

Restated
Articles of Incorporation
of the
LAKE SHASTINA PROPERTY OWNERS
ASSOCIATION

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

RESTATED
ARTICLES OF INCORPORATION
OF
LAKE SHASTINA PROPERTY OWNERS ASSOCIATION

ENDORSED . FILED
In the office of the Secretary of State
of the State of California

AUG 4 2000

The undersigned certify that:

BILL JONES, Secretary of State

1. They are the president and the secretary, respectively, of LAKE SHASTINA PROPERTY OWNERS ASSOCIATION, a California corporation.

2. The Articles of Incorporation of this corporation are amended and restated in their entirety to read as follows:

I

The name of the corporation is LAKE SHASTINA PROPERTY OWNERS ASSOCIATION (the "Corporation").

II

The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

III

A. The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under such Law.

B. The specific and primary purposes for which the Corporation is formed are to provide for the management, maintenance, protection, preservation and development of the Lake Shastina residential planned development located in the County of Siskiyou, State of California (the "Development") and to promote the health, safety and welfare of the Lake Shastina community.

The Corporation is formed to acquire, own, lease, control, maintain, protect, manage and develop the shoreline, parks, roads, streets, information kiosk, boat launch

facilities, easement areas, and other Common Areas and community facilities of the Development; to exercise with regard to such areas and facilities all the powers, functions, rights and privileges which may be granted to the Corporation pursuant to any Declaration of Covenants, Conditions and Restrictions recorded or to be recorded affecting any portion of the Development; to enforce the Governing Documents of the Development (including the Association Rules adopted by the Board of Directors); to maintain in a clean and orderly manner that portion of the shoreline of Lake Shastina which is in immediate proximity to the Development; to otherwise promote the welfare, health, safety and beauty of the Development and the improvements therein for the mutual benefit, pleasure and recreation of the Lake Shastina community; and to take such action as in the judgment of the Board of Directors shall be necessary or proper or incidental to the foregoing purposes of the Corporation.

D. Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of the Corporation.

IV

The Corporation is organized and operated exclusively for social welfare purposes within the meaning for United States Internal Revenue Code ("IRC") Section 501(c)(4).

V

The property of the Corporation is irrevocably dedicated to social welfare purposes and no part of the net income or assets of the Corporation shall ever inure to the benefit of any director, officer or Member thereof or to the benefit of any private person.

VI

Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated

exclusively for social welfare purposes and which has established its tax exempt status under IRC Section 501(c)(4).

VII

The Corporation is an association formed to manage a common interest development under the *Davis-Stirling Common Interest Development Act*. The on-site business or corporate office of the Corporation is 16320 Everhart Drive, Weed, CA 96094.

VIII

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot within the Development, which is subject, by covenants of record, to assessment by the Corporation, including contract sellers, shall be a Member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest in a Lot within the Development merely as security for the performance of an obligation. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment by the Corporation.

The property, voting and other rights, privileges, preferences, restrictions and conditions of Members shall be as set forth in these Articles and the Bylaws of the Corporation.

IX

The Corporation elects to be governed by all of the provisions of the Nonprofit Corporation Law of 1980 not otherwise applicable to it under Part 5 thereof.

X

The affairs of the Corporation shall be managed by a Board of Directors, who shall be Members in good standing of the Corporation. The number of Directors, their qualifications, and the manner of their selection shall be as set forth in the Bylaws of the Corporation.

XI

The Corporation is intended to qualify under the applicable provisions of IRC Section 501(c)(4) and of California Revenue and Taxation Code ("R&TC") Section 23701f, as each may be amended from time to time. So long as there is any lot or parcel for which the Corporation is obligated to provide management, maintenance, preservation, or control, the Corporation shall not transfer all or substantially all of its assets or file a certificate of dissolution without the approval of one hundred percent (100%) of the Members.

XII

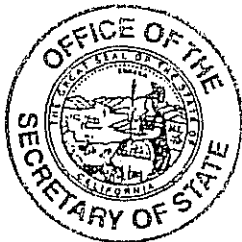
Any amendments to these Restated Articles of Incorporation shall require the approval of the Board of Directors and the approval by the affirmative vote or written consent of Members representing at least a majority of the total voting power of the Corporation.


3. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the board of directors.

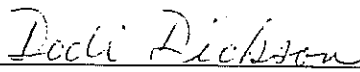
4. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of Members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: 4-12, 2000.

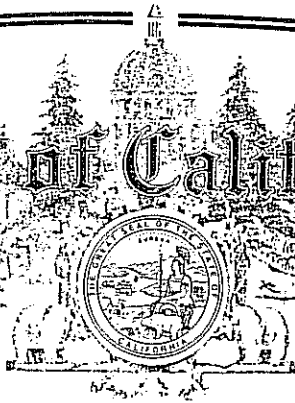



Richard Craig Dilley, President


Dodi Dickson, Secretary

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SEP 01 2000

State of California



SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 4 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

AUG 22 2000

Bill Jones

Secretary of State

