. Shaw, as incorporators, to be their act and deed to be the act and deed of each of them.

WITNESS my hand and Notarial Seal this 15th day of October, 1968.

My commission expires August 7, 1971.

Patricia H. Glendon
Notary Public
State At Large, Kentucky

(SEAL)

ORIGINAL COPY
FILED AND RECORDED

Storer B. G. Day

OCT 24 1968

SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY
BY Thomas C. Bales
ASSISTANT SECRETARY OF STATE

I certify that I prepared the
foregoing Articles of Incorporation.

Frank X. Quickert, Jr.

Frank X. Quickert, Jr.
Greenebaum, Barnett, Doll & Matthews
614 Kentucky Home Life Building
Louisville, Kentucky 40202