

**ARTICLES OF INCORPORATION
OF
PATRIOTS WALKE HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME**

The name of the corporation is Patriots Walke Homeowners Association, Inc. (the "Association").

**ARTICLE II
PURPOSES**

The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed is to provide for the management, maintenance and care of certain real estate and the enforcement of covenants within the planned unit development known as "Patriots Walke," located in Suffolk, Virginia, as more particularly described in the Declaration of Protective Covenants and Restrictions made by Nansemond Investment Co, LLC, to be recorded in the Clerk's Office of the Circuit Court of Suffolk, Virginia, as the same may hereafter be amended, restated, or supplemented (collectively, "the Declaration"), and to provide a means whereby the Owners acting together may provide for the ownership, management, maintenance and care of the Common Areas, Limited Common Areas, and Neighborhood Common Areas, and in connection therewith shall: (a) enforce the Declaration and exercise all of the powers and privileges and perform all of the duties and obligations of the Association; (b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the Declaration and Bylaws of the Association; (c) pay all expenses of the Association; (d) subject to the Declaration and Bylaws, acquire, encumber, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association and exercise or waive any rights in its favor arising under the Declaration; and (e) have and exercise any and all powers, rights and privileges which a corporation organized under the Nonstock Corporation Act of the Commonwealth of Virginia may by law now or hereafter have or exercise.

No part of the net earnings of the Association shall inure to the benefit of any private individual other than by providing management, maintenance and care of the Common Areas, Limited Common Areas, and Neighborhood Common Areas, and other than by a rebate of excess membership dues, fees and assessments.

**ARTICLE III
DEFINITIONS**

Except as expressly defined herein, all capitalized terms used herein shall have the respective meanings set forth in the Declaration or in the Bylaws of this Association. "Period of

Developer Control” shall mean the period of time until the Class B membership terminates.

ARTICLE IV
MEMBERSHIP

Section 4.1. Membership. Every Owner of a Lot and every Owner of a Parcel shall be a Member of the Association. Membership shall be appurtenant to, and shall not be separated from, ownership of any Lot or Parcel. Upon the recordation in the Clerk’s Office of a deed to a Lot or a Parcel, the membership of the selling Owner shall cease and the purchasing Owner shall become a Member of the Association.

Section 4.2. Classes of Membership and Voting Rights. The designation of classes of membership and the voting rights of Members shall be as provided in the Declaration, any applicable Supplemental Declaration(s), and the Bylaws.

ARTICLE V
REGISTERED OFFICE AND REGISTERED AGENT

The address of the initial registered office of the Association which is located in the City of Virginia Beach, Virginia is 544 Newtown Road, Suite 128, Virginia Beach, Virginia 23462. The name of the initial registered agent of the Association is David S. Rudiger, who is a resident of Virginia and a Director of the Association, and whose business address is identical with the registered office.

ARTICLE VI
BOARD OF DIRECTORS

Section 6.1. Number. Except as provided below, the number of directors shall be as fixed in accordance with the Bylaws, or in the absence of such a bylaw shall be five (5).

The number of directors constituting the initial Board of Directors shall be three (3) and during the Period of Developer Control the number of directors may vary, at the sole discretion of the Developer, from three (3) members to seven (7) members, each of whom shall serve for one year terms, or until their successors are elected and take office; and the names and addresses of the persons who are to serve as initial directors are as follows:

<u>Names</u>	<u>Addresses</u>
David Rudiger	544 Newtown Rd., Suite 128 Virginia Beach, VA 23452
Andrew Rudiger	544 Newtown Rd., Suite 128 Virginia Beach, VA 23452
Dennis White	544 Newtown Rd., Suite 128 Virginia Beach, VA 23452

Section 6.2. Appointment of Directors During Period of Developer Control. Developer shall have the right to appoint or remove any member or members of the Board of Directors during the Period of Developer Control. Each Owner, by acceptance of a deed to or other conveyance of a Lot or Parcel, vests in Developer the authority to appoint and remove directors of the Association during the Period of Developer Control. The directors selected by Developer need not be Owners or residents within the Properties.

Section 6.3. Election of Directors After Period of Developer Control.

(a) Within ninety (90) days after the expiration of the Period of Developer Control, the Board of Directors shall call a special meeting of Members at which meeting all directors appointed by Developer shall resign and the Class A Members shall elect successor members of the Board. Thereafter, nominations for election to the Board of Directors shall be made from the floor and may also be made by a nominating committee, if such a committee is established by the Board of Directors. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(b) Five (5) directors shall be elected at the first meeting of the Association after termination of the Period of Developer Control. All eligible Members of the Association shall be entitled to vote on all directors to be elected and the candidate(s) receiving the most votes shall be elected. Two (2) directors shall serve a term of two (2) years, such directors shall constitute Group A Directors, and three (3) directors shall serve a term of one (1) year, such directors shall constitute Group B Directors. At each annual meeting thereafter, members shall elect directors to fill the positions of the terms that are expiring for a term of two (2) years.

