



STATE of WASHINGTON SECRETARY of STATE

I, Ralph Munro, Secretary of State of the State of Washington and custodian of its seal, hereby certify that

RESTATED ARTICLES OF INCORPORATION

of

COTTAGE LAKE BEACH CLUB

a Washington Non Profit corporation,

was/were filed for record in this office on the date indicated below.

Corporation Number: 601 155 854

Date: December 6, 1989

Given under my hand and the seal of the State of Washington, at Olympia, the State Capitol.

Ralph Munro

Ralph Munro, Secretary of State

2-408412-1

RESTATED  
ARTICLES OF INCORPORATION  
OF  
COTTAGE LAKE BEACH CLUB  
(A Nonprofit Corporation)

FILED  
DEC - 6 1989 *[Signature]*

SECRETARY OF STATE  
STATE OF WASHINGTON

The undersigned, as President of COTTAGE LAKE BEACH CLUB, hereby affirms that the Restated Articles of Incorporation contained herein correctly set forth without change the provisions of the Articles of Incorporation, as amended, and that the Restated Articles of Incorporation contained herein supersede the original Articles of Incorporation and all amendments thereto.

ARTICLE I

Name

The name of this corporation shall be COTTAGE LAKE BEACH CLUB.

ARTICLE II

Duration

The duration of this corporation shall be perpetual.

ARTICLE III

Purposes

The purpose of this corporation is to administer the plat restrictions contained in the Protective Covenants running with land of the residential real estate development known as Cottage Lake Beach Club (as recorded in Volume 80 of Plats, pages 5 and 6, records of King County, State of Washington), which restrictions are found in King County Auditor's File No. 6045732. This includes the supervision and maintenance of Tract A of the Cottage Lake Beach Club for park and recreational uses for the mutual

benefit of the owners of all lots in the Cottage Lake Beach Club plat.

Further, and by way of explanation and not limitation, this corporation assumes and shall perform each and every obligation imposed on the COTTAGE LAKE BEACH CLUB OWNERS' COMMITTEE by the protective provisions of the plat above recited, in accordance with that certain written agreement made and entered into on the 31st day of January, 1971, by and between OSBERG CONSTRUCTION COMPANY, COTTAGE LAKE BEACH CLUB, a Washington not for profit corporation, and COTTAGE LAKE BEACH CLUB-OWNERS' COMMITTEE. This corporation is intended to be the successor to a prior COTTAGE LAKE BEACH CLUB nonprofit corporation, the latter of which was incorporated on January 29, 1971, and administratively dissolved on May 15, 1985, but operating as a de facto corporation in the interim.

#### ARTICLE IV

##### Dues, Charges and Assessments

The Board of Directors, consistent with the above recited plat, shall fix, establish, levy and collect annually such charges and/or assessments as may be necessary in its judgment to carry out any or all of the purposes for which this corporation is formed, including annual dues at a rate of not less than \$10.00 nor more than \$75.00 per lot per year. Except for annual dues as so established, any other levy or assessment by the Board of Directors may be rejected by a vote of a majority of the members of the lots in Cottage Lake Beach Club.

## ARTICLES V

### Internal Affairs of the Corporation

The internal affairs of the corporation shall be regulated pursuant to the provisions of the Washington Nonprofit Corporation Act, RCW 24.03, and the provisions of the bylaws as they shall be adopted by the directors.

## ARTICLE VI

### Membership

The corporation shall be a membership corporation without certificates or shares of stock. Every person or entity who is a record owner, whether one or more persons or entities, of a fee simple title to any lot which is included in what is known as "Cottage Lake Beach Club," an addition to King County, Washington, as recorded in Volume 80 of Plats, pages 5 and 6, records of King county, shall be a member of the corporation. In the case of a lot sold on a real estate contract or some other transfer in which the contract seller or transferror retains a record ownership, but only for the purpose of security for the performance of an obligation, then the contract vendee or transferee shall be considered the "owner" and "member" under this Article. Each lot in the above-described plat shall be entitled to one vote on all matters submitted to vote by the membership, including the election of directors. Membership shall be inseparably appurtenant to lots owned by the members, and upon transfer of ownership or contract for sale of any such lot, membership shall automatically be deemed to be transferred by operation of law to

the grantee or contract purchaser. No membership may be transferred, assigned or conveyed in any manner other than as authorized by the Bylaws of the corporation or these Articles.

## ARTICLE VII

### Limitation of Liability of Directors;

#### Indemnification

Section 1. Limitation of Liability of a Director. Except to the extent otherwise required by applicable law (as it exists on the date of the adoption of this Article, or as may be amended from time to time), no present or future director of the corporation shall be personally liable to the corporation or its members for monetary damages for any conduct as a director occurring after the date of the adoption of this Article. No amendment to or repeal of this section shall adversely affect any right or protection of a director of the corporation with respect to any acts or omissions of such director occurring after the date of the adoption of this Article and prior to such amendment or repeal of this section.

