

ARTICLES OF INCORPORATION

OF

FILED

JUL 29 2003

OREGON
SECRETARY OF STATE

163636-99

CERES GLEANN HOMEOWNERS ASSOCIATION, INC.

The undersigned, Ronald F. Hannegan, of the age of eighteen (18) years or more, acting as incorporator under the Oregon Nonprofit Corporation Act, adopts the following Articles of Incorporation:

1. Name

The name of the Corporation is CERES GLEANN HOMEOWNERS ASSOCIATION, INC., and its duration shall be perpetual.

2. Mutual Benefit

This Corporation is a non-profit mutual benefit corporation. The Corporation shall not distribute any income or profit from any operation or activity to any member.

3. Registered Office and Agent

The address of the initial registered office of the Corporation, and the name of its initial registered agent at such address are as follows:

NAME	ADDRESS
Ronald F. Hannegan	1754 Cumulus Ct. NW Salem, OR 97304

Any notices required by the Oregon Nonprofit Corporation Act may be sent to the registered agent at the above address.

4. Incorporator

The name and address of the incorporator is as follows:

NAME	ADDRESS
Ronald F. Hannegan	1754 Cumulus Ct. NW Salem, OR 97304

5. Location of Principal Office

The address of the principal office of the Corporation is as follows: PO Box 489, Dallas, Oregon 97338.

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6. Members

This Corporation shall have members (as that term is defined in the Oregon Nonprofit Corporation Act). All property owners within the planned development shall automatically be members of Ceres Gleann Homeowners Association, Inc. The members do not expect a profit, a distribution of income, or other economic benefit from membership in the Corporation or its operations, now or in the future.

7. Distributions Upon Dissolution

Upon the dissolution or winding-up of the Corporation, and after paying or making provision for the payment of all the liabilities of this Corporation, all the remaining assets shall be distributed by the Board of Directors to one or more organizations selected by the Board of Directors which would then qualify for exemption under the provisions of Section 501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

8. Board of Directors

The affairs and business of this Corporation shall be conducted by a Board of Directors, the number of which shall be fixed by the Bylaws, but shall not be less than three (3) and not more than seven (7) persons.

9. Names and Addresses of Initial Board of Directors

The incorporator has obtained the consent of each initial member of the Board of Directors, the names and addresses of which are:

NAME	ADDRESS
Margie Hannegan	1754 Cumulus Ct NW Salem OR 97304
Ronald F. Hannegan	1754 Cumulus Ct NW Salem OR 97304
James W. Fowler	PO Box 489 Dallas, OR 97338

10. Purposes

The purposes for which this Corporation is organized are exclusively to promote the rights and responsibilities of Owners in Ceres Gleann PUD, Polk County, Oregon, within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law). Said purposes shall include, but shall not be limited to, activities in accordance with the following general objectives:

- a. To construct, manage, and maintain common areas, roads, and recreational facilities.
- b. To enforce covenants, conditions and restrictions to preserve the appearance and

function of Ceres Gleann PUD.

c. To operate for the benefit of all residents and Owners of Ceres Gleann PUD.

11. Amendments

These Articles may be amended in the manner authorized by the Oregon Nonprofit Corporation Act.

12. Powers

The Corporation shall have all of the powers permitted to corporations under the Oregon Nonprofit Corporation Act provided that such powers may only be exercised in the furtherance of and to promote the rights and responsibilities of Owners in Ceres Gleann PUD as set forth in paragraph 10.

13. Indemnification

The Corporation shall indemnify to the fullest extent permitted by the Oregon Nonprofit Corporation Act any person who has been made, or threatened to be made a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including any action, suit, or proceeding by or in the right of the Corporation) by reason of the fact that the person is or was a Director or officer of the Corporation, or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Corporation, or serves or served at the request of the Corporation as a Director or officer, or as a fiduciary of any employee benefit plan, of another corporation, partnership, joint venture, trust, or other enterprise.

14. Liability of Directors

The Corporation, to the full extent that the Oregon Nonprofit Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of liability of directors and uncompensated officers as hereinafter provided. The Directors of the Corporation shall not have any personal liability to the Corporation for monetary damages for conduct as a Director; provided that this article shall not limit or eliminate the liability of a Director for any of the following:

- a. Any breach of the Director's duty of loyalty to the Corporation;
- b. Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- c. Any unlawful distribution;
- d. Any transaction from which the Director derived an improper personal benefit; or
- e. Any provision that under this chapter is required or permitted to be set forth in the bylaws.

Any amendment to, or repeal of, this Article shall not adversely affect any right or protection of the director, or with respect to, any acts or omissions of such director occurring prior to such amendment or repeal.

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15. Restrictions

a. This Corporation shall have no capital stock, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, trustees, officers, members, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in paragraph 10.

Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal Income Tax under Section 501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

b. The Corporation shall not discriminate against any individual because of race, color, creed, religious affiliation, or national origin.

16. Maintenance of Open Space

From and after the time that the Declarant conveys open space to the Ceres Gleann Homeowners Association, Inc., such association shall maintain the open space in perpetuity. In the event that Ceres Gleann Homeowners Association, Inc. fails to maintain open space, the City of Dallas may cause the maintenance of such open space and other common areas to be made and such costs shall become a lien upon the property in Ceres Gleann PUD.

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

DATED: 2/29/ 2003.


Ronald F. Hannegan

PERSON TO CONTACT ABOUT THIS FILING:
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