

APPROVED  
AND  
FILED

*Paul Roberts*  
IND. SECRETARY OF STATE

**ARTICLES OF INCORPORATION  
OF  
THE BRIDGEWATER CLUB  
MASTER ASSOCIATION, INC.**

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The undersigned incorporator, desiring to form a corporation pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991, executes the following Articles of Incorporation:

**ARTICLE I**

**Name**

**Section 1.1. Name and Type.** The name of this Corporation shall be THE BRIDGEWATER CLUB MASTER ASSOCIATION, INC. (hereafter "Corporation"). The Corporation is a mutual benefit corporation. Certain capitalized words used herein shall have the meaning set forth in Article XIII below.

**ARTICLE II**

**Purposes and Powers**

**Section 2.1. Primary Purposes.** The purposes for which the Corporation is formed are to exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Master Declaration.

**Section 2.2. Additional Purposes.** In addition, the Corporation is formed for the promotion of the health, safety and welfare of the residents of The Bridgewater Club and other non-profitable purposes that are authorized by the Act and permitted to be carried on by an organization exempt from Federal income taxation under the provisions of Section 528 of the Internal Revenue Code of 1986 (hereinafter referred to as the "Code") and the Regulations issued pursuant thereto, as amended.

**Section 2.3. Specific Powers.** Subject to any specific written limitations or restrictions imposed by the Act, by the Code, by other law, or by the Master Declaration or the Articles, and solely in furtherance of but not in addition to the purposes set forth in Section 2.01 and 2.02 of these Articles, the Corporation shall have the following specific powers:

(a) **To Manage, etc.** To manage, maintain, repair and replace the Master Common Area, and appurtenant easements, improvements and other property of every kind and nature whatsoever, real, personal or mixed, located upon the Master Common Area or used or held for use in connection with the business or operation of the Corporation for the benefit and use of the members of the Corporation, subject to such restraints or suspensions of use and voting rights of members as are provided herein, in the By-laws and in the Master Declaration.

(b) To Make Assessments. To fix, levy and collect Assessments and to enforce payment thereof by all lawful means.

(c) To Promulgate Rules. To promulgate such rules and regulations and perform such deeds as are deemed necessary to achieve the aforesaid purposes.

(d) To Insure. To secure from insurers licensed and approved in the State of Indiana, appropriate fire/property damage coverage, comprehensive general liability coverage, Director's liability insurance, and such other forms of insurance as may be deemed necessary or appropriate.

(e) To Secure Services. To secure professional managerial services by employing a professional manager, contracting with a professional management service or entity, or otherwise, which services may include administrative, managerial, bookkeeping, legal, architectural, engineering, maintenance, repair, construction and other services.

(f) To Acquire and Dispose of Property. To acquire by give, purchase or other means, to own, hold, enjoy, lease, operate, maintain, convey, sell, transfer, mortgage or otherwise encumber or dedicate for public use, real or personal property in connection with the business of the Corporation subject to the provisions of the Master Declaration.

(g) To Borrow. To borrow money and, subject to the provisions of the Declaration, to give, as security therefor, a mortgage or other security interest in any or all real or personal property owned by the Corporation, or a pledge of monies to be received pursuant to the provisions of the Master Declaration, and to assign and pledge its right to make Assessments and its rights to claim a lien therefor.

(h) To Appoint a Fiscal Agent. To appoint any Person as its fiscal agent to collect all Assessments and charges levied by the Corporation and to enforce the Corporation's liens for unpaid Assessments and charges or any other lien held by the Corporation.

(i) To Make Contracts. To enter into, perform, cancel and rescind all kinds of contractual obligations, including (i) the guarantee of the obligations and performance of others and (ii) any contract providing for the management of the affairs of the Corporation by a professional manager or management company, possessing experience in the management of homeowners associations.

(j) To Act With Others. To perform any act which the Corporation acting alone has the power and capacity to perform by acting as a partner or otherwise in association with any Person or Persons, whether legally constituted or informally organized.

(k) To Pay. To pay all Common Expenses, including all licenses, taxes or governmental charges levied or imposed against the property.

(l) To Merge. To participate in mergers and consolidations with other nonprofit corporations organized for the same purpose or annex additional real estate as provided in the Declaration.

