

Gilchrist Owners Association

P.O. Box 862
Gilchrist, Oregon 97737

Gilchrist Owners Association Board of Directors

Mission Statement

The Gilchrist Owners Association Board of Directors will provide the leadership necessary to ensure the Association will meet its obligations to its members and community stakeholders while consolidating the visions of the community into perceptible actions to assure the culture of the community reflects the character of its inhabitants.

The Board commits itself to the following principles:

- **Protecting the value of the investment of its members by:**
 - **Maintaining the financial health of the Association for current and future needs**
 - **Being proactive to address the needs of safety and security for the members of the community**
 - **Maintaining standards for the appearance, cleanliness and maintenance of the community**
- **Respecting and preserving the historical character and natural beauty of the community**
- **Recognizing the importance of, and working within the community to support commercial enterprise and recreational opportunities as will benefit the community**
- **Managing growth and development opportunities to insure the character of the community is not diminished**
- **Collaboration with all Association members to maintain a clear vision relevant to community needs**
- **Provide flexible and adaptable interpretation of the established Protective Covenants and Board policies for the common benefit of its members.**

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ARTICLES OF INCORPORATION
OF
GILCHRIST OWNERS ASSOCIATION, INC.

FILED

DEC - 4 1996

SECRETARY OF STATE

The undersigned natural person of the age of 18 years or more, acting as incorporator under the Oregon Nonprofit Corporation Law set forth in Chapter 65 of the Oregon Revised Statutes, hereby adopts the following Articles of Incorporation:

ARTICLE I
DEFINITIONS

1. "Declarant" means Ernst Brothers LLC and its successors and assigns if such successor or assignee should acquire Declarant's interest in the remainder of the Property, or in less than all of the Property if a recorded instrument executed by Declarant assigns to the transferee all of Declarant's rights under the Declaration.

2. "Declaration" means the Declaration of Protective Covenants, Conditions and Restrictions affecting Gilchrist, Klamath County, Oregon, and all of the easements, covenants, restrictions and charges set forth therein, together with any rules or regulations promulgated thereunder, as the same may be amended or supplemented from time to time in accordance with the provisions thereof.

3. "Lot" means a platted or partitioned lot, within the Property, with the exception of any tract or Lot marked on a plat of the Property as being common or open space or so designated in the Declaration or the Declaration annexing such property to the Property.

4. "Member" or "Membership" means any Owner or such Owner's membership in the Corporation.

5. "Owner" means the person or persons, including Declarant, owning any Lot in the property (including the holder of a vendee's interest under a land sale contract), but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a lot (including the holder of a vendor's interest under a land sale contract). The rights, obligations and other status of being an Owner commence upon acquisition of the ownership of a Lot and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.

6. "Property" means that portion of Gilchrist, Klamath County, Oregon, described on Exhibit "A" attached hereto and by this reference incorporated herein.

assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future provision of the United States internal revenue law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the State of Oregon for the County in which the principal office of the Corporation is then located exclusively for such purposes or to such organization or organizations, as the court shall determine.

ARTICLE VII
REGISTERED OFFICE

The location of the initial registered office of this Corporation shall be 40 N.W. Greenwood, P. O. Box 1151, Bend, Oregon 97709-1151. The initial registered agent shall be Neil R. Bryant at such address.

ARTICLE VIII
NOTICE

The address to which notices may be mailed by the Oregon Secretary of State until the principal office of the Corporation has been designated in an annual report is: Neil R. Bryant, Attorney at Law, P.O. Box 1151, Bend, OR 97709.

ARTICLE IX
DIRECTORS

1. The number of directors constituting the initial Board of Directors of this Corporation is three. The names and addresses of the persons who are to serve as the initial directors until their successors are elected and qualified are:

Wayne G. Ernst	P.O. Box 637, Gilchrist, Oregon 97737
John S. Ernst	P.O. Box 637, Gilchrist, Oregon 97737
William L. Ernst	P.O. Box 637, Gilchrist, Oregon 97737
Jan K. Houck	P.O. Box 637, Gilchrist, Oregon 97737

The incorporator has obtained the consent of each person named above to serve as a director.

2. Prior to the Turnover Date, Declarant shall appoint all directors.

3. From and after the Turnover Date, the Board of Directors shall be comprised of no less than four and no more than seven directors elected in the manner provided in Article X. Voting for directors shall not be cumulative.

ARTICLE XII
INDEMNIFICATION

1. The Corporation shall indemnify each of its directors and officers to the fullest extent possible under the Oregon Nonprofit Corporation Law, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees) incurred or suffered by such person by reason of or arising from the fact that such person is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, and such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and administrators. The Corporation may, by action of the board of directors, provide indemnification to employees and agents of the Corporation who are not directors or officers with the same scope and effect as the indemnification provided in this section 1 to directors and officers. The indemnification provided in this section 1 shall not be exclusive of any other rights to which any person may be entitled under any statute, bylaws, agreement, resolution of Members or directors, contract or otherwise.


2. Each director or uncompensated officer of the Corporation shall have no personal liability to the Corporation or its Members for monetary damages for conduct as a director or officer, provided this Section 2 shall not eliminate or limit the liability of a director or officer for (i) any breach of the director's or officer's duty of loyalty to the Corporation or its Members; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) any unlawful distribution; (iv) any transaction from which the director or officer derived an improper personal benefit; or (v) any other act or omission specified by the provisions of the Oregon Nonprofit Corporation Law, as the same exists or may hereafter be amended. No subsequent repeal of or amendment to this Section 2 shall adversely affect any right or protection of a director or officer of the Corporation existing at the time of such repeal or amendment.

ARTICLE XIII
INCORPORATOR

The name of the incorporator is John D. Sorlie, and his address is: Bryant, Lovlien & Jarvis, 40 N.W. Greenwood, P. O. Box 1151, Bend, OR 97709-1151.

I, the undersigned incorporator, declare under penalties of perjury that I have examined the foregoing and to the best of my knowledge and belief it is true, correct and complete.

DATED this 3rd day of December, 1996.



JOHN D. SORLIE, Incorporator