



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

THE PRESERVE AT WALNUT SPRINGS HOMEOWNERS ASSOCIATION, INC.
CHARTER NUMBER 01573082

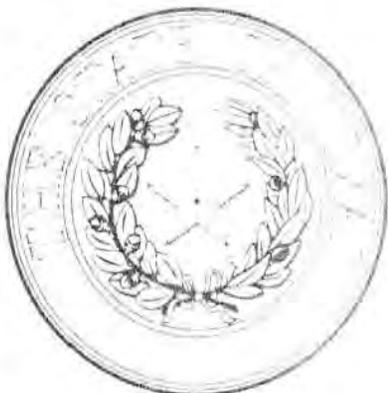
THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED MAR. 3, 2000

EFFECTIVE MAR. 3, 2000



A handwritten signature in black ink, reading "Elton Bomer".

Elton Bomer, Secretary of State

ARTICLES OF INCORPORATION

OF

THE PRESERVE AT WALNUT SPRINGS HOMEOWNERS ASSOCIATION, INC.

A Texas Non-Profit Corporation

I, the undersigned natural person over the age of eighteen years, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE 1. HOMEOWNERS ASSOCIATION. The corporation shall be, mean, and constitute the homeowners' association (the "Association"), organized for the benefit of all of the real property owners in that certain residential development in Blanco County, Texas, known as "The Preserve at Walnut Springs" and more fully described in Declaration of Covenants, Conditions, and Restrictions for The Preserve at Walnut Springs (the "Declaration"), filed or to be filed against THE PRESERVE AT WALNUT SPRINGS, a subdivision in Blanco County, Texas, according to the map or plat thereof of record (or to be placed of record) in Volume 2, Page 1 of the Plat Records of Blanco County, Texas. The Declaration is incorporated herein by reference for all purposes as if fully set forth herein.

ARTICLE 2. NAME. The name of the Association is The Preserve at Walnut Springs Homeowners Association, Inc.

ARTICLE 3. NON-PROFIT. The Association is a non-profit corporation, organized pursuant to the Texas Non-Profit Corporation Act.

ARTICLE 4. DURATION. The duration of the Association shall be perpetual.

ARTICLE 5. PURPOSES. The general purposes for which the Association is formed are as follows:

(a) To exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration, as the same may be further amended from time to time;

(b) To preserve, maintain, enforce, and carry out the uniform plan for the improvement, development, maintenance, sale, and use of the Property, and portions thereof, the reservations, restrictions, covenants, conditions, easements, liens and charges, as set forth in the Declaration, by exercising all of the powers of the Association provided therein;

(c) To provide for the management, maintenance, repair, replacement, administration, insuring, and operation of the Property, as provided in the Declaration, the Bylaws of the Association, and any rules and regulations promulgated in connection therewith; and

(d) To have and exercise any and all powers, rights, and privileges which a corporation organized under the Texas Non-Profit Corporation Act, by law may now or hereafter exercise.

Capitalized terms used but not defined herein which are defined in the Declaration shall have the meanings ascribed to them in the Declaration.

ARTICLE 6. POWERS. In furtherance of its purposes, the Association shall have the following powers which, unless otherwise indicated by these articles, the Declaration, the bylaws, or state law, may be exercised by the Board:

a) All rights and powers conferred upon non-profit corporations by Texas state law in effect from time to time.

b) All powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in these articles, the Declaration, the Bylaws of the Association, or the laws of the State of Texas.

ARTICLE 7. MEMBERSHIP. The Association is a membership corporation. The provisions for membership are set forth in the Declaration and the Association's Bylaws.

ARTICLE 8. MANAGEMENT BY BOARD. The management and affairs of the Association shall be vested in the Board, except for those matters expressly reserved to others in the Declaration and Bylaws of the Association. The Bylaws of the Association shall determine the number and qualification of Board members; the term of office of Board members; the methods of electing, removing, and replacing Board members; and the methods of holding a Board meeting and obtaining consents.

