

ARTICLES OF INCORPORATION
OF
CORALVILLE LAKE TERRACE IMPROVEMENT ASSOCIATION

The undersigned, acting as incorporator of a corporation under the Revised Iowa Nonprofit Corporation Act under Chapter 504 of the Iowa Code, as amended, adopts the following Articles of Incorporation for such corporation:

ARTICLE I.

Name and Principal Office

The name of this corporation is **Coralville Lake Terrace Improvement Association** (the "Association") and its principal office shall be located in North Liberty, Johnson County, Iowa.

ARTICLE II.

Corporate Existence

The corporate existence of this corporation shall begin on the date these Articles are filed with the Secretary of State, and the period of its duration is perpetual.

ARTICLE III.

Purpose and Powers

(A) The Association is hereby formed for the purpose of owning, maintaining and managing any common areas or utilities within Coralville Lake Terrace Addition, North Liberty, Iowa. In addition, the Association shall have all powers and purposes granted or implied to a nonprofit corporation under Chapter 504 of the Iowa Code, and all of such powers shall likewise constitute lawful purposes of the Association.

(B) In owning and maintaining property, the Association may join with the management of any other Association(s) owning and maintaining similar properties in securing or providing services or facilities common in whole or in part to both or all, and in discharging the expense thereof.

(C) The purposes of the Association are not for private profit or gain and no part of the Association's activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation, and the Association is expressly prohibited from making any distributions of income to its members, directors, or officers, although members,

directors, or officers may be reimbursed for expenses incurred while conducting the affairs of the Association. No dividends shall be paid to members at any time.

ARTICLE IV.

Registered Office and Agent

The address of the initial registered office of the corporation is 3424 Terrace Hill Drive NE, North Liberty, Iowa 52317, and the name of its initial registered agent at such address is Heath Wetjen.

ARTICLE V.

Board of Directors

The number of directors constituting the initial Board of Directors of the Association is nine (9), and the names and addresses of each person who is to serve as an initial director is:

| <u>NAME</u> | <u>ADDRESS</u> |
|-----------------|---|
| Heath Wetjen | 3424 Terrace Hill Drive NE North Liberty, Iowa 52317 |
| JoAnne Hudachek | 3422 Willow Drive NE North Liberty, Iowa 52317 |
| Penny Boyd | 3439 Elm Drive NE North Liberty, Iowa 52317 |
| Kellie Tuttle | 3409 Terrace Hill Drive NE North Liberty, Iowa 52317 |
| Amy Barney | 3420 Terrace Hill Drive NE North Liberty, Iowa 52317 |
| Andy Rich | 3425 Terrace Hill Drive NE North Liberty, Iowa 52317 |
| Jon Pals | 3450 Oak Hill Drive NE North Liberty, Iowa 52317 |
| Diane Jahnel | 1828 Shady Lane NE North Liberty, Iowa 52317 |

Jerry Brogan

3453 Forest Drive NE
North Liberty, Iowa 52317

ARTICLE VI.

Incorporator

The name and address of the incorporator is Heath Wetjen, 3424 Terrace Hill Drive NE, North Liberty, Iowa 52317.

ARTICLE VII.

Bylaws

The initial Bylaws of the Association shall be adopted by its initial Board of Directors; thereafter the power to alter, amend, or repeal the Bylaws or adopt new Bylaws is reserved to the members of the Association.

ARTICLE VIII.

Members and Voting

Persons or entities who own a lot or lots situated within Coralville Lake Terrace Addition in Johnson County, Iowa, shall be members of the Association for so long as such persons own such lot or lots. The rights and obligations of the members shall be governed by the provisions of the Bylaws to be adopted as provided herein. The voting rights of the members shall be fixed, limited, enlarged, or denied to the extent specified in the Bylaws.

ARTICLE IX.

Distribution of Assets Upon Liquidation

In the event of liquidation, assets remaining for distribution, if any, shall be distributed to the members in accordance to their proportionate share of lot ownership, as determined by the Bylaws. Any such distribution shall not be deemed to be a dividend or distribution of income.

ARTICLE X.

Amendment

These Articles of Incorporation may be amended only by the affirmative vote of a majority of the Board, and by the affirmative vote (in person or by proxy) of Members representing a majority of the voting power of the Association. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

ARTICLE XI.

Limitation of Liability

The liability of a director of the Association to the Association or its members for money damages for any action taken, or failure to take action, as a director is hereby eliminated to the fullest extent permitted by the Act, except liability for any of the following:

1. The amount of financial benefit received by a director to which the director is not entitled;
2. An intentional infliction of harm on the Association or its members;
3. A violation of Section 504.835 of the Act; or
4. An intentional violation of criminal law.

ARTICLE XII.

Indemnification

The Association may indemnify directors of the Association for liability for any action taken or failure to take any action as a director, to the full extent permitted by the Act, except liability for any of the following:

1. The amount of a financial benefit received by a director to which the director is not entitled;
2. An intentional infliction of harm on the Association or its members;
3. A violation of Section 504.835 of the Act; or
4. An intentional violation of criminal law.

Dated this ___ day of July, 2010.

Heath Wetjen, Incorporator