(c) Except with respect to directors appointed by Developer, at any regular or special meeting of the Association duly called where the meeting notice states that the purpose, or one of the purposes, of the meeting is removal of the director, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority vote of the Members and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed shall be given at least seven (7) days' notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting.

(d) Vacancies in the Board of Directors occurring for any reason other than the removal of a director by vote of the Members, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors or, in the absence of any remaining directors, vacancies may be filled by the Developer. Each person so selected shall serve the unexpired portion of the term of the director being replaced. Notwithstanding the foregoing, Developer shall fill all vacancies in the Board of Directors arising before the termination of the Period of Developer Control.

(e) Any representative of Developer serving on the Board of Directors of the Association shall not be required to disqualify himself or herself upon any vote upon any management contract or other contract or lease between Developer (or any individual, partnership or corporation affiliated with Developer) and the Association.

ARTICLE VII
LIMIT ON LIABILITY AND INDEMNIFICATION

Section 7.1 Definitions. For purposes of this Article the following definitions shall apply:

(a) "Expenses" include counsel fees, expert witness fees and costs of investigation, litigation and appeal, as well as any amount expended in asserting a claim for indemnification;

(b) "Liability" means the obligation to pay a judgment, settlement, penalty, fine or other such obligation, including, without limitation, any excise tax assessed with respect to an employee benefit plan;

(c) "Legal Entity" means a corporation, partnership, joint venture, trust, employee benefit plan or other enterprise;

(d) "Predecessor Entity" means a legal entity the existence of which ceased upon its acquisition by the Association in a merger or otherwise; and

(e) "Proceeding" means any threatened, pending or completed action, suit, proceeding or appeal whether civil, criminal, administrative or investigative and whether formal or informal.

Section 7.2 Limit on Liability. In every instance in which the Virginia Nonstock Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of liability of directors or officers of a corporation to the corporation or its Members or of the directors or officers of a "community association" (as defined in the Virginia Nonstock Corporation Act), any liability of the directors and officers of this Association shall be so limited or eliminated.

Section 7.3 Mandatory Indemnification. The Association shall indemnify any individual who is or was threatened to be made a party to a Proceeding (including a Proceeding by or in the right of the Association or by or on behalf of its Members) because such individual is or was a director or officer of the Association or because such individual is or was serving the Association, or any other Legal Entity in any capacity at the request of the Association, against all Liabilities and reasonable Expenses incurred in the Proceeding except such Liabilities and Expenses as are incurred because of such individual's willful misconduct or knowing violation of

the criminal law. Service as a director or officer of a Legal Entity controlled by the Association shall be deemed service at the request of the Association. Unless a determination has been made that indemnification is not permissible, the Association shall make advances and reimbursements for expenses incurred by a director or officer in a Proceeding upon receipt of an undertaking from such director or officer to repay the same if it is ultimately determined that such director or officer is not entitled to indemnification. Such undertaking shall be an unlimited, unsecured, general obligation of the director or officer and shall be accepted without reference to such director's or officer's ability to make repayment. The termination of a Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not of itself create a presumption that a director or officer acted in such a manner as to make such director or officer ineligible for indemnification. The Association is authorized to contract in advance to indemnify and make advances and reimbursements for Expenses to any of its directors or officers to the same extent provided in this Section.

Section 7.4 Miscellaneous. The rights of each person entitled to indemnification under this Article VII shall inure to the benefit of such person's heirs, executors and administrators. Indemnification pursuant to this Article shall not be exclusive of any other right of indemnification to which any person may be entitled, including indemnification pursuant to a valid contract, indemnification by Legal Entities other than the Association and indemnification under policies of insurance purchased and maintained by the Association or others. However, no person shall be entitled to indemnification by the Association to the extent such person is indemnified by another, including an insurer. The Association is authorized to purchase and maintain insurance against any Liability it may have under this Article or to protect any of the persons named above against any Liability arising from their service to the Association or any other Legal Entity at the request of the Association regardless of the Association's power to indemnify against such Liability. The provisions of this Article shall not be deemed to preclude the Association from entering into contracts otherwise permitted by law with any individuals or Legal Entities, including those named above. If any provision of this Article or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of this Article, and to this end the provisions of this Article are severable.

Section 7.5 Amendments. No amendment, modification or repeal of this Article shall diminish the rights provided hereunder to any person arising from conduct of events occurring before the adoption of such amendment, modification or repeal.

ARTICLE VIII AMENDMENT

These Articles of Incorporation may be amended pursuant to Virginia Code Section 13.1-886 and with the approval of the Class B Member (until the Class B membership terminates) and the vote of two-thirds of the Class A votes (including Developer as to Class A votes held by Developer). Notwithstanding the foregoing, during the Period of Developer Control, the Developer may amend these Articles of Incorporation as it sees fit from time to time.

DATED this 2nd day of June, 2016.



DAVID S. RUDIGER, Incorporator

COMMONWEALTH OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me in the City of Virginia Beach, Virginia on the 2nd day of June, 2016 by David S. Rudiger.



Notary Public

My commission expires: 01/31/2018 Notary ID: 7053290

