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Articles of Incorporation
of
Cherry Ridge Estates Owners Association
(A Nonprofit Corporation)

The undersigned, Charles C. Bean , acting as incorporator under the provisions of the Washington Nonprofit Corporation Act (RCW 24.03), hereby adopts the following Articles of Incorporation for the corporation:

ARTICLE I

Name. The name of this corporation shall be the Cherry Ridge Estates Owners Association.

ARTICLE II

Duration. The corporation shall have perpetual existence.

ARTICLE III

Purposes. The purposes for which this corporation is to be formed are exclusively to receive and administer funds for maintenance of the common road and easement, security, housing, educational, and charitable purposes dealing with the property owners of the Cherry Valley Tracts, within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1954, as amended, and to that end to take and hold by bequest, devise, gift, grant, purchase, lease or otherwise, any property, real, personal, tangible or intangible, or any undivided interest therein, without limitation as to amount or value; to sell, convey, or otherwise dispose of such property and to invest, reinvest, or deal with the principal or the income thereof in such manner as, in the judgement of the Board of Directors, will best

promote the purposes of the corporation without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, these Articles of Incorporation, the Bylaws of the nonprofit Charitable Corporation, or any laws applicable thereto. To do any other acts or things incidental to or connected with the foregoing purposes or in advancement thereof, as permitted by RCW Ch. 24.03, as amended, if any, except that nothing may be done for the pecuniary profit or financial gain of the directors, officers or members of the corporation.

No part of the net earnings of the corporation shall inure to the benefit of any member, director, officer of the corporation, or any private individual (except that reasonable compensation may be paid for consultancy or for services rendered to or for the corporation effecting one or more of its purposes), and no member, director, officer of the corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publication or distribution of its statements) any political campaign on behalf of any candidate for public office.

ARTICLE IV

Powers. In furtherance of its purposes, this corporation shall have all of the powers conferred upon nonprofit corporations by the provisions of RCW 24.03.035, as amended, if any, to carry on activities in furtherance of its purposes, except that:

- a) The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by section 4942 of the Internal Revenue Code of 1954, as amended, if any, or corresponding provisions of any subsequent federal tax laws.
- b) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, as amended, if any, or corresponding provisions of any subsequent federal tax laws.
- c) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, as amended, if any, or corresponding provisions of any subsequent federal tax laws.
- e) The corporation shall not make any investments in such manner as to subject it to tax under section 4944 of the Internal Revenue Code of 1954, as amended, if any, of corresponding provisions of any subsequent federal tax laws.
- e) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, as amended, if any, of corresponding provisions of any subsequent federal tax laws.
- f) Notwithstanding any other provision(s) of these Article(s), the corporation shall not conduct or carry on any activity not permitted to be conducted by an organization exempt under Section 501(c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c) (2) of such code and regulations s they now exist or as the may hereafter be amended, if any.

ARTICLE V

Internal Affairs. The internal affairs of this corporation shall be governed by its Bylaws and by such rules and regulations, as may be promulgated by its Board of Directors in accordance with its Bylaws.

ARTICLE VI

Membership. There shall be one class of membership in this corporation, and the rights and duties of the members shall be as set forth in the Bylaws of this corporation.

ARTICLE VII

- a) Registered Office and Registered Agent. The address of the initial registered office of the corporation shall be:

Charles C. Bean

Cherry Ridge Estates Owners Association

P.O. Box 1686

Duvall, Wa. 98019-1686

The name of the initial registered agent of the corporation at such address shall be Charles C. Bean.

(b) Consent to Appointment as Registered Agent. I, Charles C. Bean, whose signature appears herewith, _____ hereby consents to serve as Registered Agent in the State of Washington for the corporation herein named. I understand that as agent for the corporation, it will be my responsibility to accept service of process in the name of the corporation; to forward all mail to the corporation; and to immediately notify the Office of Secretary of State in the event of my resignation or of any change in the Registered Office address of the corporation for which I am agent.

ARTICLE VIII

Directors. The number of directors constituting the initial Board of Directors of the corporation shall be five. The names and addresses of the persons who are to serve as the initial directors of the corporation are as follows:

NAMEADDRESS

Charles C. Bean, P.O. Box 1686

President/Registered Agent Duvall, Wa. 98019-1686

Douglas Matthews, 3471 - 115th Ave. NE #119

Treasurer Bellevue, Wa. 98004

Miles Ulrich, P.O. Box 1234

Secretary Duvall, Wa. 98019

Ronald Kenyon, 19329 - 130th P1. SE

At Large Snohomish, Wa. 98290

Karen Taylor, 8503 - 196th Ave NE

At Large Redmond, Wa. 98053

ARTICLE IX

Incorporator. The name and address of the incorporator is Charles C. Bean. Charles C. Bean may be reached at: Cherry Ridge Estates Owners Association, P.O. Box 1686, Duvall, Wa. 98019-1686.

