



Secretary of State
Corporation Division
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Registry Number: 337837-96
Type: DOMESTIC NONPROFIT CORPORATION

CALDERA SPRINGS OWNERS' ASSOCIATION, ...
CATHERINE SMITH
BUILDING 5 SUNRIVER VILLAGE
PO BOX 3650
SUNRIVER OR 97707

Acknowledgment Letter

The document you submitted was recorded as shown below. Please review and verify the information listed for accuracy.

If you have any questions regarding this acknowledgement, contact the Secretary of State, Corporation Division at (503)986-2200. Please refer to the registration number listed above. A copy of the filed documentation may be ordered for a fee of \$5.00. Submit your request to the address listed above or call (503)986-2317 with your Visa or MasterCard number.

Document

ARTICLES OF INCORPORATION

Filed On
01/31/2006

Jurisdiction
OREGON

Nonprofit Type
MUTUAL BENEFIT WITH
MEMBERS

Name

CALDERA SPRINGS OWNERS' ASSOCIATION, INC.

Registered Agent

CATHERINE SMITH
BUILDING 5 SUNRIVER VILLAGE
PO BOX 3650
SUNRIVER OR 97707

REGISTRY NUMBER:

337837-96

FILED

JAN 31 2006

OREGON
SECRETARY OF STATE

ARTICLES OF INCORPORATION

CALDERA SPRINGS OWNERS' ASSOCIATION, INC.

The undersigned, acting as incorporator under the Oregon Nonprofit Corporation Law, adopts the following Articles of Incorporation:

ARTICLE I - NAME

The name of this corporation is Caldera Springs Owners' Association, Inc. ("Association").

ARTICLE II - PURPOSES

The corporation is a mutual benefit corporation with members. The purposes for which the Association is organized are to provide for the management, maintenance, protection and preservation of property in a subdivision within a destination resort project in Deschutes County, Oregon, and to promote the health, safety, welfare and other general benefit of its members, not for profit, but for the mutual advantages to be derived therefrom as contemplated in the Declaration of Protective Covenants, Conditions and Restrictions for Caldera Springs. Such document is recorded or will be recorded in the Real Property Records of Deschutes County, Oregon, as the same may be subsequently amended or supplemented by instruments of record (hereinafter called the "Declaration"). Except as otherwise defined herein, the definitions contained in the Declaration are hereby adopted by reference.

ARTICLE III - POWERS AND DUTIES

The Association shall have, exercise, and perform all of the following powers, duties and obligations:

1. The duties and obligations granted to the Association by the Declaration.
2. The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.
3. The powers, duties, and obligations of a homeowners association pursuant to the Oregon Planned Community Act, except as modified in the Declaration.

4. Any additional or different powers, duties and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Declaration or otherwise promoting the general benefit of the Owners within the North Rim project.

ARTICLE IV - REGISTERED OFFICE AND AGENT

A. The street address of the initial registered office of the Association is Building 5, Sunriver Village, PO Box 3650, Sunriver, Oregon 97707, and the name of its initial registered agent for service of process at such address is Catherine Smith. The agent has consented to such appointment.

B. The address to which the Office of the Secretary of State may mail notices as required by law is the same as above.

ARTICLE V - DIRECTORS

The powers of the Association shall be exercised and its properties controlled and its affairs conducted by a Board of Directors elected or appointed as provided in the Declaration and Bylaws.

ARTICLE VI - INCORPORATOR

The name of the incorporator is Rebecca Biermann Tom.

ARTICLE VII - DURATION/DISSOLUTION

A. The corporation shall exist perpetually.

B. Subject to any contrary provisions of the Act, as amended, the Association may be dissolved with the assent given in writing and signed by owners holding not less than seventy-five percent (75%) of the voting power within the Association, together with the vote or written consent of the Class B member, if such membership has not been terminated as provided in the Declaration. Dissolution of the Association shall require the approval of HUD/VA so long as there is Class B membership, if required by law. If HUD/VA fails to notify Declarant or the Association of objections to any dissolution within fifteen (15) days after the date of request for approval of dissolution, such approval shall be deemed to have been granted. In the event that the Association is at any time dissolved, whether inadvertently or deliberately, an unincorporated association of the same name shall automatically succeed it. In that event all of the property, powers and obligations of the incorporated association existing immediately prior to its dissolution thereupon shall automatically vest in the successor-unincorporated association. Such vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, the Articles of Incorporation and Bylaws of the Association shall govern any successor-unincorporated association as if they had been made to constitute the governing documents of the unincorporated association.