(m) To Otherwise Act. To have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

**Section 2.4. Limitations Upon Powers.**

(a) Earnings. No member of the Corporation shall have or receive any earnings from the Corporation, except a member who is an employee of the Corporation, in which event he may receive fair and reasonable compensation for his services as an employee; and a member may also receive payments of principal and interest at a rate not exceeding that from time to time permitted by the Act on funds loaned or advanced by him to the Corporation.

(b) Loans to Directors. The Corporation shall make no advancements for services to be performed in the future, nor any loan of money or property to any director or officer of the Corporation.

(c) Dissolution. In the event of dissolution of the Corporation, all assets remaining after payment of all debts of the Corporation, including advances and loans of members of the Corporation, and, if so authorized by the Board of Directors, distribution to members of the Corporation of such amounts as may be authorized by the Act, shall be dedicated by the Board of Directors to an appropriate public agency to be used for purposes similar to those for which this Corporation was organized. In the event such dedication is refused acceptance, such assets shall be transferred by the Board of Directors to the State of Indiana or any instrumentality or subdivision thereof exclusively for public purposes, or to any nonprofit corporation whose purposes are substantially the same as those of the Corporation and which, at the time of transfer, is exempt from Federal taxation under Sections 501(c)(3), 501(c)(4) or 528 of the Code or the corresponding provisions of any future United States Internal Revenue Law. Any such assets not so dedicated or transferred by the Board of Directors shall be disposed of in accordance with the Act. No member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the assets of the Corporation on dissolution of the Corporation, except as otherwise provided in these Articles or in the Act.

(d) Prohibited Activities.

(i) No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation, or to any private individual;

(ii) No substantial part of the activities of the Corporation shall be devoted to attempting to influence legislation by propaganda or otherwise within the meaning of the prospective provisions of the Code;

(iii) The Corporation shall not directly or indirectly 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;

(iv) Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by any organization exempt from Federal taxation under Section 528 of the Code and Regulations issued pursuant thereto, as amended, or the corresponding provisions of any future United States internal revenue law, if the effect thereof is to subject the gross income of the Corporation to federal income taxation at rates established for corporations engaged in business for profit unless the purposes of the Corporation set forth in Section 2.01 of these Articles cannot otherwise be achieved.

### ARTICLE III

#### Period of Existence

**Section 3.1 Period of Existence.** The period during which the corporation shall continue is perpetual.

### ARTICLE IV

#### Registered Agent and Registered Office

**Section 4.1 Registered Agent.** The name and address of the Registered Agent in charge of the Corporation's principal office is Throgmartin-Henke Development, LLP, 3535 East 161<sup>st</sup> Street, Noblesville, Indiana 46060.

**Section 4.2 Registered Office.** The post office address of the registered office of the Corporation is Throgmartin-Henke Development, LLP, 3535 East 161<sup>st</sup> Street, Noblesville, Indiana 46060.

## ARTICLE V

### Incorporator

**Section 5.1. Name and Address of Incorporator.** The name and post office address of the incorporator is Throgmartin-Henke Development, LLP, 3535 East 161<sup>st</sup> Street, Noblesville, Indiana 46060.

## ARTICLE VI

### Statement with Respect to Property

**Section 6.1. Property of Corporation.** The Corporation, upon its incorporation, has no property of value.

## ARTICLE VII

### Directors

**Section 7.1.** The affairs of this Corporation shall be managed by a Board of Directors. The Board shall have power to manage all the affairs of the Corporation and to make all contracts necessary for the proper transaction of its matters pertaining to the care, conduct, control, supervision and management of the Master association and its properties and finances, and all appropriations for the expenditures of Master Association funds shall be made by them. They shall have the power to employ and discharge all employees and officers of the Master Association.

In addition to the powers conferred upon and delegated to the Board by the Articles of Incorporation and the Bylaws, and subject to such Articles and Bylaws, the Board shall have the power to hire, engage, employ, and compensate experts and professionals of any and all fields of endeavor in order to further the objectives and purposes of the Master Association. Such power shall rest in the full, absolute and uncontrolled discretion of the Board, to which such power is hereby specifically delegated. Further, the Board of Directors shall adopt, amend and rescind Rules and Regulations to govern the operation and use of the property, the common areas, and Conservation Lands. The Rules and Regulations shall be uniform and shall not conflict with the founding documents.

**Section 7.2.** Except for Directors appointed by the Declarant Member, who need not be Owners of Plots in Bridgewater, each Director must be a Regular Member and be at least eighteen (18) years of age.

