

Filed  
In the Office of the  
Secretary of State of Texas  
DEC 12 2003  
Corporations Section

ARTICLES OF INCORPORATION  
OF  
BELLA CHARCA PROPERTY OWNERS' ASSOCIATION, INC.

I, **JOHN V. BLANKENSHIP**, a natural person at least 18 years of age, acting as incorporator, adopt the following Articles of Incorporation ("Articles") of **BELLA CHARCA PROPERTY OWNERS' ASSOCIATION, INC.** under the Texas Non-Profit Corporation Act ("Act").

ARTICLE I  
NAME

The Corporation's name is **BELLA CHARCA PROPERTY OWNERS' ASSOCIATION, INC.** ("Association").

ARTICLE II  
NONPROFIT CORPORATION

The Association is a nonprofit corporation. The Association does not contemplate pecuniary gain or profit to its members. Upon dissolution, all the Association's assets, if any, will be distributed equally to the record owners if allowed by law.

ARTICLE III  
DURATION

The period of duration is perpetual.

ARTICLE IV  
PURPOSES

The Association is organized to obtain, regulate, manage, conduct, maintain the property, and enforce covenants, conditions and restrictions pertaining to the property and perform other items related to the property, all of which property is in real estate development to be known as **Bella Charca Subdivision** (or a similar name) (the "Subdivision"), a subdivision located in Bell County, Texas, including all present and future phases of the Subdivision. Each phase of the Subdivision will be included in and covered by the Association.

ARTICLE V  
POWERS

Subject to the limitations in these Articles, the Association has the authority to take any action it deems necessary relating to the management of the Association, including the following powers:

1. To perform all the duties and obligations of the Association set forth in the Declaration of Covenants, Conditions and Restrictions and any amendments ("Declaration") for the Subdivision. The Declaration is or will be recorded in the Official Public Records of Real

Property of Bell County, Texas. The Declaration is incorporated in these Articles as if set forth at length. Terms used in these Articles have the same meaning as in the Declaration.

- 2. To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes. Any merger or consolidation must, however, have the consent of a majority of the members present or represented by proxy at either an annual, regular or special meeting held, with proper notice, and, in part, for such purpose.
- 3. To annex additional property, file additional declarations, and have the annexed properties in the Association.
- 4. To have and to exercise any and all other powers granted under the Act.

ARTICLE VI  
RESTRICTIONS AND REQUIREMENTS

The Association may not pay dividends or other corporate income to its members, directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Association has no power to take any action prohibited by the Act.

Regardless of any other provision in these Articles or state law, the Association has no power to engage in any activity that would terminate its status as a nonprofit corporation under the Internal Revenue Code.

ARTICLE VII  
MEMBERSHIP

The Association has 2 classes of members, as provided in the Association's bylaws.

ARTICLE VIII  
INITIAL REGISTERED OFFICE AND AGENT

The street address of the Association's initial registered office is **201 East Rancier; Killeen, Texas 76541**. The name of the initial registered agent at this office is **JOHN V. BLANKENSHIP**.

ARTICLE IX  
BOARD OF DIRECTORS

The Association will be managed by a Board of Directors ("Board"). The qualifications, manner of selection, duties, terms, and other matters relating to the Board are provided in the bylaws. The initial Board will have 3 persons. The number of directors may be increased or decreased by adopting or amending the bylaws. In electing directors, members may not cumulate their votes by giving 1 candidate as many votes as the number of directors to be elected or by distributing the same number of votes among any number of candidates. The initial Board will be composed of the following persons at the following addresses.

Name of Director	Street Address
JOHN V. BLANKENSHIP	201 East Rancier Killeen, Texas 76541
PATRICIA L. BLANKENSHIP	201 East Rancier Killeen, Texas 76541
RONALD E. STEPP	109 East Avenue B Killeen, Texas 76541

ARTICLE X  
LIMITATION ON LIABILITY OF DIRECTORS

A director is not liable to the Association or members for monetary damages for an act or omission in the director's capacity as director except to the extent otherwise provided by a Texas statute.

ARTICLE XI  
INDEMNIFICATION

The Association may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or was a director or other person related to the Association as provided by the provisions in the Act governing indemnification. As provided in the bylaws, the Board has the power to define the requirements and limitations for the Association to indemnify directors, officers, members, or others related to the Association.

ARTICLE XII  
CONSTRUCTION

All references in these Articles to statutes, regulations, or other sources of legal authority refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE XIII  
INCORPORATOR

The incorporator's name and street address is **JOHN V. BLANKENSHIP, 201 East Rancier, Killeen, Texas.**

ARTICLE XIV  
DISSOLUTION

The Association may be dissolved with the consent given in writing and signed by a majority of the members present or represented by proxy at either an annual, regular or special meeting held, with proper notice, and, in part, for such purpose.

ARTICLE XV  
AMENDMENT OF ARTICLES

These Articles may be amended with the consent of a majority of the members present or represented by proxy at either an annual, regular or special meeting held, with proper notice, and, in part, for such purpose.

ARTICLE XVI  
ACTION BY WRITTEN CONSENT

Action may be taken by using signed written consents by the number of members, directors, or committee members whose vote would be necessary to take action at a meeting at which all persons entitled to vote were present and voted. Each written consent must bear the date of signature of each person signing it. A consent signed by less than all the members, directors, or committee members is not effective to take the intended action unless consents, signed by the required number of persons, are delivered to the Association within 60 days after the date of the earliest dated consent delivered to the Association. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Association's registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent having custody or books in which the relevant proceedings are recorded. If the delivery is made to the Association's principal place of business, the consent must be addressed to the president or principal executive officer.

The Association will give prompt notice of the action taken to persons who do not sign consents. If the action taken requires documents to be filed with the secretary of state, the filed documents will indicate that the written consent procedures have been properly followed.

A telegram, telex, cablegram, email, or similar transmission by a member, director, or committee member, or photographic, facsimile, or similar reproduction of a signed writing is to be regarded as being signed by the member, director, or committee member.

Executed on DECEMBER \_\_\_\_\_, 2003.

  
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JOHN V. BLANKENSHIP