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STATE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

ARTICLES OF INCORPORATION

OF

DEC 18 1987

TAHOE PALISADES HOMEOWNERS ASSOCIATION, INC.

JAMES SUZ DEL PAFA SECRETARY OF STATE

Franklin D. ...
The undersigned hereby associate themselves for the purpose of forming a nonprofit corporation under NRS 81.410 through 81.540, and certify as follows:

ARTICLE 1. Name. The name of the corporation shall be TAHOE PALISADES HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as "Association".

ARTICLE 2. Principal Place of Business and Resident Agent. The principal place of business of this corporation in the State of Nevada shall be 848 Tanager Street, Post Office Box 6879, Incline Village, Nevada 89450, and the resident agent is Thomas W. Gruesen, Sr., of that address.

ARTICLE 3. Purpose. The purpose for which the Association is organized is to provide an entity for the control, maintenance and operation of the common areas and related easements and to adopt and enforce reasonable rules for the regulation of the occupancy and use of the residential lots/units and the related easements as shown on the recorded plot map of the Association filed in the Office of the County Recorder of Washoe County, Nevada.

ARTICLE 4. Powers. The Associations's powers shall include and be governed by the following provisions:

A. The Association shall have all the common law and statutory powers of a nonprofit corporation, except those which conflict with the provisions of these Articles.

B. The Association shall have all the powers and duties permitted by law except to the extent that they are limited by these Articles and the By-Laws and Covenants, Conditions and Restrictions applicable to the operation, maintenance, control and jurisdiction of the property above described and as they may be amended from time to time. Said powers shall include, but are not limited to, the following powers:

(a) To make and collect assessments/dues against members in order to defray the Association's costs, expenses and losses and to make and collect assessments/dues against each lot/unit ownership for all fines and penalties to which its owner is subject as a result of violation of the Declaration of Restrictions, Tahoe Palisades or any rules prescribed by the Association, and for any other liability, indebtedness or other provisions of the Declaration of Restrictions, Tahoe Palisades or otherwise.

(b) To use the proceeds of assessments/dues in the exercise of its powers and duties.

(c) To develop, replace, maintain and operate property leased or owned by the Association.

(d) To purchase insurance on property leased or owned by the Association and insurance for the protection of the Association, its directors and its members.

(e) To reconstruct improvements after casualty and to further improve property leased or owned by the Association.

(f) To make and amend reasonable rules for the regulation of the occupancy and use of common areas and related easements and the lots/units, provided that such rules may be changed by sixty percent (60%) of the voting power of the Association.

(g) To enforce, by legal means, the provisions of the aforementioned Declaration of Covenants, Conditions and Restrictions, these Articles, the By-Laws of the Association and regulations for the use of property above described in Article 2.

(h) To contract for the management of property leased or owned by the Association and to delegate to the contractor all the powers and duties of the Association except those powers and duties which are specifically required by the said Declaration to be approved by the Board of Directors or the members of the Association.

C. The titles of all properties and all funds owned by the Association shall be held in trust for the members according to the provisions of these Articles, the By-Laws and the Declaration of Covenants, Conditions and Restrictions.

ARTICLE 5. Members. The members of the Association shall consist of all the record owners of the lots/units located on Tahoe Palisades Homeowners Association property, Incline Village, Nevada. A change of membership in the Association shall be established by the recording in the public records of Washoe County, Nevada, of a deed or other instrument establishing a record title to a lot/unit and the delivery to the Association of a true copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership of the previous owner shall be thereby ended. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his lot/unit. Each member of the Association shall be entitled to one equal vote for each lot/unit owned by him. The manner of exercising voting rights shall be according to the By-Laws of the Association.

ARTICLE 6. Directors. The affairs of the Association shall be managed by a Board of Directors consisting of such number of Directors as shall be determined by the By-Laws, but not less than three Directors. In the absence of such a determination, the Board shall consist of three Directors. The first Board of Directors shall be those in these Articles who shall serve until their successors shall have been elected and shall have accepted office in accordance with the By-Laws. Directors may be removed and vacancies on the Board shall be filled as provided by the By-Laws. The Directors named herein shall constitute the first Board of Directors to serve until the second Board of Directors take office. The names and addresses of the members of the first Board of Directors are as follows:

Nannette Rocky, 9287 Lakewood Drive, Windsor, CA. 95492
Jerry George, 8891 Bluff Lane, Fair Oaks, CA. 95628
Mark Bernatein, P.O. Box 3005, Incline Village, NV.89450

The above-named Directors shall hold office until their successors take office.

