

DEER HARBOR COMMUNITY CLUB

ARTICLES OF INCORPORATION

AMENDED AND ADOPTED 11 MAY 2007

Article I: Name

The name of this Corporation shall be the Deer Harbor Community Club, 4319 Deer Harbor Road, Deer Harbor, Washington, 98243 (Post Office Box 57, Deer Harbor, Washington, 98243-0057).

Article II: Duration

The period of duration of the Corporation is perpetual.

Article III: Purpose

This Corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended, including, for such purposes, the making of distributions to organizations that also qualify as Section 501(c)(3) exempt organizations. To this end, the Corporation shall preserve and maintain the historic Deer Harbor schoolhouse building, providing an emergency shelter, a depository for historical memorabilia and a place to hold public educational meetings that promote the viability of the Deer Harbor community. All funds, whether income or principal, and whether acquired by gift or contribution or otherwise, shall be devoted to said purposes.

Article IV: Limitations

At all times the following shall operate as conditions restricting the operations and activities of the Corporation:

1. No part of the net earnings of the Corporation shall inure to any member of the Corporation not qualifying as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended, nor to any director or officer of the Corporation, nor to any other private persons, excepting solely such reasonable compensation that the Corporation shall pay for services actually rendered to the Corporation, or allowed by the Corporation as a reasonable allowance for authorized expenditures incurred on behalf of the Corporation;
2. No substantial part of the activities of the Corporation shall constitute the carrying on of propoganda or otherwise attempting to influence legislation, or any initiative or referendum before the public, and the corporation shall not participate in, or intervene in (including by publication or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office; and

3. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended.
4. The Corporation shall not lend any of its assets to any officer or director of this corporation or guarantee to any person the payment of a loan by an officer or director of this Corporation.
5. The Corporation shall not have or issue shares of stock or loan money or credit to its officers.

Article V: Directors/Members

The Corporation shall have a voting membership. The management and affairs of the Corporation shall be at all times under the direction of a board of directors, whose operations in governing the Corporation shall be defined by statute and by the Corporation's bylaws. No member or director shall have any right, title, or interest in or to any property of the Corporation.

Article VI: Debt Obligations, Personal Liability

No member, officer or director of this Corporation shall be personally liable for the debts or obligations of this Corporation of any nature whatsoever, nor shall any of the property of the members, officers or directors be subject to the payment of the debts or obligations of this corporation.

Article VII: Indemnification

To the full extent allowed by the laws of the State of Washington, each member of the board of directors now or hereafter serving the Corporation and his/her respective heirs, executors, or personal representatives shall be indemnified by the Corporation against expenses actually and necessarily incurred in connection with the defense of any action, suit, or proceeding in which he/she is made a party by reason of being or having been a members of the board of directors or officer, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for gross negligence or gross misconduct in the performance of duties; but such indemnification shall not be deemed exclusive or any other rights to which such person may be entitled under any bylaw, agreement, vote of the board of directors or otherwise.

Article VIII: Dissolution

Upon the time of dissolution of the Corporation, assets shall be distributed by the board of directors, after paying or making provisions for the payment of all debts, obligations, liabilities, costs and expenses of the Corporation, for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the County of San Juan in which the principal office of the Corporation is located, exclusively for such purposes or to such organization or organizations, as said court shall determine which are organized and operated exclusively for such purposes

Article IX: Incorporator

The incorporators of this Corporation are: Beverly Polis, PO Box 196, Deer Harbor, WA 98243; Mike Speece, PO Box 65, Deer Harbor, WA 98243; Yvonne Ashenhurst, PO Box 9, Deer Harbor, WA 98243.

The undersigned incorporators certify both that they execute these articles of incorporation for the purposes herein stated, and that by such execution, they affirm the understanding that should any of the information in these articles be intentionally or knowingly misstated, they are subject to the criminal penalties for perjury set forth in State of Washington statutes as if this document had been executed under oath.

IN WITNESS WHEREOF, the undersigned have made and subscribed to these articles of incorporation at Eastsound, Washington 98245, on June 4, 2007.

San Juan County, State of Washington

Article X, XI, and XII deleted from articles of incorporation and placed in the bylaws.