ARTICLE 9. LIMITATIONS ON LIABILITY. a. Except as provided in Paragraph b below, an officer or member of the Board of the Association is not liable to the Association or its members for monetary damages for acts or omissions that occur in the person's capacity as an officer or director, except to the extent a person is found liable for (i) a breach of the officer or director's fiduciary duty or duty of loyalty to the Association or its Members; (ii) an act or omission not in good faith that constitutes a breach of duty of the officer or Board member to the Association; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the officer or Board member receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office; or (v) an act or omission for which the liability of an officer or Board member is expressly provided by an applicable statute. The liability of officers and Board members of the Association shall, to the fullest extent permitted by law, be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

Any amendment, repeal or modification of the foregoing provision by the Members of the Association shall not adversely affect any limitation on the liability of any Board member or officer of the Association existing at or prior to the time of such amendment, repeal or modification.

b. The limitation on the liability of an officer or Board member does not eliminate or modify that person's liability as a Member of the Association. It is intended that the liability of any Member arising out of any contract made by the Association, or out of the indemnification of officers or Board members, or for damages as a result of injuries arising in connection with the common elements and not caused by such Member or other person for whom such Member is responsible, or for liabilities incurred by the Association, wherein the Members expressly assume in writing such personal liability, shall be limited to the same proportion in which such Member is liable for common expenses as a Member of the Association. Pursuant to Article 1396-2.08E of the Texas Non-Profit Corporation Act, Members of the Association are not personally liable for the debts, liabilities or obligations of the Association.

ARTICLE 10. INDEMNIFICATION. Subject to the limitations and requirements of Art. 1396-2.22A of the Nonprofit Corporation Act, the Association shall indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an officer or director of the Association. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in such a capacity and arising out of his status as such a person.

ARTICLE 11. AMENDMENT OF ARTICLES. These articles may be amended in accordance with the Nonprofit Corporation Act, subject to the following:

- (a) An amendment shall not conflict with the Declaration or applicable state law.
- (b) An amendment shall not impair or dilute a right granted to the Declarant or other person by the Declaration, without the Declarant's or that person's written consent, as the case may be.
- (c) Without Member approval, the Board of the Association may adopt amendments permitted by Art. 1396-4.02.A(4) of the Nonprofit Corporation Act.
- (d) The consent of any Member's lienholder shall not be required to amend these articles.

ARTICLE 12. AMENDMENT OF BYLAWS. The Bylaws of the Association shall be amended or repealed according to the amendment provision of such Bylaws, which may reserve those powers to the Members.

ARTICLE 13. DISSOLUTION. The Association may be dissolved only as provided in the Declaration, Bylaws of the Association, and by state law. On dissolution, the assets of the Association shall be distributed in accordance with applicable state law.

ARTICLE 14. ACTION WITHOUT MEETING. Pursuant to Article 1396-9.10.C. of the Non-Profit Corporation Act, any action required by the Non-Profit Corporation Act to be taken at a meeting of the Members or the Board, or any action that may be taken at a meeting of the Members, the Board or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Members, Board members, or committee members as would be necessary to take that action at a meeting at which all of the Members, Board members, or members of the committee were present and voted.

ARTICLE 15. INITIAL BOARD OF DIRECTORS. The initial Board shall consist of three directors who shall serve as Board members until their successors shall have been elected and qualified, as provided in the Bylaws of the Association. The name and address of each initial director is as follows:

<u>Name</u>	<u>Address</u>
Katherine A. MacClain	1600 Anderson Road McLean, Virginia 22102
Gerald T. Halpin	1600 Anderson Road McLean, Virginia 22102
Michael T. Halpin	1600 Anderson Road McLean, Virginia 22102

ARTICLE 16. INITIAL REGISTERED AGENT. The name of the Association's initial registered agent is L. Jeffrey Hubenak. The address of the Association's initial registered office is c/o Locke Liddell & Sapp LLP, 100 Congress Avenue, Suite 300, Austin, Texas 78701.

ARTICLE 17. INCORPORATOR. The name and address of the incorporator are as follows:

L. Jeffrey Hubenak
Locke Liddell & Sapp LLP
100 Congress, Suite 300
Austin, Texas 78701

IN WITNESS WHEREOF, I have set my hand this 25th day of February, 2000.


L. Jeffrey Hubenak