

ARTICLES OF INCORPORATION**of the****COUNCIL OF CO-OWNERS OF THE 1400 FONTAINE ROAD CONDOMINIUMS, INC.**

A corporation ("Corporation") is formed under the Kentucky Non-Profit Corporation Act, Chapter 273 of the Kentucky Revised Statutes ("KRS"), the organizational details of which are as follows:

1. Name.

The Corporation's name shall be the **COUNCIL OF CO-OWNERS OF THE 1400 FONTAINE ROAD CONDOMINIUMS, INC.**

2. Duration.

The Corporation's duration shall be perpetual.

3. Definitions.

As used in these Articles of Incorporation, the following terms shall have the following meaning:

a. "Organizer" shall mean Landshark Properties, LLC, a Kentucky limited liability company, and shall include any person, corporation, company or association to which it may expressly assign its rights, or any of them, from time to time, under these Articles of Incorporation.

b. "1400 Fontaine Road Condominiums" shall mean the property known as Fontaine Condominiums, as recorded in Plat Cabinet G, Slide 158, in the Fayette County Clerk's Office, and future sections, if designated, to be controlled by this Corporation.

c. "Rules and Regulations" shall mean any rules, regulations and restrictions, as amended from time to time, affecting any portion of 1400 Fontaine Condominiums.

d. "Residential Unit" shall mean each residential unit, the owner(s) of which is/are member(s) of the Corporation pursuant to the Master Deed recorded in Deed Book 1275, Page 83, and Condominium Book 6, Page 773, in the Fayette County Clerk's office, as amended from time to time ("Master Deed").

4. Purposes.

The Corporation is organized under the Kentucky Non-Profit Corporation Act as a non-stock, non-profit corporation and the purposes and objects for which and for any of which the Corporation is formed are as follows:

a. To be the “Council of Co-Owners” for the operation and administration of the 1400 Fontaine Condominiums, a condominium project established in Fayette County, Kentucky, pursuant to the provisions of the Kentucky Horizontal Property Law (KRS 381.805 *et seq.*, as amended), and the terms of a certain Master Deed recorded in Condominium Deed Book 6, Page 773, and Deed Book 1275, Page 83, in the office of the Fayette County Clerk.

b. To promote the social welfare and serve the common good and general welfare of the members of the Corporation and to acquire, construct, operate, maintain, repair and replace any common elements, including the building, basement, yard, parking apron, driveway and any garage, whether owned by the Corporation or not, within the 1400 Fontaine Condominiums.

c. Notwithstanding the generality of the foregoing, the Corporation shall not (1) devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, or (2) directly or indirectly participate in, intervene in (including the publishing or distributing of statements), any political campaign on behalf or in opposition to any candidate for public office.

5. **Power.**

In addition to all other powers the Corporation may have pursuant to the Kentucky Non-Profit Corporation Act, including KRS 273.171, the Corporation shall have the powers:

a. Conferred upon a Council of Co-Owners under the provisions of the Kentucky Horizontal Property Law and the applicable provisions of the Kentucky Condominium Act, including KRS 381.9167.

b. Conferred upon the Corporation in the Master Deed;

c. To exercise and enforce any right or privilege assigned to it under the Master Deed and the Rules and Regulations; and

d. To assess, levy and collect assessments against each Residential Unit and against members of the Corporation, as provided in the Master Deed, the By-Laws and Rules and Regulations.

6. **Internal Affairs.**

Provisions for the regulation of the internal affairs of the Corporation, including provisions for the distribution of assets on dissolution or final liquidation, are:

a. The membership of the Corporation shall consist of the owners of record of the Residential Units, as designated in the Master Deed, and such members shall be classified as follows:

(i) Class A membership shall consist of all members other than Organizer.

(ii) Class B membership shall consist of Organizer.

b. The owner member(s) of each Residential Unit shall have one aggregate vote for each such Residential Unit, but the right of Class A members to vote may be exercised only in accordance with subparagraph 6(c).

c. Class A members entitlement to exercise any vote shall be limited as provided in:

(i) Articles 2 and 3 of the By-Laws.

d. Membership in the Corporation shall terminate when a person is no longer the owner of record of a Residential Unit.

e. Nothing in these Articles of Incorporation shall limit the right of Organizer to alter in any way its plans for the development of 1400 Fontaine Condominiums at any time and from time to time.

f. No part of the Corporation's net earnings shall inure to the benefit of any individual or member of the Corporation, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in paragraph 4 hereof.

g. Upon the dissolution or final liquidation of the Corporation, any remaining assets of the Corporation shall be distributed to one or more organizations, designated by the Board of Directors at that time, to be used in such manner as in the judgment of the Board of Directors will best accomplish the general purposes of the Corporation. Each of such organizations shall operate to be exempt from federal tax under § 501(c)(3), § 501(c)(4) or § 501(c)(7) of the Internal Revenue Code of 1986 as amended, or under corresponding legislation if the Internal Revenue Code of 1986 is not then in effect.

7. **Principal Office.**

The mailing address of the Corporation's principal office is 781 Glendover Road, Lexington, Kentucky 40502.

