

**ARTICLES OF AMENDMENT
OF
SKY MEADOWS COMMUNITY ASSOCIATION**

PURSUANT TO the provisions of RCW 24.03.170 of the Washington Nonprofit Corporations Act, the undersigned adopts the following Articles of Amendment to the Articles of Incorporation:

FIRST: The name of the corporation is Sky Meadows Community Association.

SECOND: The following amendment of the Articles of Incorporation was adopted by the affirmative vote of two thirds (2/3) of the members at a duly called meeting of members at which a quorum was present on the 8th day of October, 1988.

RESOLVED, the Article VIII of the Articles of Incorporation shall be amended by the addition of the following Sections 5 and 6:

Section 5. Director Liability. A director of the corporation shall not be personally liable to the corporation or its members for monetary damages for conduct as a director, except for liability of the director (i) for acts or omissions which involve intentional misconduct by the director or a knowing violation of law by the director, or (ii) for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not entitled. If the Washington Nonprofit Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of the foregoing paragraph by the members of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

Section 6. Indemnification.

6.1. The corporation has the power to indemnify, 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 this corporation or other firms or entities to the maximum extent and under all circumstances permitted by law.

6.2. Each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of that fact that he or she is or was a director or officer of the corporation or, being or having been such a director or officer, he or she is or was serving at the request of the corporation as a director, officer, employee

or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent or in any other capacity, shall be indemnified and held harmless by the corporation to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually or reasonably incurred or suffered by such person in connection herewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators. No indemnification shall be provided under this Article VIII to any such person if the corporation is prohibited by the nonexclusive provisions of the Washington Nonprofit Corporation Act or other applicable law as then in effect from paying such indemnification, or if in the opinion of counsel payment of such indemnification would subject the corporation to imposition of excise taxes under the Code or would cause the corporation to lose its tax exempt status (if any) from federal income taxation. The right to indemnification conferred in this section shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expense in advance of the final disposition of a proceeding shall be made to or on behalf of a director or officer only upon delivery to the corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article or otherwise, which undertaking may be unsecured and may be accepted without reference to financial ability to make repayment.

6.3. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of members (if any) or disinterested directors or otherwise.

6.4. The corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Nonprofit Corporation Act. The corporation may enter into contracts with any director or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

6.5. The corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to officers, employees and agents of the corporation with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the corporation or pursuant to rights granted pursuant to, or provided by, the Washington Nonprofit Corporation Act or otherwise.

DATED this 20th day of October, 1988.

James Collier
JAMES COLLIER, President

Nancy Collier
NANCY COLLIER, Secretary

SUBSCRIBED AND SWORN to before me this 20th day of October, 1988.

June Samson
Notary Public in and for the State of
Washington, residing at Freeland
My commission expires 11-22-90