**Section 7.3.** The affairs of the Master Association shall be managed by a Board of Directors consisting of the number provided by the Bylaws, but not less than three (3), and in the absence of such determination shall consist of three (3). Directors, other than those elected or

appointed by the Declarant Member, must be Members of the Master Association. Until the occurrence of the Applicable Date, Declarant shall appoint, remove, and replace the Board of Directors. After the Applicable Date, (i) the Directors shall be elected at the Annual Meeting of the Members in the manner determined by the Bylaws of the Master Association and (ii) vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws of the Master Association, and Directors may be removed as provided for in the Bylaws of the Master Association. After the Applicable Date, the Declarant shall have the right to appoint one (1) permanent member of the Board of Directors, who shall have no fixed term of office and shall serve at the pleasure of the Declarant. Declarant shall have the right to substitute its Board member at any time it should so elect.

**Section 7.4.** The Declarant Member, and its successors and assigns, until such class is terminated, shall have and hereby reserves the absolute right and authority to manage and control the Master Association and its affairs and decisions and the exclusive right to elect or appoint all the Directors of the Master Association, who need not be owners of a Plot in the Property. During the period the Declarant Member is in control of the Master Association, the Directors shall exercise all rights, powers and privileges that would otherwise be exercisable by the Regular Members or Limited Members. The Declarant Member may, at its option, at any time in writing waive its right to control the Master Association and turn over control to the Regular Members, who shall then accept such turnover of control.

**Section 7.5.** The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Steven Henke	3535 East 161 <sup>st</sup> Street, Noblesville, Indiana 46060
John J. O'Neal	3535 East 161 <sup>st</sup> Street, Noblesville, Indiana 46060
Carol Travelstead	3535 East 161 <sup>st</sup> Street, Noblesville, Indiana 46060

**Section 7.6.** The Directors may, by the Bylaws, fix the terms of office for all Directors. However, unless contrary provisions are made by the Bylaws, each Director's term of office shall be for one year, but all Directors shall continue in office until their successors are duly elected and installed. After Declarant no longer elects or appoints the Board of Directors, there shall be held at each annual meeting of this Master Association an election of Board Members who may serve such terms as provided for in the Bylaws, except that Declarant shall have the right to appoint one (1) permanent Member of the Board of Directors who shall have no fixed term of office and shall serve at the pleasure of the Declarant Member. Declarant shall have the right to substitute its Board Member at any time it should so elect.

**Section 7.7.** A majority of the Directors currently serving as such shall constitute a quorum. Except as herein otherwise specified, the decision of a majority of the Directors present at a meeting at which a quorum is present shall be required and shall be sufficient to authorize any action on behalf of the Master Association. Each Director shall be entitled to one vote on every matter represented to the Board of Directors. Notwithstanding the above, Declarant for so

long as it is a Declarant Member, shall have the absolute right at any time to amend the Articles of Incorporation, Bylaws and Declaration without any notice or other Member's consent.

**Section 7.8.** Within ninety (90) days following the date the Declarant Membership shall cease to exist, the Master Association shall conduct a Special Meeting of the Regular Members for the purpose of electing Directors and Officers. Provided, however, that Declarant shall have the right to appoint from time to time a permanent Member of the Board of Directors. Members of the Board of Directors may participate in any meeting of the Board, or a meeting of the Executive Committee, by any communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

## ARTICLE VIII

### Officers

**Section 8.1.** The affairs of the Master Association shall be administered by a President, one (1) or more Vice Presidents, a Secretary, and a Treasurer, and such other officers as the Master Board may from time to time deem necessary. Any two (2) or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person. After the Declarant Member no longer appoints the Board of Directors in accordance with the Bylaws and these Articles, the Officers shall be elected by the Board of Directors at its annual meeting, which shall immediately follow the annual meeting of the Members, and they shall serve one (1) year terms in accordance with the procedures set forth in the Bylaws.

**Section 8.2.** The names of the Officers who are to manage the affairs of the Master Association until the first annual meeting of the Board of Directors and until their successors are duly elected and qualified are:

President	Steve Henke
Vice President	John J. O'Neal
Secretary	Carol Travelstead
Treasurer	Carol Travelstead

**Section 8.3.** Non-Liability. No member or director of the Corporation shall be liable for any of the Association's obligations.