8. **Registered Office and Agent.**

The address of the Corporation's initial Registered Office shall be 781 Glendover Road, Lexington, Kentucky 40502, and the name of its initial Registered Agent at such address shall be Evan F. Henson.

9. **Board of Directors.**

The number of directors constituting the Corporation's initial Board of Directors shall be three (3), and the names and addresses of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
Evan F. Henson	781 Glendover Road Lexington, KY 40502
Christian P. Christensen	1700 Lakewood Lane Lexington, KY 40502
Katherine Henson	781 Glendover Road Lexington, KY 40502

A director may be removed from office pursuant to the procedure for removal provided for in the Bylaws of the Corporation.

10. **By-Laws.**

The By-Laws may be adopted or amended as provided for the By-Laws of the Corporation.

11. **Indemnification; Liability of Directors.**

a. Each person who is or was a director, committee member or officer of the Corporation, whether elected or appointed, including the heirs, executors, administrators, or estate of any such person ("Person"), shall be indemnified by the Corporation to the full amount against any liability, and the reasonable cost or expense (including attorney fees, monetary or other judgments, fines, excise taxes, or penalties and amounts paid or to be paid in settlement) incurred by such Person in such Person's capacity as a director, committee member, or officer or arising out of such Person's status as a director, committee member, or officer; provided, however, no such Person shall be indemnified against any such liability, cost, or expense incurred in connection with any action, suit, or proceeding in which such Person shall have been adjudged liable on the basis that personal benefit was improperly received by such Person, or if such indemnification would be prohibited by law. Such right of indemnification shall be a contract right and shall include the right to be paid by the Corporation the reasonable expenses incurred in defending any threatened or pending action, suit, or proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors of the Corporation) in advance of its final disposition; provided, however, that such advance payment of expenses shall be made only after delivery of the Corporation of an undertaking by or on behalf of such Person

to repay all amounts so advanced if it shall be determined that such Person is not entitled to such indemnification. The directors, committee members and officers of the Corporation shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. Furthermore, the officers and directors shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Corporation, and the Corporation shall indemnify and forever hold such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any repeal or modification of this paragraph shall not affect any rights or obligations then existing. If any indemnification payment required by this paragraph is not paid by the Corporation within ninety(90) days after a written claim has been received by the Corporation, the director, committee member or officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount and, if successful in whole or in part, such Person shall be entitled to be paid also the reasonable cost and expense (including attorneys' fees) of prosecuting such claim. The Corporation may maintain insurance, as a common expense, to protect itself and any director, committee member or officer against any such liability, cost, or expense, whether or not the Corporation would have the power to indemnify such Person against such liability, cost, or expense under the applicable law or under this paragraph, if such insurance is reasonable available. The indemnification provided by this paragraph shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or board of directors, or otherwise. If this paragraph or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then such invalidated portion shall be deemed amended such that it provides the greatest protection to directors, officers and committee members as the law permits and the Corporation shall nevertheless indemnify each such Person to the full extent permitted by any applicable portion of this paragraph that shall not have been invalidated (including the provision invalidated to the extent it is deemed amended as provided above) or by any other applicable law.

b. The liability of each and all of the directors of this Corporation shall be and is hereby limited to the greatest extent permitted by law and no director of the Corporation shall be liable to the Corporation for monetary damages for breach of such director's duties as a director, except for the following (which exceptions shall be construed as narrowly as legally permissible):

- (i) For any transaction in which the director's personal financial interest is in conflict with the financial interests of the Corporation;
- (ii) For acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of the law; or
- (iii) For any transaction from which the director derives an improper personal benefit.

In addition to the limitation on a director's liability stated hereinabove, no action taken as a director and no failure to take action as a director shall be the basis for monetary damages or injunctive relief unless:

- (iv) The director has breached or failed to perform the duties of the director's office in compliance with the general standards for directors as set forth in KRS 273.215 or any successor statute(s); and
- (v) In the case of an action for monetary damages, the breach or failure to perform constitutes willful misconduct or wanton or reckless disregard for human rights, safety or property.

If KRS 273 (or any successor statute(s)) is amended in a manner further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be deemed to be eliminated or limited by this paragraph to the fullest extent then permitted by KRS 273, as so amended. Any repeal or modification of this paragraph shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

To the extent any Person is serving as an officer as a result of being a director, such Person's liability as an officer shall be limited to the same extent as such Person's liability as a director is limited.

12. **Incorporator.**

The name and address of incorporator is Evan F. Henson, 781 Glendover Road, Lexington, Kentucky 40502.

13. **Amendment.**

During the "Organizer's Control Period", as defined in the By-Laws, these Articles of Incorporation may be amended by the Board of Directors.

IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation on August 16, 2023.



Evan F. Henson

THIS INSTRUMENT PREPARED BY:


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Consent of Initial Agent for Service of Process to Serve

I, **EVAN F. HENSON**, having a principal place of business at 781 Glendover Road, Lexington, Kentucky 40502, hereby agree and consent to serve as registered office and agent for service of process of Council of Co-Owners of the 1400 Fontaine Road Condominiums, Inc.



Evan F. Henson

Dated: August 18, 2023

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