Section 2. Indemnification of Directors and Officers. The corporation shall indemnify any director (as that term is defined in RCW 23A.08.025, as presently in effect and as hereafter amended) or officer of the corporation, who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the corporation, to the full extent allowed by applicable law, as presently in effect and

as hereafter amended; PROVIDED, HOWEVER, that the corporation shall only indemnify a director or officer seeking indemnification in connection with a proceeding (or a part of a proceeding) initiated by such person, if such proceeding or part of a proceeding was authorized by the Board of Directors or if such proceeding or part of a proceeding was brought by a director or officer to enforce a claim for indemnification under this section and an arbitrator determines that the director or officer is entitled to all of the relief claimed pursuant to arbitration under rules established through the American Arbitration Association, or other methods if agreed to by both the subject director/officer and the Board, without that director voting.

Section 3. Indemnification of Employees and Agents. By means of a resolution or of a contract specifically approved by the Board of Directors, the corporation may indemnify an employee or agent to such degree as the Board of Directors determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the corporation.

Section 4. Notice. Any indemnification of a director in accordance with this Article shall be reported to the Board of Directors (and to the members to the extent required by applicable law) in a written report describing the proceeding and the nature and extent of such indemnification.

Section 5. Advances. Reasonable expenses incurred by a director or officer who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect

and as hereafter amended) by reason of the position held by such person or entity in the corporation, shall be advanced by the corporation to the full extent allowed by applicable law, as presently in effect and as hereafter amended; PROVIDED that the director or officer shall first promise in a writing delivered to the corporation to repay all amounts advanced by the corporation in the event that it is later determined that such director or officer is not entitled to be so indemnified. Reasonable expenses incurred by an employee or agent who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the corporation may be, but is not required to be, advanced by the corporation prior to the final disposition of such proceeding to the full extent allowed by applicable law, as presently in effect and as hereafter amended; PROVIDED, HOWEVER, that the corporation shall not advance any such funds unless the employee or agent promises in a writing delivered to the corporation to repay all amounts advanced by the corporation in the event that it is later determined that such employee or agent is not entitled to be so indemnified.

Section 6. Insurance. The corporation may purchase and maintain insurance on behalf of any person who is a director, officer, employee, or agent of the corporation, or is serving at the request or consent of the corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any

liability incurred by such person because of such person's status, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article. In addition, the corporation may enter into contracts with any director or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest, or use other means (including without limitation a letter of credit) to insure the payment of such amounts as may be necessary or desirable to effect the indemnification and advances contemplated in this Article.

Section 7. Designation of Counsel. Except where appointed by the corporation's insurer pursuant to the insurer's duty to defend, the Board of Directors of the corporation shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense.

Section 8. Consistency with Applicable Law; Survival of Benefits. The right to indemnification and limitation of liability conferred by this Article shall be interpreted to conform with, and shall not create any right that is inconsistent with, applicable law as presently in effect and as hereafter amended. To the full extent allowed by applicable law (as presently in effect and as hereafter amended), the right to indemnification and limitation of liability conferred by this Article shall continue as to a person who has ceased to be a



director and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 9. Nonexclusivity of Rights. The rights conferred in this Article shall not be exclusive of any other rights which any person may have or acquire under any applicable law (as presently in effect and as hereafter amended), the Articles of Incorporation, the Bylaws of the corporation, a vote of the Board of Directors or the members of the corporation, or otherwise.

#### ARTICLE VIII

##### Registered Agent and Office

The name of the Registered Agent of the corporation shall be: DAVID F. VAN BERKEM. The street address of the Registered Office, which is also the address of the Registered Agent, is as follows:

18221 - 102nd Avenue NE  
Bothell, WA 98011

The post office box number, which may be used in conjunction with the Registered Agent address, located in the same city, is:

P.O. Box 804  
Bothell, WA 98041

#### ARTICLE IX

##### Initial Board of Directors

There shall be seven (7) directors serving as the initial Board of Directors. Their names and addresses are as follows:

Shelly L. Damron  
19120 NE 168th Street  
Woodinville, WA 98072

Charles Cushing  
18900 NE 168th Street  
Woodinville, WA 98072

Debbie Parent  
18823 NE 165th Place  
Woodinville, WA 98072

Richard Braman  
16550 - 191st Place NE  
Woodinville, WA 98072

Karen Pomerinke  
18911 NE 168th Street  
Woodinville, WA 98072

Beverly Warhol  
16559 - 189th NE  
Woodinville, WA 98072

Blaine Roberts  
18930 NE 168th  
Woodinville, WA 98072

#### ARTICLE X

##### Incorporators

The names and addresses of the incorporators of this corporation are:

Shelly L. Damron  
19120 NE 168th Street  
Woodinville, WA 98072

Charles Cushing  
18900 NE 168th Street  
Woodinville, WA 98072

Debbie Parent  
18823 NE 165th Place  
Woodinville, WA 98072

Richard Braman  
16550 - 191st Place NE  
Woodinville, WA 98072

Karen Pomerinke  
18911 NE 168th Street  
Woodinville, WA 98072

Beverly Warhol  
16559 - 189th NE  
Woodinville, WA 98072

Blaine Roberts  
18930 NE 168th  
Woodinville, WA 98072

#### ARTICLE XI

##### Distribution of Net Assets

In the event that the corporation is dissolved, the net assets of the corporation are to be distributed pro rata to the then current members.

DATED this 30 day of November, 1989.

COTTAGE LAKE BEACH CLUB

By: 

Rick Lowell, President

CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, DAVID F. VAN BERKEM, hereby consent 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 receive Service of Process in the name of the corporation; to forward all mail to the corporation; and to immediately notify the Office of the 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.

DATED this 30<sup>th</sup> day of November, 1989.

  
\_\_\_\_\_  
David F. Van Berkem



**STATE of WASHINGTON SECRETARY of STATE**

I, **Ralph Munro**, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

**CERTIFICATE OF AMENDMENT**

to

COTTAGE LAKE BEACH CLUB

a Washington Non Profit corporation. Articles of Amendment were filed for record in this office on the date indicated below.

Amending, adding and renumbering Articles

Corporation Number: 601 155 854

Date: December 6, 1989

Given under my hand and the seal of the State of Washington, at Olympia, the State Capitol.

Ralph Munro, Secretary of State

ARTICLES OF AMENDMENT  
AMENDING ARTICLES OF INCORPORATION  
OF  
COTTAGE LAKE BEACH CLUB  
(A Nonprofit Corporation)

FILED  
DEC - 6 1989  
SECRETARY OF STATE  
STATE OF WASHINGTON

The undersigned, being the President of COTTAGE LAKE BEACH CLUB, a Washington nonprofit corporation, hereby represents the following:

1. Name of Corporation. The name of the subject corporation is COTTAGE LAKE BEACH CLUB.

2. Amendments. The Articles of Incorporation of Cottage Lake Beach Club filed with the Secretary of State on January 19, 1989, have been amended in the following particulars:

2.1 ARTICLE III has been amended to read as follows:

Purposes

The purpose of this corporation is to administer the plat restrictions contained in the Protective Covenants running with land of the residential real estate development known as Cottage Lake Beach Club (as recorded in Volume 80 of Plats, pages 5 and 6, records of King County, State of Washington), which restrictions are found in King County Auditor's File No. 6045732. This includes the supervision and maintenance of Tract A of the Cottage Lake Beach Club for park and recreational uses for the mutual benefit of the owners of all lots in the Cottage Lake Beach Club plat.

Further, and by way of explanation and not limitation, this corporation assumes and shall perform each and every obligation imposed on the COTTAGE LAKE BEACH CLUB OWNERS' COMMITTEE by the protective provisions of the plat above recited, in accordance with that certain written agreement made and entered into on the 31st day of January, 1971, by and between OSBERG CONSTRUCTION COMPANY, COTTAGE LAKE BEACH CLUB, a Washington not for profit corporation, and COTTAGE LAKE BEACH CLUB-OWNERS' COMMITTEE. This corporation is intended to be the successor to a prior COTTAGE LAKE BEACH CLUB nonprofit corporation, the latter of which was incorporated on January 29, 1971, and

administratively dissolved on May 15, 1985, but operating as a de facto corporation in the interim.

2.2 ARTICLE IV regarding internal affairs of the corporation has been renumbered as ARTICLE V.

2.3 A new ARTICLE IV has been added, to read as follows:

Dues, Charges and Assessments

The Board of Directors, consistent with the above recited plat, shall fix, establish, levy and collect annually such charges and/or assessments as may be necessary in its judgment to carry out any or all of the purposes for which this corporation is formed, including annual dues at a rate of not less than \$10.00 nor more than \$75.00 per lot per year. Except for annual dues as so established, any other levy or assessment by the Board of Directors may be rejected by a vote of a majority of the members of the lots in Cottage Lake Beach Club.