ARTICLE X

Distribution of Assets at Dissolution, in the event of dissolution of the corporation, its assets shall be applied and distributed as follows:

1. To the extent there are sufficient assets, all liabilities and obligations of the corporation shall be paid, satisfied, or discharged, or adequate provision shall be made therefore.
2. All other assets shall be distributed exclusively to housing, charitable, scientific, testing for public safety, literary or educational organizations which would then qualify under the provisions of Section 501(c) (3) of the Internal Revenue Code, and its regulations as they now exist or as they may hereafter be amended, if any.

ARTICLE XI

Interest of Director or Others in Transactions with this Corporation. Any officer, director or member (hereinafter referred to generally as “interested persons”) individually, or any firm of which any interested person is a partner, or any corporation of which any interested person may be an officer, director, employee or holder of any amount of its capital stock may be a party to or may be interested in any contract or transaction of this corporation; provided, however, that any contract, transaction or act on behalf of the corporation in a matter in which the directors, officers or members are

personally interested as shareholders, directors, or otherwise, shall be at arms length

and not violative of the proscriptions in the Article of Incorporation against the corporation’s use or application of its funds for private benefit; and, provided further, that no contract, transaction or act shall be taken on behalf of the corporation if contract, transaction or act is an act of selfdealing as defined in Section 4941 or would result in the denial of the tax exemption under Section 503 or Section 507 of the Internal Revenue code and its regulations as they now exist or as they may hereafter be amended, if any.

No interested person shall be liable to account to this corporation for any profit realized by him from or through any such transaction or contract, provided that such contract or transaction did not constitute an act of self-dealing as defined in Section 4941 or would not result in the denial of the tax exemption under Section 503 or Section 507 of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, and, provided further, that such contract or transaction shall be approved or ratified by the affirmative vote of the directors present at a meeting or the Board of Directors of the corporation having authority in the premises.

Directors interested in any contracts or transactions of the types described in the foregoing paragraphs may be counted when present at meetings of the Board of Directors of any committee for the purpose of determining the existence of a quorum to consider and vote upon any such contract or transaction.

ARTICLE XII

Indemnification of Directors, Officers and Other Persons. The Corporation shall, and does hereby, indemnify each person (and his heirs, executors, administrators, or other legal representatives) who is, shall become, or shall have been an officer, director, member or employee of this corporation, or any person who is serving, shall serve, or shall have served at the request of this corporation as a director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor, against all liabilities and expenses (including judgments, fines, penalties and attorneys' fees) reasonably incurred by any such person in connection with, or arising out of, any action, suit or proceedings, whether civil, criminal or administrative, in which any such person may be a party defendant, or with which he may be threatened or otherwise involved, directly or indirectly, by reason of his being, becoming, or having been an officer, director, member or employee of this corporation or such other corporation, except for taxes, penalties or expenses of correction imposed by Chapter 42 of the Internal Revenue Code, as amended, if any. Indemnification shall be made to the maximum extent permitted under the then applicable laws of the State of Washington; and should any question arise with respect to this indemnification provision, there shall be a presumption favoring the indemnification provision.

The foregoing rights of indemnification shall not be inclusive of other rights to which any officer, director, member, or employee is entitled under any agreement, vote of directors or members, statute, or as a matter of law or otherwise; and the provision hereof shall for any reason(s) be determined invalid or ineffective, the remaining provisions shall not thereby be affected.

Dated at Monroe, Washington, this 1st day of November, 1993

Charles C. Bean

STATE OF WASHINGTON)

County of Snohomish)

Charles C. Bean, being first duly sworn, on oath deposes and says:

I am the incorporator above named. I have read the foregoing ARTICLE (S) OF INCORPORATION OF THE CHERRY RIDGE ESTATES OWNERS ASSOCIATION, am familiar with the statements contained therein, and the statements contained therein are the true articles of this corporation.

CHARLES C. BEAN

SUBSCRIBED AND SWORN TO before me this _1st____ day of November 1993.

NOTARY PUBLIC in and for the State of Washington