

FILED/EFFECTIVE

2002 OCT 31 PM 4:56

COUGAR BAY ESTATES ROAD AND WELL MAIN ASSOCIATION, INC.,

INTO COUGAR BAY ESTATES HOME OWNERS, INC.

Sent for filing on 10/31/02 RSW

File with Secretary of State

Pursuant to 30-3-102 of the Idaho Nonprofit Corporation Act, COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC. and COUGAR BAY ESTATES HOME OWNERS, INC. both Idaho nonprofit corporations, hereby adopt the following Articles of Merger for the purpose of merging the two nonprofit corporations into one nonprofit corporation. These Articles reflect the terms of the plan of merger that was approved by the boards of directors and members of each of the corporations.

ARTICLE I
CONSTITUENT CORPORATIONS

The parties to this merger are as follows:

A. COUGAR BAY ESTATES HOME OWNERS, INC., an Idaho nonprofit corporation, was originally incorporated on the 25th day of July, 2002, by filing Articles of Incorporation with the Idaho Secretary of State. Additionally, subsequent to the filing of these Articles of Merger, COUGAR BAY ESTATES HOME OWNERS, INC will be granted certain powers and authority through a Declaration of Covenants, Conditions and Restrictions.

B. COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC., an Idaho nonprofit corporation, was originally incorporated on the 25th day of July, 1996, by filing Articles of Incorporation with the Idaho Secretary of State. Additionally, on the 23rd day of July, 1996, COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE, INC. granted certain powers and authority through a Declaration of Covenants, Conditions and Restrictions recorded on the 24th day of July, 1996, in the records of Kootenai County, as instrument number 1455010.

C. COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC. is the homeowner association for four parcels of property located in the Cougar Bay area of Kootenai County. One of the lots is now being divided into four subdivided lots in accordance with the Subdivision ordinance of the City of Kootenai County. COUGAR BAY ESTATES HOME OWNERS, INC. has been formed as the homeowner association for four new subdivided lots. The members of the separate corporation desire to merge the two corporations in order to better and more effectively serve all of the parcels.

ARTICLES OF MERGER

IDaho SECRETARY OF STATE
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**ARTICLE II
SURVIVING CORPORATION**

COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC. shall be merged into COUGAR BAY ESTATES HOME OWNERS, INC., which shall be the surviving corporation. COUGAR BAY ESTATES HOME OWNERS, INC., as the surviving corporation, is an Idaho nonprofit corporation governed by the provisions of Chapter 30-3 of the Idaho Nonprofit Corporation Act.

**ARTICLE III
PLAN OF MERGER**

The Plan of Merger (attached as Exhibit "A") was adopted and approved by each of the constituent corporations, in accordance with Idaho Code § 30-3-101, as follows:

A. The Board of Directors of COUGAR BAY ESTATES HOME OWNERS, INC. by unanimous consent dated the 22ND day of October 2002, approved the Plan Of Merger and directed that it be submitted to the members. On the 22ND day of October 2002, the members of COUGAR BAY ESTATES HOME OWNERS, INC. by unanimous consent adopted Plan of Merger.

B. The Board of Directors of COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE, INC. by unanimous consent dated the 22ND day of October 2002, approved the Plan Of Merger and directed that it be submitted to the members. On the 22ND day of October 2000, the members of COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE, INC. by unanimous consent adopted Plan of Merger.

C. The manner of the adoption of the Plan of Merger by the directors and the members constitute full legal compliance with the provisions of Idaho Code § 30-3-101 as well as with the articles and bylaws of the undersigned corporations.

**ARTICLE IV
AMENDMENT TO ARTICLES**

No amendments shall be made to the Articles of Incorporation of COUGAR BAY ESTATES HOME OWNERS, INC. as a result of the Plan of Merger. COUGAR BAY ESTATES HOME OWNERS, INC. the surviving corporation will amend its Articles to limit the voting rights of all lot owners to one vote per lot but such amendment shall be filed separately and prior to the Plan of Merger.

ARTICLE V
EFFECT OF MERGER

The Provisions of 30-3-103 of the Idaho Code, together with the Plan of Merger attached hereto, set forth the effect of this merger and the ownership of property of the corporations.

IN WITNESS WHEREOF, COUGAR BAY ESTATES HOME OWNERS, INC. and COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC. have each caused these Articles of Merger to be executed in duplicate by its president and secretary, and verified by one of said officers, on this 22 day of October, 2002

COUGAR BAY ESTATES HOME OWNERS, INC.
By: [Signature] By: [Signature]
Its: Secretary Treasurer Its: President

COUGAR BAY ESTATES ROAD AND WELL MAINTENANCE ASSOCIATION, INC.
By: [Signature] By: [Signature]
Its: President Its: Secretary Treasurer

State of California }
County of SANTA BARBARA } ss.

On October 22 2002 before me, JO SWANDA, NOTARY PUBLIC
(Name and Title of Officer (e.g., "Jane Doe Notary Public"))

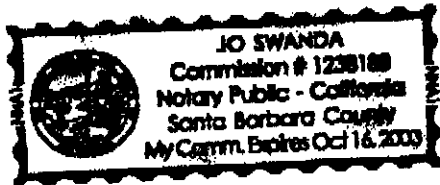
personally appeared MICHAEL T. MCCORMACK
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Place Notary Seal Above

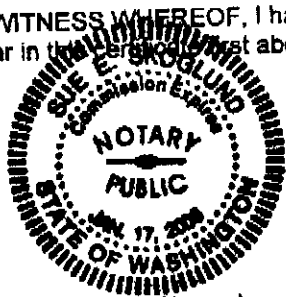


[Signature]
Signature of Notary Public

STATE OF WASHINGTON)
) ss
County of Spokane)

On this 24 day of October 2002, before me, the undersigned, a Notary in and for the State of Washington, personally appeared STEVE D. SCHMAUTZ, known or identified to me to be the President of Cougar Bay Homeowners, Inc., an Idaho Association, that he signed the foregoing document as President of the Association, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Sue Skoglund
Notary Public in and for the State of Idaho
My Commission Expires May 17, 2006

STATE OF WASHINGTON)
) ss
County of Spokane)

On this 24 day of October 2002, before me, the undersigned, a Notary in and for the State of Washington, personally appeared STEVE D. SCHMAUTZ, known or identified to me to be the Secretary Treasurer of Cougar Bay Estates Road and Well Association, Inc., an Idaho nonprofit corporation, that he signed the foregoing document as President of the Association, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Sue Skoglund
Notary Public in and for the State of Idaho
My Commission Expires May 17, 2006