2.4 The prior ARTICLE V regarding Registered Agent and Office has been renumbered as ARTICLE VIII.

2.5 The prior ARTICLE VI has been renumbered as ARTICLE IX.

2.6 The prior ARTICLE VII regarding incorporators has been renumbered as ARTICLE X.

2.7. The prior ARTICLE VIII regarding distribution of net assets has been renumbered as ARTICLE XI.

2.8 A new ARTICLE VI has been added, to read as follows:

Membership

The corporation shall be a membership corporation without certificates or shares of stock. Every person or entity who is a record owner, whether one or more persons or entities, of a fee simple title to any lot which is included in what is known as "Cottage Lake

Beach Club," an addition to King County, Washington, as recorded in Volume 80 of Plats, pages 5 and 6, records of King county, shall be a member of the corporation. In the case of a lot sold on a real estate contract or some other transfer in which the contract seller or transferror retains a record ownership, but only for the purpose of security for the performance of an obligation, then the contract vendee or transferee shall be considered the "owner" and "member" under this Article. Each lot in the above-described plat shall be entitled to one vote on all matters submitted to vote by the membership, including the election of directors. Membership shall be inseparably appurtenant to lots owned by the members, and upon transfer of ownership or contract for sale of any such lot, membership shall automatically be deemed to be transferred by operation of law to the grantee or contract purchaser. No membership may be transferred, assigned or conveyed in any manner other than as authorized by the Bylaws of the corporation or these Articles.

2.9 A new ARTICLE VII has been added, to read as follows:

Limitation of Liability of Directors;  
Indemnification

Section 1. Limitation of Liability of a Director. Except to the extent otherwise required by applicable law (as it exists on the date of the adoption of this Article, or as may be amended from time to time), no present or future director of the corporation shall be personally liable to the corporation or its members for monetary damages for any conduct as a director occurring after the date of the adoption of this Article. No amendment to or repeal of this section shall adversely affect any right or protection of a director of the corporation with respect to any acts or omissions of such director occurring after the date of the adoption of this Article and prior to such amendment or repeal of this section.

Section 2. Indemnification of Directors and Officers. The corporation shall indemnify any director (as that term is defined in RCW 23A.08.025, as presently in effect and as hereafter amended) or officer of the corporation, who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the corporation, to the full extent allowed by applicable

law, as presently in effect and as hereafter amended; PROVIDED, HOWEVER, that the corporation shall only indemnify a director or officer seeking indemnification in connection with a proceeding (or a part of a proceeding) initiated by such person, if such proceeding or part of a proceeding was authorized by the Board of Directors or if such proceeding or part of a proceeding was brought by a director or officer to enforce a claim for indemnification under this section and an arbitrator determines that the director or officer is entitled to all of the relief claimed pursuant to arbitration under rules established through the American Arbitration Association, or other methods if agreed to by both the subject director/officer and the Board, without that director voting.

Section 3. Indemnification of Employees and Agents. By means of a resolution or of a contract specifically approved by the Board of Directors, the corporation may indemnify an employee or agent to such degree as the Board of Directors determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the corporation.

Section 4. Notice. Any indemnification of a director in accordance with this Article shall be reported to the Board of Directors (and to the members to the extent required by applicable law) in a written report describing the proceeding and the nature and extent of such indemnification.

Section 5. Advances. Reasonable expenses incurred by a director or officer who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the corporation, shall be advanced by the corporation to the full extent allowed by applicable law, as presently in effect and as hereafter amended; PROVIDED that the director or officer shall first promise in a writing delivered to the corporation to repay all amounts advanced by the corporation in the event that it is later determined that such director or officer is not entitled to be so indemnified. Reasonable expenses incurred by an employee or agent who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the corporation may be, but is not required to be, advanced by the corporation prior to the final disposition of such proceeding to the full extent allowed by applicable law, as presently in effect and as



hereafter amended; PROVIDED, HOWEVER, that the corporation shall not advance any such funds unless the employee or agent promises in a writing delivered to the corporation to repay all amounts advanced by the corporation in the event that it is later determined that such employee or agent is not entitled to be so indemnified.

Section 6. Insurance. The corporation may purchase and maintain insurance on behalf of any person who is a director, officer, employee, or agent of the corporation, or is serving at the request or consent of the corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability incurred by such person because of such person's status, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article. In addition, the corporation may enter into contracts with any director or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest, or use other means (including without limitation a letter of credit) to insure the payment of such amounts as may be necessary or desirable to effect the indemnification and advances contemplated in this Article.

Section 7. Designation of Counsel. Except where appointed by the corporation's insurer pursuant to the insurer's duty to defend, the Board of Directors of the corporation shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense.

Section 8. Consistency with Applicable Law; Survival of Benefits. The right to indemnification and limitation of liability conferred by this Article shall be interpreted to conform with, and shall not create any right that is inconsistent with, applicable law as presently in effect and as hereafter amended. To the full extent allowed by applicable law (as presently in effect and as hereafter amended), the right to indemnification and limitation of liability conferred by this Article shall continue as to a person who has ceased to be a director and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 9. Nonexclusivity of Rights. The rights conferred in this Article shall not be exclusive of any

