

**PLAN OF DISSOLUTION  
AND LIQUIDATION OF SUMMERSET OWNER'S ASSOCIATION, INC.**

This Plan of Plan of Dissolution and Liquidation (the "Plan") is intended to accomplish the dissolution and liquidation of Summerset Owner's Association, Inc., a South Dakota Non-Profit Corporation (the "Association"), in accordance with the South Dakota Nonprofit Corporation Act (the "Act") and the Internal Revenue Code ("Code").

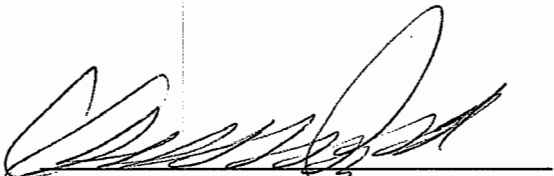
1. ***Approval and Adoption of Plan.*** The Association, having no members or shareholders, the Directors of the Association, pursuant to SDCL 47-26-4, by written consent have adopted and approved this Plan, effective as December 20, 2017 (the "Effective Date").
2. ***Cessation of Business and Investment Activities.*** After the Effective Date, the Association shall not engage in any business or investment activities except to the extent necessary to preserve the value of its assets, wind up its business and investment affairs, and distribute its assets in accordance with this Plan.
3. ***Hiring Consultants and Advisors.*** For the purpose of effecting the dissolution of the Association, the Association may hire or retain, at the discretion of the Association Directors, such consultants and advisors as deemed necessary or desirable to supervise or facilitate the dissolution and winding up of the Association.
4. ***Plan of Distribution.***


From and after the Effective Date, the Association shall complete the following actions:

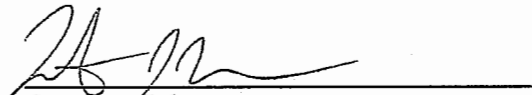
- (i) The Association shall pay its known creditors in satisfaction of known liabilities of the Association or make reasonable provision for payment thereof.
  - (ii) Pursuant to the Articles of Incorporation filed with the Secretary of State on October 3, 2002, all remaining assets of the Association shall be distributed to the **City of Summerset** for Leisure Lane park improvements, being an appropriate public agency, non-profit corporation, association, trust or other organization devoted to a purpose similar to those for which this Association was formed, including all available cash, including the cash proceeds of any sale, exchange or disposition, except such cash, property or assets as are reserved for paying or making reasonable provision for the claims and obligations of the Association. Such distributions may occur all at once or in a series of distributions and shall be in cash or assets, in such amounts, and at the time or times as the Directors may determine.
5. ***Termination.*** The Association shall terminate its existence in accordance with the procedures set forth by the Internal Revenue Service and the Association's Articles of Incorporation.

6. **Expenses of Dissolution.** In connection with and for the purposes of implementing and assuring completion of this Plan, the Association may, in the absolute discretion of the Directors, pay any brokerage, agency, professional and other fees and expenses of persons rendering services to the Association in connection with the collection, sale, exchange or other disposition of the Association's property and assets and the implementation of this Plan.
7. **Indemnification.** The Association shall continue to indemnify the Directors, and its officers, agents and employees in accordance with any contractual arrangements in existence as of the Effective Date or elsewhere provided, and such indemnification shall apply to acts or omissions of such persons in connection with the implementation of this Plan and the winding up of the affairs of the Association. To this end, the Association will purchase tail coverage insurance to run for two years from dissolution and place \$3,500 into the trust account of Gunderson, Palmer, Nelson & Ashmore, LLP for use on any deductible or defense. The remaining amount shall be paid to the City of Summerset two years after dissolution.
8. **Authorization.** The Directors are hereby authorized, without further action, to do and perform, any and all acts, and to make, execute, deliver or adopt any and all agreements, resolutions, conveyances, certificates and other documents of every kind which are deemed necessary, appropriate or desirable, in the discretion of the Directors, to implement this Plan and the transactions contemplated hereby, including, without limiting the foregoing, all filings or acts required by any state or federal law or regulation to wind up its affairs.


IN WITNESS WHEREOF, the undersigned has caused this Plan of Dissolution to be duly executed as of the Effective Date.

  
\_\_\_\_\_  
Karen Psiaki

  
\_\_\_\_\_  
Tanya Hahn, President

  
\_\_\_\_\_  
Quenter Johnson

ATTEST:

  
\_\_\_\_\_  
Karen Psiaki, Secretary  
(SEAL)