ARTICLE VIII - MEMBERSHIP AND VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of Declarant (except that beginning on the date on which Class B membership is converted to Class A Membership, and thereafter, Class A Members shall be all Owners, including Declarant). The Single Family Class A Members shall have one equal vote for each Residence in which they hold the interest required for membership under Section 2.1 and shall have voting rights in the aggregate representing 85 percent of the total Class A voting power. The Golf Course Class A Member shall have voting rights representing 5 percent of the total Class A voting power. The Sub-Association Class A Members shall have voting rights representing 10 percent of the total Class A voting power. Notwithstanding the foregoing, the Golf Course Class A Member and the Sub-Association Class A Members shall have special appointment rights in connection with the selection of directors of the Association, as provided in the Bylaws. All voting and appointment rights of the Sub-Association Class A Members pursuant to the Declaration, Bylaws and Articles may only be exercised by the Sub-Association; individual Owners of Residences within the Sub-Association shall not be entitled to voting or appointment rights. When more than one (1) person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they among themselves determine, and in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant, who shall be entitled to four hundred (400) votes for each Lot it owns until the Conversion Date at which time the Class B Membership shall be converted to a Class A Membership.

ARTICLE IX - LIABILITY AND INDEMNIFICATION

A. The Association shall indemnify to the fullest extent permitted by law any person who is made or threatened to be made a party to, witness in, or otherwise involved in, any action, suit or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the Association) by reason of the fact that the person is or was a director, officer or committee member of the Association or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Association, or serves or served at the request of the Association as a director, manager, officer, committee member, employee or agent or as a fiduciary of an employee benefit plan, of another corporation, limited liability company, partnership, joint venture, trust, or other enterprise. Any indemnification provided pursuant to this Article 9.A will not be exclusive of any rights to which the person indemnified may otherwise be entitled under any provision of these articles of organization, bylaws, other agreement, statute, policy of insurance, vote of members, directors or managers, or otherwise.

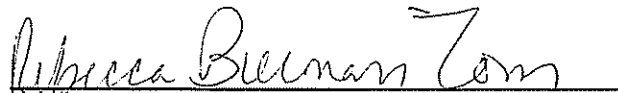
For purposes of this Article 9.A, the term "to the fullest extent permitted by law" includes, without limitation, to the fullest extent permitted by any provision in the Oregon Nonprofit Corporation Act that authorizes a nonprofit corporation to provide indemnification, by agreement, article, bylaws, contract or otherwise, in addition to the permissible indemnification specifically authorized and set forth in the Oregon Nonprofit Corporation Act.

B. To the fullest extent permitted by law, no director, officer or committee member of the Association will be personally liable to the Association or its members for monetary damages for conduct as a director, officer or committee member. Without limiting the generality of the preceding, if the Oregon Revised Statutes are amended after this Article 9.B becomes effective to authorize action further eliminating or limiting the personal liability of directors, officers or committee members of the Association, then the liability of the directors, officers or committee members of the Association will be eliminated or limited to the fullest extent permitted by the Oregon Revised Statutes, as so amended. No amendment or repeal of this Article 9.B, nor the adoption of any provision of these Articles of Organization inconsistent with this Article 9.B, nor a change in the law, will adversely affect any right or protection that is based upon this Article 9.B and pertains to conduct that occurred prior to the time of such amendment, repeal, adoption or change. No change in the law will reduce or eliminate the rights and protections set forth in this Article 9.B unless the change in the law specifically requires such reduction or elimination.

ARTICLE X - AMENDMENT

Amendment of these Articles shall require the assent of the Owners of at least seventy-five percent (75%) of the then-existing lots and of Declarant so long as Declarant owns one or more of the lots or retains the right to annex additional property to the Property; provided, however, that Declarant's assent to amendment of these Articles shall not be required after the date that is fifteen years after the date on which the first Homesite is conveyed to person(s) other than Declarant. Notwithstanding the foregoing, any provisions contained in both these Articles and the Bylaws may be amended only in the manner provided for in the Bylaws, and the provisions hereof shall not be amended so as to be inconsistent with the Declaration; if inconsistent, the Declaration shall only be amended as provided therein.

DATED: January 30, 2006.



Rebecca Biermann Tom
Address: c/o Ball Janik LLP
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Suite 1100
Portland, OR 97204-3219