

FILED

JUL 30 1999

SECRETARY OF STATE
STATE OF WASHINGTON

**RESTATED ARTICLES OF INCORPORATION
OF
EMERALD HIGHLANDS LOT OWNERS ASSOCIATION**

The undersigned in order to form a nonprofit corporation under the Washington Nonprofit Corporation Act, Chapter 24.03 of the Revised Code of Washington, hereby executes the following Articles of Incorporation:

ARTICLE I

Name

The name of this corporation is EMERALD HIGHLANDS LOT OWNERS ASSOCIATION.

ARTICLE II

Duration

The duration of the corporation shall be perpetual.

ARTICLE III

Purposes

3.1 Purposes. The corporation is organized for the following purposes.

3.1.1 To own, manage and maintain its real property in Emerald Highlands Development in Sequim, Washington.

3.1.2 To carry out any of its rights, duties, and obligations which has been identified as its responsibility by the Declaration of Covenants, Conditions and Restrictions for the Plat of Emerald Highlands ("Declaration").

3.2 Powers.

3.2.1 To have and to exercise any necessary and proper power to carry out the above stated purposes.

3.2.2 To exercise all powers provided by law.

3.3 Distribution of Assets. Upon dissolution of the corporation all assets remaining after payment or provision for payment of any debt shall be distributed in accordance with the provisions of RCW Section 24.03.225 or its successor provisions.

Val: 07/30/1999 - 10220
\$100.00 on 07/30/1999
Check - 07/29/1999 - 5421

ARTICLE IV

Members

This corporation shall have as members the lot owners of the Emerald Highlands Development, or their successors and assigns. Members shall have voting rights as specified in the Bylaws and Declaration.

ARTICLE V

Liability and Indemnification

5.1 Limitation on Liability. No Director of the corporation shall have any liability to the Corporation or its Members for monetary damages resulting from such person's conduct as a Director, except to the extent such liability arises from a Director's intentional misconduct, a Director's knowing violation of law, or for any transaction from which a Director will personally receive a benefit in money, property, or services to which the Director is not legally entitled.

5.2 Indemnification. The corporation has the power to indemnify its directors and officers, and to purchase and maintain insurance for its directors, officers, trustees, employees, and other persons and agents, and (without limiting the generality of the foregoing) shall indemnify its directors against all liability, damage, and expenses arising from or in connection with service for, employment by or other affiliation with the corporation or other firms or entities to the maximum extent and under all circumstances permitted by law, specifically including, without limitation, the maximum extent of indemnification allowed by Sections 23B.08.500 through 600 of the Revised Code of Washington, as hereafter amended.

ARTICLE VI

Directors

6.1 Number and Election. The affairs of the corporation shall be managed by the Board of Directors. The number of directors, the qualifications, terms of office, manner of election, place and notice of meetings, and the powers and duties of directors shall be such as are prescribed by the Bylaws of the corporation.

6.2 Initial Directors. The number of directors constituting the initial Board shall be one. The name and address of the person who is to serve as the initial director is as follows:

Roger O'Connell
7900 S.E. 28th, Suite 401
Mercer Island, WA 98040

ARTICLE VII
Registered Office and Registered Agent


The address of the initial registered office of this corporation is 1218 Third Avenue, Suite 1900, Seattle, Washington 98101 and the name of its initial registered agent at such address is: David O. Cantu.

ARTICLE VIII
Amendments to Articles of Incorporation

The corporation reserves the right to amend or repeal any of the provisions contained in these Articles of Incorporation, by the affirmative vote of a majority of the members having voting rights.

The undersigned incorporator hereby declares that he has examined the foregoing and, to the best of his knowledge and belief, it is true, correct and complete.

Date: July 14, 1999



Roger J. O'Connell, Incorporator