## ARTICLE XIX

### Liabilities and Indemnification

**Section 9.1.** Liability to the Corporation. No person shall be liable to the Corporation for any loss or damage suffered by the Corporation on account of any action taken or omitted to be taken by such person in good faith as a director, officer, employee or agent of the Corporation

if such person (i) exercised or used the same degree of care as an ordinary prudent person in a like position would use under similar circumstances; or (ii) took or omitted to take such action in reliance upon information, opinions, reports or statements, including financial statements and other financial data, in each case, prepared or presented by any officer, employee or committee of the Board of Directors of the Corporation, or legal counsel, public accountants or other professional persons engaged by the Corporation, but such person shall not be considered to be acting in good faith if such person has actual knowledge concerning the matter in questions that would cause such reliance to be unwarranted; or (iii) has not breached or failed to perform the duties of their position or office in compliance with the Act, Articles of the Corporation and By-Laws of the Corporation in a manner constituting willful misconduct or recklessness.

**Section 9.2. Indemnification.** The Corporation shall indemnify any director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, against expenses (including attorney's fees), judgment, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the defense of any action, suit, or proceeding, whether civil, administrative, or investigative, in which he was, is made, or is threatened to be made a party by reason of being or having been a director or officer or former director or officer of the Corporation, or serving or having served at its request as a director or officer of another corporation, except in relation to matters as to which the person's acts or omissions are adjudged in the action, suit, or proceeding to be a breach of the person's duty to the Corporation. Such duty to the Corporation shall be to discharge the duties of the office in a manner that does not constitute willful misconduct or recklessness in the exercise of good faith and reasonable belief that the action or actions were in or not opposed to the best interest of the Corporation. The termination of any action, suit, or proceeding by adverse judgment, order, or settlement (whether with or without court approval) shall not, alone, create a presumption that the director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, did not properly discharge his duty to the Corporation. If several claims, issues, or matters are involved, a director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, may be entitled to indemnification concerning some matters even though indemnification may or can not be given concerning other matters. Any director or officer serving in any capacity for another corporation, who were it not for the influence or vote of the Corporation would not be so serving, shall be deemed to be serving at the request of the Corporation. In addition:

- (a) To the extent that an individual has been successful on the merits or otherwise in the defense of any action, suit, or proceeding referred to in this Section 9.11, or in the defense of any claim, issue or matter therein, the individual shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred in connection therewith.
- (b) Any indemnification, against underlying liability, provided for in this Section 9.11 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of any director or officer or



former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 9.10. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; (b) if such an independent quorum is not obtainable, by majority vote of a committee duly designated by the full Board of Directors (in which designation directors who are parties may participate), consisting solely of two (2) or more directors not at the time parties to the proceeding; (c) by special legal counsel (1) selected by the independent quorum of the Board of Directors (or the independent committee thereof if no such quorum can be obtained), or (2) if no such independent quorum or committee thereof can be obtained, selected by majority vote of the full Board of Directors (in which selection directors who are parties may participate); or (d) by the Members, who are not directors who are at the time parties to the proceeding. Notwithstanding the foregoing, any director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, shall be able to contest any determination that he or she has not met the applicable standard of conduct, by petitioning a court of appropriate jurisdiction.

(c) Expenses incurred in defending any action, suit, or proceeding, whether civil, administrative, or investigative, may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding upon receipt of a written undertaking by or on behalf of any director or officer or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another corporation, to repay the amount paid by the Corporation if it shall ultimately be determined that he or she is not entitled to indemnification as provided in the Articles of Incorporation. No advance shall be given if the Corporation has completed the determination of conduct procedure as provided for in Section 9.11(b) and it is determined that the individual will be precluded from indemnification.

(d) The indemnification provided by this Section 9.11 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Laws, agreement, vote of members or disinterested directors, as a matter of law, or otherwise, both as to actions in the officer's or director's official capacity and as to actions in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(e) The indemnification and advancement of expenses provided by, or granted pursuant to the Articles of Incorporation shall vest at the time of occurrence or performance of any event, act or omission giving rise to any action, suit or proceeding of the nature referred to in these Articles and, once vested, shall not later be impaired as a result of any amendment, repeal, alteration or other modification of any or all of these provisions.

**Section 9.3. Conflicting Provisions.** Any further provisions consistent with the Articles of Incorporation and the laws of this state, for the regulation and conduct of the affairs of the Corporation, and creating, defining, limiting or regulating the powers of this Corporation, of the directors or of the members, may from time to time prescribed by the By-Laws of the Corporation. If there is any conflict between these Articles and the Master Declaration, the Master Declaration shall control. If there is a conflict between the By-Laws and the Master Declaration, the Master Declaration shall control. If there is any conflict between these Articles and the By-Laws, these Articles shall control.

