

Candlewood Lake Association, Inc.
Amended and Restated Articles of Incorporation
As Approved on May 21, 2022

Candlewood Lake Association, Inc., an Ohio nonprofit corporation formed under Chapter 1702 of the Ohio Revised Code, hereby amends and restates its Articles of Incorporation, as amended and restated, to read as follows:

ARTICLE I
NAME

The name of the corporation is Candlewood Lake Association, Inc. ("Association").

ARTICLE II
PRINCIPAL OFFICE

The principal office of the Association shall be located at Candlewood Lake, 7326 State Route 19, Mount Gilead, Ohio 43338 (Congress Township, Morrow County),

ARTICLE III
PURPOSE AND POWERS

The Association is formed as a nonprofit corporation under the provisions of Chapter 1702 of the Ohio Revised Code and is organized and shall be operated exclusively to promote social welfare as contemplated by Section 501(c)(4) of the Internal Revenue Code of 1986, as amended, and the corresponding provision of any successor law ("IRC Section 501(c)(4)"). It is not formed for pecuniary gain or profit, and no part of its net earnings shall inure to the benefit of, or be distributable to, its members, trustees, officers or other private persons, except that the Association 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 this Article. This provision shall be applied, to the maximum permissible extent, so as to come within the meaning of IRC Section 501(c)(4).

The purposes of the Association are as follows:

(a) To promote pleasure, social recreation and sports activities for its Voting Members, their families and guests and to develop and maintain a recreationally-oriented residential environment at Candlewood Lake Subdivision, Morrow County, Ohio as shown on the plats thereof filed with the Recorder of Morrow Count, Ohio (the "Subdivision").

(b) To provide a means whereby the streets, and those areas within the Subdivision designated as parks, dams, lakes, recreational areas, buildings, utilities, and such other common facilities within the Subdivision as may be conveyed to the Association or established by it, may be owned, operated, maintained, developed, repaired and replaced.

(c) To provide means for the promulgation and enforcement of regulations necessary to governing the use and enjoyment of the streets, parks, dams, lakes, recreational facilities or other amenities and such other common facilities to the Subdivision as may be conveyed to the Association.

Except as otherwise expressly provided in these Amended and Restated Articles of Incorporation (these "Restated Articles") or the Bylaws of the Association, the Association, through its Board of Trustees, shall have all the powers, protection, rights and authority conferred upon nonprofit corporations under Chapter 1702 of the Ohio Revised Code to do all things permitted by law and to exercise all authority within the purposes stated in these Restated Articles or incidental to its purposes.

Notwithstanding any other provision of these Restated Articles, the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under IRC Section 501(c)(4).

ARTICLE IV **BOARD OF TRUSTEES**

Except as otherwise provided in the By-Laws, the Board of Trustees shall consist of not less than three (3) Trustees, provided that the Trustees shall presently consist of nine (9) Trustees. The number of Trustees, the manner of selection of their successor Trustees, and their terms of office shall be as set forth in the Association's By-Laws.

The Trustees shall have such powers, not inconsistent with law or vested herein in the members, as are set forth in the Association's By-Laws.

ARTICLE V
DISSOLUTION

The Association may be dissolved with the assent of Voting Members holding at least the majority of the voting power of Voting Members actually responding to a written vote solicitation, provided that lawful notice shall be first served by mail on all lot owners of record. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association, both real and personal, shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, the assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to similar purposes. The net earnings of the Association shall never inure to any of its members, trustees, officers or other private persons.

ARTICLE VI
AMENDMENTS

These Restated Articles may be amended in any manner permitted by Chapter 1702 of the Ohio Revised Code.

ARTICLE VII
INDEMNIFICATION

(I) To the maximum extent permitted under the authority of Ohio Revised Code Section 1702.12(E), the standards for which are hereby incorporated into these Amended Articles of Incorporation, the Association shall 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 investigative, other than an action by or in the right of the Association, by reason of the fact that he or she is or was a trustee, officer, employee, committee person, or agent of the Association, or is or was serving at the request of the Association as a trustee, director, officer, employee, committee person, or agent of another corporation, domestic or foreign, non-profit, or for profit, partnership, joint venture, trust, or other enterprise. Indemnification shall include expenses, attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association. With respect to any criminal action or proceeding, he or she shall be indemnified if he or she had no reasonable cause to believe his or her 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 or she 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 or her conduct was unlawful.

(2) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a trustee, officer, employee, committee person, or agent of the Association, or is or was serving at the request of the Association as a trustee, director, officer, employee, committee person, or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise. Indemnification shall include expenses, attorneys' fees, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association. Indemnification shall be made in respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association, to the extent that the court of common pleas or the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

(3) To the extent that a trustee, director, officer, employee, committee person, or agent has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in divisions (1) and (2) of this Article, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection therewith.

(4) Any indemnifications under divisions (1) and (2) of this Article, 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, trustee, employee, committee person, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in divisions (1) and (2) of this Article. Such determination shall be made (a) by a majority vote of a quorum consisting of trustees of the indemnifying corporation who were not and are not parties to or threatened with any such action, suit, or proceeding, or (b) if such a quorum is not obtainable, or if a majority of the disinterested trustees so directs, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Association or any person to be indemnified within the past five years, or (c) by a majority vote of the Voting Members participating in the vote, or (d) by the court of common pleas or the court in which such action, suit or proceeding was brought. Any determination made by the disinterested trustee under division (4) (b) of this Article shall be promptly communicated to the person who threatened or brought the action or suit by or in the right of the corporation under divisions (1) and (2) of this Article, and within ten days after receipt of such notification, such person shall have the right to petition the court of common pleas or the court in

which such action or suit was brought to review the reasonableness of such determination.

(5) Expenses, including attorneys' fees, incurred in defending any action, suit, or proceeding referred to in divisions (1) and (2) of this Article, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the trustees in the specific case upon receipt of an undertaking by or on behalf of the trustee, director, officer, employee, committee person, or agent to repay such amount if it ultimately be determined that he or she is not entitled to be indemnified by the Association as authorized by this Article.

(6) The indemnification authorized by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles or the regulations, or any agreement, or by vote of Voting Members, or by disinterested trustees, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. It shall also be applied to a person who has ceased to be a trustee, director, officer, employee, committee person, or agent and shall inure to the benefit of the heirs, executors, and administrators of any such person.

(7) The Association may purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee, committee person, or agent of the corporation, or is or was serving at the request of the corporation as a trustee, director, officer, employee, committee person, or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under this Article.

(8) As used in this Article, "Association" includes all subsidiary corporations, any related entity, all constituent corporations in a consolidation of merger, and the new or surviving corporation, to the objective that any person who is or was a trustee, officer, employee, committee person, or agent of any subsidiary corporation, any related entity, constituent corporation or is or was serving at the request of such constituent corporation as a trustee, director, officer, employee, committee person, or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise, shall stand in the same position under this Article with respect to the new or surviving corporation as he or she would if he or she had served the subsidiary, related, new or surviving corporation in any capacity.

(9) The Association's duty to indemnify shall not be deemed to exclude any other rights to which such trustee, director, officer, employee, committee person, or agent of the corporation may be entitled under its Bylaws, any agreement, any insurance purchased by the Association, or by vote of Voting Members, or otherwise.