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ENDORSED  
FILED  
In the office of the Secretary of State  
of the State of California  
OCT 24 1975  
MARION T. HARRIS, Secretary of State  
By JAMES E. HARRIS  
Deputy

ARTICLES OF INCORPORATION

OF

ORCHARD LANE TERRACE HOMEOWNERS ASSOCIATION

FIRST: The name of this corporation, hereinafter called the "Association", is ORCHARD LANE TERRACE HOMEOWNERS ASSOCIATION.

SECOND: The county in this state where the principal office for the transaction of business of the Association is located is Ventura County.

THIRD: This Association is organized pursuant to the General Nonprofit Corporation Law of the State of California.

FOURTH: The purposes for which the Association is formed are:

(a) The specific and primary purposes for which it is formed are to provide for maintenance, preservation, and architectural control of the residence lots and common areas of that certain tract of property located in the City of Ukiah, County of Ventura, State of California, described as:

Lot 1 to 68, inclusive, and Lot 115 of Tract 2464, and all structures and improvements thereon.

(b) The general purposes and powers are:

(1) To promote the health, safety and welfare of the residents within said real property;

(2) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association arising from any covenants or restrictions applicable to the above-described property;

(3) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms set forth in that certain Declaration of Covenants, Conditions, and Restrictions applicable to the above-described

property) to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(4) To have and exercise all rights and powers conferred on nonprofit corporations under the laws of California;

(5) To act as principal, agent, joint venturer, partner or in any other capacity which may be authorized by the Board of Directors of the Association and which the Board may deem proper or convenient in connection with any of the foregoing purposes, or which may be calculated directly or indirectly to promote the interests of this Association.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and the purposes and powers stated in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, this Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this corporation.

FIFTH. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

SIXTH. The different classes of membership, if any, of the

property, voting and other rights and privileges of members, and their liability to dues and assessments and the method of collection thereof, shall be set forth in the Association's By-laws and the Declaration of Covenants, Conditions, and Restrictions.

SEVENTH.

(a) The number of directors of this Association shall be five (5) and said number may be changed by a duly adopted amendment to the By-laws, except that in no event may the number of directors be less than five (5) without amendment of these Articles of Incorporation.

(b) The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<u>Name:</u>	<u>Address</u>
Wade H. Cable	2035 East Hall Road Anaheim, California 92806
Dale J. Post	2035 East Hall Road Anaheim, California 92806
James D. White	2035 East Hall Road Anaheim, California 92806
Robert L. Dudley	2035 East Hall Road Anaheim, California 92806
Lee E. Orr	2035 East Hall Road Anaheim, California 92806

(c) The Directors shall serve without compensation and no Directors shall receive any pecuniary benefit as a direct result of being a Director of the Association.

(d) The powers of the Association shall be exercised, its property controlled and its affairs conducted by the Board of Directors, except as set forth in the By-laws.

(e) Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of

the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by the unanimous written consent of the Board of Directors without a meeting and that the Articles of Incorporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

EIGHTH. None of the activities of this corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, nor shall this corporation participate in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

NINTH. Notwithstanding any other provision in these Articles of Incorporation, the Association shall be subject to the following limitations and restrictions:

(a) The Association shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of Internal Revenue Code of 1954.

(b) The Association shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954.

(c) The Association shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954.

(d) The Association shall not make any investments in such manner as to be subject to tax under Section 4944 of the Internal Revenue Code of 1954.


(e) The Association shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954.

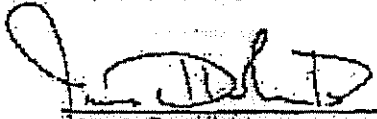
TENTH. The Association is one which does not contemplate pecuniary gain or profit to the members thereof and it is organized solely for nonprofit purposes. Upon winding up and dissolution of the Association, after paying or adequately providing for the debts and obligations of the Association, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation, which is organized and operated exclusively for charitable, educational, or scientific purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code. If the Association holds any assets in trust, such assets shall be disposed of in such manner as may be directed by the decree of the Superior Court of the county in which the Association's principal office is located, upon petition therefor by the Attorney General, or by any person concerned in a liquidation.

ELEVENTH. Amendment of these Articles shall require the assent of the members representing at least seventy-five percent (75%) of the voting interest then entitled to vote as provided in the By-laws.

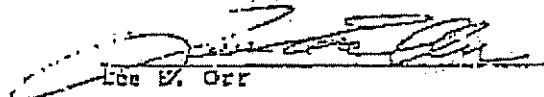
IN WITNESS WHEREOF, the undersigned, constituting the Incorporators of this Association, have executed these Articles of Incorporation this 17th day of October, 1977.

  
Harold M. Cable

  
Dale J. Post

  
James D. White

  
Robert C. Dudley

  
Lee E. Orr

STATE OF CALIFORNIA }  
COUNTY OF VENTURA } ss.

On 10-17-75, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Wade H. Cable, Dale J. Post, James D. White, Robert C. Dudley, and Lee E. Orr, known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same.

Dale J. Post

Lee E. Orr  
Notary Public in and for said  
County and State.