## **ARTICLE X**

### **Conflicts of Interest**

**Section 10.1.** No contract or transaction between the Master Association and one or more of its Directors or Officers, or between the Master Association and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are Directors or Officers or have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or Officer is present at or participates in the meeting of the Board or a committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or Officer of the Master Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

**Section 10.2.** Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.

## **ARTICLE XI**

### **Amendment to Articles of Incorporation**

**Section 11.1.** Declarant, in its sole discretion, may modify, change, or amend these Articles while it is the Declarant Member of the Master Association. Thereafter, amendments to these Articles shall be proposed by unanimous consent of the Board of Directors and adopted by two-thirds (2/3) vote of the Members of this Master Association at any Annual or Special meeting called for that purpose, provided that the full text of any proposed amendments shall be included in the notice of such Annual or Special Meeting and provided further that the voting requirements specified for any action under any provision of these Articles shall apply also to any amendment of such provisions, and no amendment shall be effective which is in contravention of the duties, responsibilities or obligations of the Master Association or the Members as provided in the Declaration. No amendment affecting the Country Club shall be effective without the prior written consent of the Owner thereof.

**Section 11.2.** An amendment shall become effective at the time specified in the amendment documents approved by Declarant or at such time as Declarant is no longer a

Declarant Member. The amendment shall be filed with the Secretary of State and a certified copy recorded with the Recorder of Hamilton County, Indiana, and in any other applicable county. An amendment shall become effective at the time specified in the amendment documents approved by the Master Association Members.

**Section 11.3.** In no event may an amendment to these Articles of Incorporation or the Bylaws thereof be passed which, in any way, destroys the Declarant Membership rights or any rights of Declarant or in any way dilutes or modifies the rights, obligations or benefits thereof without the consent of Declarant.

**Section 11.4.** The first Bylaws of this Master Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the Bylaws.

## **ARTICLE XII**

### **Distribution of Assets on Dissolution or Final Liquidation**

The Corporation may be dissolved with the assent given in writing and signed by not less than two-thirds ( $\frac{2}{3}$ ) of each class of members. Upon dissolution or liquidation of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, corporation, trust or other organization to be devoted to such similar purposes.

## **ARTICLE XIII**

### **Definitions**

**Section 13.1. Terms.** The following terms, as used in these Articles, and in the By-Laws, unless the context clearly requires otherwise, shall mean the following:

(a) "Act" means The Indiana General Nonprofit Exterior Maintenance Association Act of 1991, as amended from time to time.

(b) "Applicable Date" means the date the Class B membership terminates as specified in Article 7.02(e) of the Master Declaration.

(c) "Articles" means the Articles of Incorporation of the Corporation, as amended from time to time.

(d) "Assessment" means all sums lawfully assessed against the Members by the Corporation or as declared by the Master Declaration.

(e) "Board of Directors" means the governing body of the Corporation, and Director shall mean a member of the Board of Directors.

(f) "By-Laws" means the Code of By-Laws of the Corporation, as amended from time to time.

(g) "Master Declaration" means the Master Declaration of Covenants, Conditions and Restrictions of The Bridgewater Club which was recorded in the office of the Recorder of Hamilton County, Indiana, on January 15, 2003 as instrument number 200300005871.

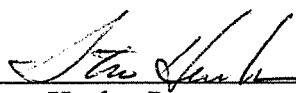
(h) "Person" means an individual, firm, corporation, partnership, association, joint venture, trust or other legal entity, or any combination thereof.

**Section 13.2. Other Terms.** Any capitalized word used herein or in the By-Laws and not otherwise defined above in Section 13.1 shall, unless the context required otherwise, have the meaning set forth in the Master Declaration.

The undersigned, being the sole Incorporator designated in Article 7, does hereby adopt these Articles of Incorporation, representing by his execution hereof to the Secretary of State of the State of Indiana and all persons whom it may concern that a membership list of the Corporation for which a Certificate of Incorporation is hereby applied for has heretofore been opened in accordance with the Act and that at least one (1) person has signed such membership list.

IN WITNESS WHEREOF, the undersigned executes these Articles of Incorporation and verifies, subject to penalties of perjury, that the facts contained herein are true, to the best of his knowledge, information and belief, this 8<sup>th</sup> day of JANUARY, 2004.

**THROGMARTIN-HENKE DEVELOPMENT, LLP**

By:   
Steven Henke, Partner

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