

FILED

SEP 16 2016

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ARTICLES OF INCORPORATION  
OF

WA SECRETARY OF STATE

**WASHINGTON CONTINUING CARE RESIDENTS ASSOCIATION**

The undersigned, acting as incorporators under the provisions of the Washington Nonprofit Corporation Act (Chapters 24.03 and 23.95 of the Revised Code of Washington), adopt the following Articles of Incorporation (the "Articles"):

**ARTICLE I  
NAME**

The name of this corporation shall be Washington Continuing Care Residents Association (hereinafter referred to as the "Association").

**ARTICLE II  
DURATION**

This Association is organized under the Washington Nonprofit Corporation Act, RCW Ch. 24.03 and shall have perpetual existence.

**ARTICLE III  
PURPOSE AND POWERS**

The purposes for which the Association is organized are to promote social welfare within the meaning of section 501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law) (the "Code"), including but not limited to developing and advocating for legislation, regulations, government, and non-governmental, programs to support, empower and improve the health, safety, and lives of seniors who reside in Continuing Care Retirement Communities.

This Association is not organized for profit, and no part of the net earnings of this Association shall inure to the benefit of any member of the Board of Directors or any other individual except that this Association may make payments of reasonable compensation for services rendered.

The Association shall not participate or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office to an extent that would disqualify it from tax exemption under section 501(c)(4) of the Code. The Association shall never be operated for the primary purpose of carrying on a trade or business for profit.

Notwithstanding any provision of these Articles, this Association shall not carry on any activities not permitted to be carried on by an organization exempt from federal income tax under section 501(c)(4) of the Code.

**ARTICLE IV  
MEMBERS**

This Association shall have one class of members as provided in the Bylaws and pursuant to the Washington Nonprofit Corporation Act.

**ARTICLE V  
STOCK**

This Association shall not have authority to issue capital stock.

**ARTICLE VI  
DIRECTORS**

The affairs of the Association shall be governed by a Board of Directors. The manner in which Directors shall be elected or appointed shall be provided in the Bylaws of the Association. The names and addresses of the persons who are to serve as initial Directors until their successors are elected and qualified are:

<b>NAME</b>	<b>ADDRESS</b>
Allan Affleck	725 9th Avenue, Apt. 2001, Seattle, WA 98104
Inez Allan	10901 176th Circle NE, Apt. 3615, Redmond, WA 98052
Sam J. Beard	900 University Street, Apt. 1801, Seattle, WA 98101
Donald Bennett	450 NE 100th Street, Apt. 428, Seattle, WA 98125
Stephanie Chamberlain	100 Timber Ridge Way NW, Apt. 3117, Issaquah, WA 98027
James E. McClaine	725 9th Avenue, Apt. 704, Seattle, WA 98104

**ARTICLE VII  
INDEMNIFICATION**

**7.1 Right to Indemnification**

The Association shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "*Proceeding*"), by reason of the fact that such person, or a person for whom such person is the legal representative, is or was a Director or officer of the Association or, while a Director or officer of the Association, is or was serving at the request of the Association as a Director, officer, partner, trustee, employee or agent of another corporation,

or of a foundation, partnership, joint venture, limited liability company, trust, enterprise or other nonprofit entity, including service with respect to employee benefit plans (each such other entity, "*Another Enterprise*") (such person, an "*Indemnified Person*"), against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such Indemnified Person in connection with such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 7.4 of this Article 7, the Association shall be required to indemnify an Indemnified Person in connection with a Proceeding (or part of such Proceeding) commenced by such Indemnified Person only if the commencement of such Proceeding (or part of such Proceeding) by the Indemnified Person was authorized in advance by the Board of Directors.

