

DEC 20 1989

SECRETARY OF
STATE STATE OF
WASHINGTON

ARTICLES OF INCORPORATION
OF
OLYMPIC RIDGE ESTATES COMMUNITY ASSOCIATION

In compliance with the requirements of RCW 24.03, the undersigned, who is a resident of Washington State, has this day voluntarily formed this corporation not for profit and does hereby certify:

ARTICLE I

The name of the corporation shall be Olympic Ridge Estates Community Association, hereinafter referred to as the "Association."

ARTICLE II

The principal office of the Association is located at 19351-A Eighth Avenue NE, Post Office Box 1780, Poulsbo, Washington, 98370.

ARTICLE III

Thomas A. Griffin, whose address is 19351-A Eighth Avenue NE, Post Office Box 1780, Poulsbo, Washington, 98370, is hereby appointed the initial Registered Agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and it is formed for the purpose of providing maintenance, preservation and improvement of

designated Open Spaces, as fully explained in the Declaration of Covenants, Conditions and Restrictions, recorded under Jefferson County Auditor's File No. 325440 (hereafter referred to as "the Declaration"). The Association is established to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the property and recorded in the Office of the Jefferson County Auditor and as the same may be amended from time to time as therein provided;

(b) fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of the Declaration; 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 of governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), 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;

(d) borrow money, and with the assent of two-thirds (2/3) of the members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Community Areas, provided that any such merger, consolidation or annexation shall have the assent of all of the members; and

(f) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Washington by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

As set forth in the Declaration, every person or entity who is a record owner of a fee or undivided fee interest in any Lot within the legal description attached hereto as Exhibit A, including contract purchasers, 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.

ARTICLE VI

VOTING RIGHTS

The Association shall have one (1) class of voting membership, which shall consist of all Lot Owners, each of whom shall be entitled to one (1) vote for each Lot owned. When more than

one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If the Owners cannot agree among themselves as to how the vote shall be cast, it shall not be cast or counted.

ARTICLE VII BOARD
OF DIRECTORS

The affairs of the Association shall be conducted and managed by the Board of Directors and such Officers as the Board of Directors may elect or appoint in accordance with the Bylaws of the Association as the same may be amended from time to time. The Board of Directors shall be composed of at least three (3) and no more than nine (9) members. The initial Board of Directors shall be composed of five (5) members. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

NAME	ADDRESS
1. Mr. Greg McCarry	19351-A Eighth Avenue NE Poulsbo, WA 98370
2-. Mr. Thomas Griffin	19351-A Eighth Avenue NE Poulsbo, WA 98370
3. Mr. David Cunningham	19351-A Eighth Avenue NE Poulsbo, WA 98370

4. Mr. George Folquet 19351-A Eighth Avenue NE
 Poulsbo, WA 98370

5. Mr. Thomas Ringo 19351-A Eighth Avenue NE
 Poulsbo, WA 98370

ARTICLE VIII

INDEMNIFICATION

Any person who is made or was a party or is threatened to be made a party to any threatened or pending action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a member, director, or officer of this Association or is or was serving at the request of this Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified against expenses (including attorneys fees), judgments, fines, and amount paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and with respect to any criminal action or proceeding had no reason to believe his conduct was unlawful. In any action or suit by or in the right of this Association to procure a judgment against such a person, no indemnification shall be made in respect of any claim, issue, or matter as to which he should have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and only

to the extent that the Court in which such action or suit was brought shall determine upon application that, despite an adjudication of liability, he is fairly and reasonably entitled to indemnity for such expenses which such Court shall deem proper. On request of such person who is made or who has threatened to be made a party to any such suit, this Association shall enter into an agreement confirming the foregoing indemnity subject to limitations as provided by law in such instances. The indemnification herein provided for shall continue as to a person who has ceased to be a director or officer of this Association, shall inure to the benefit of his heirs, executors, and administrators, and shall be in addition to rights of indemnification provided by law.

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing by Owners representing not less than two-thirds (2/3) of the members of each class. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X

BYLAWS

Provisions for the regulation of the internal affairs of the Association shall be set forth in the Bylaws of the Association.

ARTICLE XI

DURATION

The Association shall exist perpetually.

ARTICLE XII

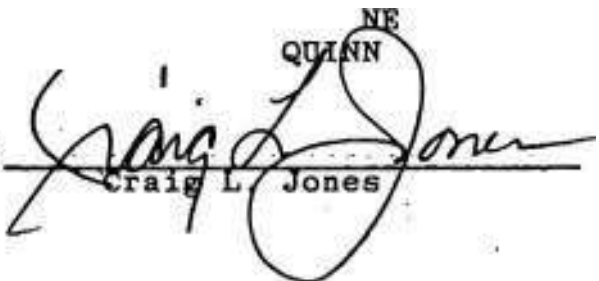
AMENDMENT

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XIII

The Incorporator is Craig L. Jones of Eisenhower, Carlson, Newlands, Reha, Henriot & Quinn, whose address is 3500 NW Anderson Hill Road, Silverdale, Washington 98383. DATED this 8 day of December, 1989.

EISENHOWER, CARLSON, NEWLANDS,
REHA, HENRIOT & QUINN

By:  NE
QUINN
Craig L. Jones

