

ARTICLES OF AMENDMENT

INDEMNITY RESOLUTION

August 17, 1994

The Board of Trustees of the Cape George Colony Club amend the Club's Articles of Incorporation to provide for the defense and indemnity of directors, officers and employees as permitted by law and as described in the attached Articles of Amendment.

Otto Sandberg, President

Secretary, Robert Maret

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Pursuant to the provisions of Title 23B of the Revised Code of Washington ("The Washington Business Corporation Act") as applied to Nonprofit Corporations, the undersigned adopt the following Articles of Amendment to the Articles of Incorporation.

- (1) The name of the corporation is Cape George Colony Club.
 - (2) The following amendments to the Articles of Incorporation were adopted:
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ARTICLE VIII

INDEMNIFICATION & LIMITATION ON LIABILITY

Section 1. **Definitions.** The definitions contained in Section 105 of the Washington Business Corporation Act, Title 23B RCW, are adopted and made a part of this Article VIII.

Section 2. **Right to Indemnification.** Each person who was or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding by reason of the fact that he or she is or was a director or officer of the corporation or while a director or officer, he or she is or was serving at the request of the corporation as a director, trustee, 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, trustee, officer, employee or agent or in any other capacity while serving as a director, trustee, officer, employee or agent shall be indemnified and held harmless by the corporation to the full extent permitted by applicable law as then in effect against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 3 of this Article with respect to proceedings seeking solely to enforce rights to indemnification, the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors of the corporation. The right to indemnification conferred in this Section 2 shall be a contract right, need not be determined in accordance with the Washington Business Corporation Act, and shall include the right to be

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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 expenses in advance of the final disposition of a proceeding shall be made 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 Section 2 or otherwise.

Section 3. Right of Claimant to Bring Suit. If a claim for which indemnification is required under Section 2 of this Article is not paid in full by the corporation within sixty (60) days after a written claim has been received by the corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking has been tendered to the corporation), and thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the corporation (including its board of directors, independent legal counsel or its members, if any) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the corporation (including its board of directors, independent legal counsel or its members, if any) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

Section 4. Nonexclusivity of Rights. 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 vote of disinterested directors or otherwise.

Section 5. Insurance, Contracts and Funding. The corporation may maintain insurance at its expense, to protect itself and any director, trustee, 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 Business Corporation Act (Title 23B RCW), as applied to nonprofit corporations. The corporation may, without further membership action, 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.

Section 6. Indemnification of Employees and Agents of the Corporation. 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 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

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pursuant to rights granted pursuant to or provided by the Washington Business Corporation Act, as applied to nonprofit corporations or otherwise.

Section 7. Limitation of Liability. Directors shall have no personal liability to the corporation or its members for monetary damages for acts or omissions as a director unless such acts or omissions involve intentional misconduct by a director, a knowing violation of law by a director, or a transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. This section shall not apply to any act or omission occurring prior to the date when this section became effective.

(3) A quorum was present at the meeting. The total number of votes cast by directors was 6. Of those votes, 6 were in favor of the amendments.

Otto Sandberg, President

Robert LaBonte, Vice President