

**ARTICLES OF INCORPORATION  
OF  
KNEEBONE ASSOCIATION, INC.**

**FILED EFFECTIVE**

**2016 SEP 27 PM 12:09**

**SECRETARY OF STATE  
STATE OF IDAHO**

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, each being a natural person of full age and a citizen of the United States of America, have voluntarily and do hereby associate ourselves together for the purpose of forming a corporation under the laws of the State of Idaho, Title 30, Chapter 30 Idaho Code. We do hereby certify, declare, and adopt the following Articles of Incorporation:

**ARTICLE I**

The name of this corporation is Kneebone Association, Inc. This corporation is hereinafter referred to as the "Association."

**ARTICLE II**

The period of existence and duration of the life of the Association shall be perpetual.

**ARTICLE III**

The Association shall be a nonprofit membership corporation

**ARTICLE IV**

The location and post office address of the registered office of the Association shall be 500 North Washington Ave., P.O. Box 3233 in the City of Ketchum, Blaine County, Idaho

IDAHO SECRETARY OF STATE

**09/27/2016 05:00**

CK:10454 CT:277492 BH:1548233

10 30.00 = 30.00 INC NONP #2

C211314

83340, and the Association's registered agent at that address shall be Matthew McNeal. The Association's main business office and general agent shall be Matthew McNeal, 500 North Washington Ave., P.O. Box 3233 in the City of Ketchum, Blaine County, Idaho 83340.

## **ARTICLE V**

The Association is formed to be a Management Body as permitted by the provisions of the Idaho Condominium Property Act, title 55, chapter 15, Idaho Code, and the Association's powers are and shall be consistent with the provisions of the Act.

## **ARTICLE VI**

Section 1. The nature of the business and the object and purpose of the Association shall be as follows:

(a) The Association shall be the "Management Body" as defined in Section 55-1503, Idaho Code, and as provided for in the terms and conditions of that certain Condominium Declaration for Kneebone Project (hereinafter referred to as the "Declaration") to be executed by Kneebone, LLC, a limited liability company, which delegates and authorizes the Association to exercise certain functions as the Management Body. The Declaration shall be recorded in the Office of the County Recorder of Blaine County, State of Idaho, together with a copy of these Articles of Incorporation appended thereto.

(b) The Association shall have the power to have, exercise, and enforce all rights and privileges and to assume, incur, perform, carry out, and discharge all duties, obligations, and responsibilities of a Management Body as provided for in the Idaho Condominium Property Act and in the Declaration, as such Declaration is originally executed or, if amended, as amended. The Association shall have the power to adopt and enforce rules and regulations covering the use of any condominium project or any area or units thereof, to levy and collect the annual and special assessments and charges against the condominiums and the members thereof, to enter into

appropriate lease agreements which conform with the sections of the Declaration which address such issues and in general to assume and perform all the functions to be assumed and performed by a Management Body as provided for in the Declaration. The Association shall have the power to transfer, assign, or delegate such duties, obligations, or responsibilities to other persons or entities as permitted or provided for in the Idaho Condominium Property Act, the Declaration, or in an agreement executed by the Association with respect thereto. The Association shall actively foster, promote, and advance the interest of owners of condominiums within the condominium project.

Section 2. In addition to the foregoing, where not inconsistent with either the Idaho Condominium Property Act (Title 55, Chapter 15, Idaho Code) or Title 10, Idaho Code, the Association shall have the following powers:

(a) The Association shall have the authority set forth in Title 30 of the Idaho Code relating to the organization and conduct of general business corporations.

(b) The Association shall have the authority to buy, sell, acquire, hold, mortgage, or enter into security agreements and to pledge lease, assign, transfer, trade, and deal in and with all kinds of personal property, goods, machinery, and merchandise of every kind, nature, and description.

(c) The association shall have the authority to buy, sell, lease, let, mortgage, exchange, or otherwise acquire or dispose of lands, lots, houses, buildings, real property, hereditaments, and appurtenances of all kinds and wheresoever situated and of any interest and rights therein, to the same extent as natural persons might or could do and without limit as to amount.

(d) The Association shall have the authority to borrow money, to draw, make accept, enforce, transfer and execute promissory notes, debentures, and other evidences of indebtedness and, for the purpose of securing any of the Association's obligations or contracts, to convey, transfer, assign,

deliver, mortgage, and/or pledge all or any part of the property or assets, real or personal, at any time owned or held by the Association.

(e) The Association shall have the authority to have one or more offices to carry on all or any part of the Association's operations and business and to do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein named or which shall at any time appear conducive or expedient for the protection or benefit of the Association and which now or hereafter may be authorized by law, and to the same extent and as fully as natural persons might or could do as principals, agents, contractors, trustees, or otherwise and either alone or in connection with any firm, person, association, or corporation.

The foregoing clauses are to be construed both as objects and powers. As hereby expressly provided, an enumeration herein of the objects, powers, and purposes shall not be held to restrict in any manner the general powers of the Association. The Association shall have the power to do all acts that are necessary and convenient to obtain the objects and purposes herein set forth to the same extent and as fully as any natural person could or might do, within the framework of the Idaho Condominium Property Act, these Articles of Incorporation, and the general corporation laws of the state of Idaho.

