

Filed this 31st day of March, 2003

Ch. Nelson
SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
THE COUNTRYSIDE OF SPEARFISH
HOMEOWNERS ASSOCIATION, INC.

RECEIVED

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STATE SEC. OF STATE

KNOW ALL MEN BY THESE PRESENTS:

Executed by the undersigned for the purpose of forming a South Dakota Corporation under SDCL 47-22, and known as the South Dakota Non-profit Corporation Act.

ARTICLE ONE - NAME

The name of this corporation shall be **The Countryside of Spearfish Homeowners Association, Inc.** hereinafter referred to as "Association."

ARTICLE TWO - PURPOSE

The purpose of the Association is to provide for the maintenance, preservation and control of the Lots of The Countryside of Spearfish ("Development") and to promote the health, safety and welfare of the residents of the Development, which is more particularly described as follows: Lot 1A and Lot 1B, a Subdivision of Lot 1 of the E1/2 NW1/4 and the W1/2 NE1/4 of Section 13, and Tract B in the SW1/4 of Section 12, T6N, R2E, BHM, all located in the Spring Creek Addition to the City of Spearfish, Lawrence County, South Dakota; and, Tract 1, a Subdivision of Lot 1B, of Spring Creek Addition to the City of Spearfish, located in the E1/2NW1/4 and the W1/2NE1/4 of Section 13, T6N, R2E, BHM, Lawrence County, South Dakota, according to Plat filed in Document No. 2003-1196.

Additional adjoining real property may be added to the jurisdiction of the Association according to the procedures established in that certain Declaration of Covenants, Conditions and Restrictions for **The Countryside of Spearfish** ("Covenants"), which is incorporated herein by reference. All capitalized terms herein have the same meaning as assigned in the Covenants, and the Declarant thereunder, Boke Ranch, Inc., shall be referred to herein as the Declarant.

The Association is generally organized to carry out these purposes and the standard purposes adopted by the Board of Directors ("Board"). The Association is organized exclusively for charitable (religious, educational, cultural) and other non-profitable purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

The Association shall have the powers, in addition to those enumerated in Chapter 47-22 to 47-28, to acquire, by purchase or lease or otherwise, real property and personal property, and to erect or cause to be erected on any real property owned, held or occupied by the Association, buildings or other structures with their appurtenances and to rebuild, enlarge, alter or improve any buildings or other structures now or hereinafter erected on any real property so owned, held or occupied, and to mortgage, borrow, sell, lease, contract or otherwise dispose of any real property and personal property, or interests in any real property, personal property or buildings, or other structures at any time owned or held by the Association; in addition, to make assessments, annual and special, and charge user fees, raise funds for equipment, materials and other needs for the maintenance, operation and interests of the Association and its facilities, and as may be required for maintenance of the properties within the jurisdiction of the Association.

ARTICLE THREE - PERPETUAL TERM

The term for which this Association shall exist shall be perpetual.

ARTICLE FOUR - MEMBERS

This Association shall have one class of Members, with every Lot owner in The Countryside of Spearfish being a Member of the Association. Membership in the Association runs with and is appurtenant to a Lot. Subsequent Owners of the property will acquire the seller's rights in the Association, subject to payment of Association assessments and fees. Where more than one person holds an interest in a Lot, all such persons shall be Members of the Association, but the vote for such Lot shall be exercised as by the signature of a majority of the Member/Owners upon a duly authorized proxy and in no event shall more than one vote be cast with respect to any one Lot. When an entity not a natural person is a Lot Owner, the vote of such Member shall only be cast by duly authorized proxy. No Member may be expelled from the Association or be permanently denied voting rights, but voting rights may be temporarily suspended during any period the Member is delinquent in payment of assessments, fees or charges.

ARTICLE FIVE - BOARD OF DIRECTORS

The initial Board of Directors of the Association shall consist of three Directors, including one permanent representative of the Declarant, but the number permanently established shall be established in the By-Laws and shall be no less than three nor more than nine. The term of the Directors shall be provided in the Bylaws. Removal of a Director shall be in accord with reasonable rules for notice and hearing as established by the Board in the Bylaws of the Association, except that a Director may be removed without notice or hearing for three un-excused absences as shall be provided in the Bylaws. Directors must be Members of the Association in good standing. The Declarant shall be a member of the Board of Directors without need for election so long as the Declarant is an Owner of a Lot unless the Declarant otherwise elects, and the Declarant Director shall not be subject to removal. Until such time as there are two or more Lot Owners who are eligible to be Directors in addition to the Declarant, the Initial Board of Directors shall be composed of three directors, one being the Declarant; however, the Declarant and this Corporation are not and shall not be deemed to be the same entity, nor are they nor shall they be deemed joint venturers or co-partners for any purpose unless they otherwise expressly agree.

ARTICLE SIX - AUDITS - RECORDS

The Board shall establish in the Bylaws of the Association procedures for an annual review by the Board and tri-annual review by an outside party of the financial records. The Board shall also provide that each Lot be supplied with copies of the Covenants and Restrictions, Corporate Articles, By-Laws and other current documents.

ARTICLE SEVEN - NON-PROFIT PURPOSE

No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its Members, directors, officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Two hereof. No substantial part of the activities of the Association shall be the carrying on or propaganda or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Association shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

Upon the dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of all of the assets of the Association exclusively for the purposes of the Association under Article Two, in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine, with preference being given to disposition of green spaces to the City of Spearfish for park and recreation purposes, as permitted by law. Any such assets not so disposed of shall be disposed of by the circuit court of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE EIGHT - REGISTERED AGENT

The address of the Association's designated and registered office is 234 W. Kansas Street, Spearfish, SD 57783, and the name of its registered agent at such address is James W. Boke.

ARTICLE NINE - INITIAL BOARD OF DIRECTORS

The number of directors constituting the Board of Directors shall be not less than three nor more than nine and the names and addresses of such who are to serve until the election of their successors are as follows:

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| James W. Boke, President Boke Ranch, Inc. 234 W. Kansas St. Spearfish, SD 57783 | Lester Nies 109 Main St. Spearfish, SD 57783 | Richard V. Furnish 2510 2 nd Street Spearfish, S.D. 57783 |
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ARTICLE TEN - INCORPORATORS

The names and addresses of the incorporators are as follows:

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| James W. Boke, President Boke Ranch, Inc. 234 W. Kansas St. Spearfish, SD 57783 | Lester Nies 109 Main St. Spearfish, SD 57783 | Richard V. Furnish 2510 2 nd Street Spearfish, S.D. 57783 |
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