ARTICLE 7. Officers. The Association's affairs shall be administered by such officers as are provided by the By-Laws elected at any meeting of the Board of Directors. Such officers shall serve at the pleasure of the Board of Directors.

ARTICLE 8. Indemnification. Each Director and each officer of the Association shall be indemnified by the Association against all liabilities and expenses, including counsel fees reasonable incurred or imposed on him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been an officer or Director of the Association, or any settlement thereof, regardless of whether he is an officer or Director at the time such expenses are incurred, unless the officer or Director is adjudged guilty of willful malfeasance or misfeasance in the performance of his duties. In case of a settlement, the indemnification provided for herein shall apply only when the Board of Directors approved such settlement and reimbursement as being for the Association's best interest. The above-described right of indemnification shall not be exclusive of all other rights to which such Director or officer may be entitled by statute or otherwise, but shall be in addition to such other rights.

ARTICLE 9. By-Laws. The By-Laws of the Association shall be adopted within two (2) months after the filing of these Articles. Such By-Laws must be approved by a majority vote of the Board of Directors or by written assent of members representing a majority of the vote of the Board of Directors.

ARTICLE 10. Amendments of Articles of Incorporation.
The Articles of incorporation shall be amended in the following manner:

The notice of any meeting at which a proposed amendment is

considered shall include notice of the subject matter of the proposed amendment. Either the Board of Directors or the members of the Association may propose a resolution approving a proposed amendment. Members and Directors who are not present either in person or by proxy at the meeting at which the proposed amendment is under consideration may express their approval in writing, provided their approval is delivered to the secretary at or before the meeting.

An amendment must be approved by (1) not less than two-thirds (2/3) of the entire membership of the Board of Directors and by not less than 60% of the votes of the entire membership of the Association, or (2) by not less than 75% of the votes of the entire membership of the Association. No amendment shall make any changes in the qualifications for membership nor in the voting rights of members without the unanimous approval in writing by all the members. A copy of each amendment shall be certified by the Secretary of State and filed in the office of the County Clerk of Washoe County, State of Nevada.

ARTICLE 11. Term of Association. The Association shall continue to exist for the next fifty (50) years unless sooner terminated pursuant to law.

ARTICLE 12. Subscribers. The names and residence addresses of the original members and subscribers of these Articles of Incorporation are as follows:

Nannette Rockey, 9287 Lakewood Drive, Windsor, CA. 95492
Jerry George, 8891 Bluff Lane, Fair Oaks, CA. 95628
Mark Bernstein, P.O. Box 3003, Incline Village, NV. 89450

ARTICLE 13. Non-Profit. This Corporation is organized solely as a non-profit organization, and shall not be operated except in pursuance to its tax exempt purposes. Upon dissolution, any assets shall not inure to the benefit of any member, director, or private person, but instead shall be distributed according to law.

ARTICLE 14. Non-Liability of Directors and Officers. No director or officer of this corporation shall be personally liable to the corporation or its members for damages for breach of any fiduciary duty as a director or officer except for acts or omissions which involve intentional misconduct, fraud, or a knowing violation of law. It is the intent of this Article that the directors and officers of this corporation be given the full protection and benefit of the amendments to corporate law in this area as enacted by the 1987 Nevada Legislature.

ARTICLE 15. Exempt Property. The private property of the members of the corporation shall be forever exempt from liability for debts or obligations of the corporation.

IN WITNESS WHEREOF, the subscribers have affixed their signatures this 23 day of November, 1987.

Nanette Rockey
Nanette Rockey

Jerry George
Jerry George

Mack Bernstein
Mack Bernstein

STATE OF NEVADA

COUNTY OF WASHOE

On this 28th day of November, 1987, personally appeared before me, a Notary Public, in and for the State of Nevada, Nanette Rockey, Jerry George and Mark Bernstein, known to me to be the persons whose names are subscribed to the Articles of Incorporation attached hereto, and who acknowledged to me that they executed the Articles of Incorporation freely and voluntarily and for the uses and purposes therein mentioned.

Notary Seal


Notary Public