## **7.2 Restrictions on Indemnification**

The Association may not indemnify any Indemnified Person: (a) for acts or omissions of the Indemnified Person finally adjudged to be intentional misconduct or a knowing violation of law; (b) for conduct of the Indemnified Person finally adjudged to be in violation of Section 24.03.043 of the Washington Nonprofit Corporation Act in reference to Section 23B.08.310 of the Washington Business Corporation Act; (c) for any transaction with respect to which it was finally adjudged that such Indemnified Person personally received a benefit in money, property or services to which the Indemnified Person was not legally entitled; or (d) if the Association is otherwise prohibited by applicable law from paying such indemnification; provided, however, that if Section 23B.08.560 or any successor provision of the Washington Business Corporation Act is hereafter amended, the restrictions on indemnification set forth in this Section 7.2 shall be as set forth in such amended statutory provision.

## **7.3 Expenses Payable in Advance**

The Association shall pay the reasonable expenses (including attorneys' fees) incurred by an Indemnified Person in defending any Proceeding in advance of such Proceeding's final disposition (such expenses, "*Advanced Expenses*"), provided, however, that, to the extent required by law, such payment of Advanced Expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Indemnified Person to repay all Advanced Expenses if it should be ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article 7 or otherwise. Notwithstanding any of the foregoing in this Section 7.3, the Association shall not be required to pay any Advanced Expenses to a person against whom the Association directly brings a claim alleging that the Association is not required to indemnify such person under Section 7.2 of this Article 7.

## **7.4 Written Statement Required and Right of Indemnified Person to Bring Suit**

An Indemnified Person seeking indemnification pursuant to Section 7.1 or Advanced Expenses pursuant to Section 7.3 must first submit to the Board a sworn statement requesting indemnification or Advanced Expenses, as the case may be, and reasonable evidence of all such amounts requested by such Indemnified Person (such statement, a "*Claim*"). If (a) a Claim pursuant to Section 7.1 above is not paid in full by the Association within 60 days after such Claim has been received by the Association, or (b) a Claim pursuant to Section 7.3 above is not paid in full by the Association within 30 days after such Claim has been received by the Association, then the Indemnified Person may at any time after the expiration of the applicable period bring suit against the Association to recover the unpaid amount of such Claim. If an Indemnified Person succeeds in

whole or in part in any such suit or in a suit brought by the Association to recover Advanced Expenses pursuant to the terms of an undertaking, then such Indemnified Person is also entitled to receive reimbursement from the Association for the expense of prosecuting or defending such suit. The Indemnified Person shall be presumed to be entitled to indemnification under this Article 7 upon submission of a Claim (and, in an action brought to enforce a Claim for Advanced Expenses, where the required undertaking has been delivered to the Association), and, thereafter, the Association shall have the burden of proof to overcome the presumption that the Indemnified Person is so entitled.

#### **7.5 Procedures Exclusive**

Pursuant to Section 24.03.043 of the Washington Nonprofit Corporation Act in reference to Section 23B.08.560(2) or any successor provision of the Washington Business Corporation Act, the procedures for indemnification and Advanced Expenses set forth in this Article 7 are in lieu of the procedures required by Section 23B.08.550 or any successor provision of the Washington Business Corporation Act.

#### **7.6 Nonexclusivity of Rights**

The right to indemnification and Advanced Expenses conferred by this Article 7 shall not be exclusive of any other right that any person may have or hereafter acquire under (a) any statute, (b) provision of these Articles, (c) the Bylaws of the Association, (d) by general or specific action of the Board of Directors, (e) by contract or (f) otherwise.

#### **7.7 Insurance, Contracts and Funding**

The Association may maintain insurance, at its expense, to protect itself and any Director, officer, partner, trustee, employee or agent of the Association or Another Enterprise against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act. The Association may enter into contracts with any Director, officer, partner, trustee, employee or agent of the Association in furtherance of the provisions of this Article 7 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 and Advanced Expenses as provided in this Article 7.