## **ARTICLE VII**

Section 1. Each member shall be entitled to receive a certificate of membership, which certificate shall state the number of votes that member is entitled to cast as a member of the Association.

Section 2. There shall be one membership in the Association for each condominium owner in Kneebone Project as established in the Declaration. The members of the Association must be and remain owners of condominiums

within the project as set forth in the Declaration to be recorded in Blaine County , State of Idaho, and the Association shall include all owners of condominiums. If title to a condominium is held by more than one person, the membership relating to that condominium shall be shared by all such persons in the same proportionate interest and the same type of tenancy in which the title to the condominium is held.

Section 3. No person or entity other than an owner may be a member of the Association. A member shall not assign or transfer such member's membership certificate except in connection with the transfer or sale of a condominium. Every person or entity who is an owner of any condominium in any condominium project for which the Association has been or may be designated as a Management Body shall be required to be a member of the Association and remain a member so long as such person or entity shall retain the ownership of the condominium. Membership in the Association is declared to be appurtenant to the title of the condominium upon which such membership is based and automatically shall pass with the sale or transfer, of the title of the condominium. Members shall not have preemptive rights to purchase other membership in the Association or other condominiums in the project.

Section 4. The voting rights and interests of a member of the Association shall be as set forth in the Declaration, or an exhibit attached thereto, and the voting rights and interests of each member owner will not in all cases be equal. The Declaration, or an exhibit attached thereto, shall also set forth the percentage interest of each member in the common area for tax assessment and liability purposes, which interest depends upon the number and type of condominiums. The voting rights and percentage interests of new members shall be determined in the same way as such voting rights and percentage interests were determined for old members.

Section 5. The total number of votes that attach to membership certificates shall be exercised by the members of the Association from and after the date of the incorporation. The

total votes available shall be seven (7), which shall be allocated with five (5) votes to owners of office condominiums and two (2) votes to the owners of residential condominium units. Each unit member shall be entitled to vote one (1) vote.

#### **ARTICLE VIII**

Each member shall be liable for the payment of assessments provided for in the Declaration and for the payment and discharge of the liabilities of the Association as provided for in the Declaration, the Idaho Condominium Property Act (Title 55, Chapter 15, Idaho Code), and as set forth in the Bylaws of the Association.

#### **ARTICLE IX**

The Bylaws of the Association may be altered, amended, or new bylaws adopted at any regular or special meeting of the Association called for that purpose by the affirmative vote of two-thirds (2/3) of the members present at such meeting. The Bylaws may also be amended or repealed or new bylaws adopted at any meeting of the Board of Directors by the vote of at least a majority of the entire Board of Directors, provided, any bylaw adopted by the Board of Directors may be amended or repealed by the stockholders in the manner set forth above.

Any proposal to amend or repeal these Bylaws or to adopt new bylaws shall be stated in the notice of the meeting of the Board of Directors or the members or in the waiver of notice thereof, as the case may be, unless all of the directors or the members are present at such meeting.

#### **ARTICLE X**

For the purpose of specifying in detail the rights, responsibilities, duties, and obligations of the Board of Directors, the officers, employees, and agents of the Association and the members thereof, including the liability of the members for the payment of and the members thereof, including assessments, the Bylaws may incorporate by reference the provisions of the Declaration recorded in Blaine County, State of Idaho, provided

that a true and correct copy of such Declaration is attached to and made a part of the Bylaws of the Association.

#### **ARTICLE XI**

The business and affairs of the Association shall be managed and controlled by the Board of Directors. The original Board of Directors shall consist of three (3) directors; however, the Bylaws of the Association may provide for an increase or decrease in the number of directors, provided that the number of directors shall not be greater than nine (9) or less than three (3). The names and addresses of the initial Board of Directors are as follows:

<u>Name</u>	<u>Address</u>
Matthew McNeal	PO Box 3233, Ketchum, ID 83340
Stephen Kearns	PO Box 3233, Ketchum, ID 83340
Robin Story	PO Box 3233, Ketchum, ID 83340

#### **ARTICLE XII**

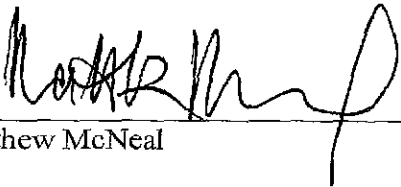
The names and post office addresses of the incorporators of the Association are as follows:

<u>Name</u>	<u>Address</u>
Matthew McNeal	PO Box 3233, Ketchum, ID 83340
Stephen Kearns	PO Box 3233, Ketchum, ID 83340

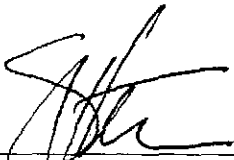
No part of the net earnings of the Association shall inure to the benefit of any private member or individual, other than by acquiring, constructing, or providing management, maintenance, and care of property held by the Association, commonly held by

the members of the Association, or located in the development and owned by members of the Association, and other than by a rebate of excess membership dues, fees, or assessments.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this 20<sup>th</sup> day of September, 2016.

A handwritten signature in black ink, appearing to read 'Matthew McNeal', written over a horizontal line.

Matthew McNeal

A handwritten signature in black ink, appearing to read 'Stephen Kearns', written over a horizontal line.

Stephen Kearns