#### **7.8 Indemnification of Employees and Agents of the Association**

The Association may, by action of the Board of Directors, grant rights to indemnification and advancement of expenses to employees and agents or any class or group of employees and agents of the Association (a) with the same scope and effect as the provisions of this Article 7 with respect to the indemnification and Advanced Expenses of Directors and officers of the Association, (b) pursuant to rights granted under, or provided by, the Washington Business Corporation Act, or (c) as are otherwise consistent with law.

#### **7.9 Persons Serving Other Entities**

Any person who, while a Director or officer of the Association, is or was serving (a) as a Director or officer of another foreign or domestic corporation of which a majority of the shares

entitled to vote in the election of its Directors is held by the Association or (b) as a partner, trustee or otherwise in an executive or management capacity in a partnership, joint venture, trust or other enterprise of which the Association or a wholly owned subsidiary of the Association is a general partner or has a majority ownership, shall be deemed to be (i) so serving at the request of the Association and (ii) entitled to indemnification and Advanced Expenses under this Section 7.

### **ARTICLE VIII LIMITATION OF DIRECTOR LIABILITY**

To the full extent that the Washington Nonprofit Corporation Act (as it exists on the date hereof or as it may hereafter be amended) permits the limitation or elimination of the liability of Directors, a Director of the Association shall not be liable to the Association or its members, if any, for monetary damages for conduct as a Director. Any amendments to or repeal of this Article 8 shall not adversely affect any right or protection of a Director of the Association for or with respect to any acts or omissions of such Director occurring prior to such amendment or repeal. If the Washington Nonprofit Corporation Act is amended in the future to authorize corporate action further eliminating or limiting personal liability of directors, then the liability of a director for the Association shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended, without any requirement of further action by the Association.

### **ARTICLE IX REGISTERED AGENT AND OFFICE**

The address of the initial registered office of the Association shall be 725 9th Avenue, Apt. 704, Seattle, Washington 98104. The name of the initial registered agent of the Association at such address shall be James E. McClaine.

### **ARTICLE X INCORPORATORS**

The names and addresses of the incorporators of the Association are:

James E. McClaine                      725 9th Avenue, Apt. 704, Seattle, Washington 98104

Sam Beard                                      900 University Street, Apt. 1801, Seattle, Washington 98101

### **ARTICLE XI FUNDS AND ASSETS**

This Association shall use its funds only to accomplish the purposes stated in these Articles. Upon the winding up and dissolution of this Association, after paying or adequately providing for the debts and obligations of the organization, the remaining assets shall be distributed to, and only to, one or more charitable or social welfare organizations.

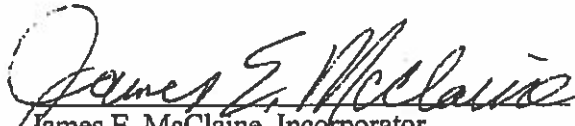
**ARTICLE XII  
BYLAWS**

The initial bylaws of the Association shall be adopted by the Board of Directors at an initial special meeting called for that purpose. Thereafter, the authority to make, alter, amend or repeal bylaws is vested in the membership and may be exercised at any regular or special meeting of the membership. Notwithstanding the foregoing, at regular or special meetings of the Board of Directors, the Board of Directors may make, alter, amend or repeal bylaws without membership consent in emergency situations, or to correct technical (non-substantive) errors within the Bylaws. Such emergency or technical changes made by the Board shall be submitted to the membership for consent at the next regularly scheduled meeting of the membership.

*[signature page follows]*

Executed this 16 day of September, 2016.

  
Sam J. Beard, Incorporator

  
James E. McClaine, Incorporator

**CONSENT TO SERVE AS REGISTERED AGENT**

I hereby consent to serve as registered agent in the State of Washington for the above-named nonprofit corporation. I understand that as agent for the nonprofit corporation it will be my responsibility to receive service of process in the name of the nonprofit corporation, to forward all mail to the corporation, and immediately to notify the office of the Secretary of State in the event of my resignation or of any change in the registered office address of the corporation for which I am agent.

Executed this 16 day of September, 2016.

  
James E. McClaine