

FILED EFFECTIVE

09 JUN -5 AM 8:27

SECRETARY OF STATE
STATE OF IDAHO

**ARTICLES OF INCORPORATION
OF
THE WILD ROSE WATER & ROAD ASSOC., INC.**

The undersigned, in order to form a nonprofit corporation under the provisions of Idaho Nonprofit Corporation Act, Title 30, Chapter 3, Idaho Code, submits the following articles of incorporation to the Idaho Secretary of State.

**ARTICLE I.
NAME OF CORPORATION, OFFICE, REGISTERED AGENT**

- 1.1 **Corporate Name.** The name of the corporation shall be The Wild Rose Water & Road Assoc., Inc. (hereinafter "Association").
- 1.2 **Corporate Office.** The Association shall maintain an Association office in Bonner County, Idaho. The initial office of the Association shall be located at 160 Wild Rose Lane, Sagle ID 83860.
- 1.3 **Registered Agent.** The Association, acting through its Board of Directors (hereinafter "Board"), shall designate a registered agent. The initial registered agent shall be RAYMOND A. PIPELLA, whose address (registered office) is 160 Wild Rose Lane, Sagle ID 83860

**ARTICLE II.
PURPOSE AND POWERS OF ASSOCIATION**

- 2.1 **Purpose.** The Association is formed for the specific purpose of carrying out the restated Well, Irrigation and Road Maintenance Agreement, recorded as instrument number 770768, records of Bonner County, Idaho, and as subsequently amended (Agreement).
- 2.2 **General Authority.** The Association shall have and shall exercise all other rights and powers necessary and convenient to carry out its purpose including, without limitation, those general powers set forth in the Idaho Nonprofit Corporation Act.
- 2.3 **Bylaws.** The Association shall adopt and maintain Bylaws.

IDAHO SECRETARY OF STATE
06/05/2009 05:00
CK: 3642 CT: 154303 IN: 1173302
1 @ 30.00 = 30.00 INC NONP # 2
1 @ 20.00 = 20.00 NON EXPEDI # 3

C183389

- 2.4 **Duties.** The Association through its Board of Directors, shall have the authority to: (a) carry out and enforce the above described Agreement; (b) provide irrigation and domestic water to the Members and maintain the Common Roadway; (c) levy and collect assessments from the Members; (d) enter into contracts as may be necessary or desirable to carry out its duties; (e) open and close bank accounts in the Association's name; (f) establish procedures and policies necessary or deemed desirable to carry out its duties; (g) place liens on the real property of Members who fail to pay dues and assessments, and to enforce such liens through judgment and foreclosure.
- 2.5 **Recordation.** These Articles and the Bylaws shall be recorded in the records of Bonner County, Idaho.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

- 3.1 **Voting Members.** The Association shall consist of voting members.
- 3.2 **Membership Rights.** Membership shall be exclusive to Lot Owners in The Wild Rose Retreat and Country Rose Ranch, subdivisions located in Bonner County, Idaho.
- 3.3 **Transfer of Membership.** A Member shall not transfer, pledge, convey or alienate the Association membership except to a bona fide successor in interest of the ownership of the Lot. A sale of a Lot by real estate contract shall constitute a valid transfer of membership to the buyer. A prohibited transfer is void.
- 3.4 **Voting Rights.** There shall be one (1) class of membership. Each lot shall have one (1) vote in the Association.
- 3.5 **Majority Vote.** Except as otherwise set forth herein, or in the Agreement, a majority of votes of the Members, at a duly called meeting of the Members, shall be the action of the Association.
- 3.6 **Proxy Voting.** A Member may give his or her proxy to another Member. Such proxy shall be (a) in writing; (b) signed by the giver; (c) defining the particular meeting or time period in which the proxy may be exercised; and (d) delivered to the Secretary prior to the membership meeting. "Proxy" means an authorization for a person to vote another person's membership shares.
- 3.7 **Quorum.** A quorum shall consist of no less than three (3) Lot Owners in attendance at the start of a membership meeting of which there shall be at least one (1) Lot Owner from The Wild Rose Retreat and at least one (1) Lot Owner from Country Rose Ranch. Once a quorum has been established it shall be deemed to continue until adjournment. The Members may increase, but not decrease, the quorum requirement by amendment of these Articles.
- 3.8 **Actions Reserved to the Members.** The following actions are reserved to the Members, voting at a duly noticed meeting of the Association:
- 3.8.1 **Elect and Remove Directors.** The Members shall have the exclusive authority to elect and remove directors.

- 3.8.2 **Approve Budget.** The Members shall adopt an annual budget and any supplemental budgets of the Association. The Members may amend the budget presented by the Board.
- 3.8.3 **Resolve a Deadlock of the Board.** If the Board refers a matter to the Members because of a deadlock on the Board or otherwise, the Members shall have the right and duty to resolve the matter by majority vote.
- 3.8.4 **Right to Inspect Books.** Members shall the right to inspect the financial records of the Association at a reasonable time and upon reasonable notice to the Board.
- 3.8.5 **Dissolve the Association.** The Members shall have the exclusive authority to dissolve the Association by the majority required to amend the Declaration.

ARTICLE IV. BOARD OF DIRECTORS

- 4.1 **Management Vested in the Board of Directors.** The Board shall govern the Association, manage the Association's property, recommend an annual budget to the Members, establish and collect assessments, enforce the Rules and Regulations, and take any other lawful action to advance the interests of the Association. Board may, but is not required to seek the approval of the Members before taking an action other than those actions reserved to the Members in Article 3.8. The Board shall present an annual budget to the Members at least 14 days prior to an annual or special meeting of the Members.
- 4.2 **Board of Directors.** The Board shall consist of no less than three (3) Directors who shall serve staggered three year terms. Directors shall be elected by the Lot Owners at an annual meeting or at a special meeting called for the purpose electing Directors. Directors shall be Lot Owners. Co-owners may serve as Directors.
- 4.3 **Initial Directors.** The initial Directors shall be:
 - Raymond A. Pipella, 160 Wild Rose Lane, Sagle ID 83860, who shall serve a one-year term.
 - Jeanine A. Pipella, 160 Wild Rose Lane, Sagle ID 83860, who shall serve a two-year term.
 - James N. Violette, E. 11 Roscoe Court, Spokane WA 99224, who shall serve a three-year term.

- 4.4 **Officers.** The Board shall annually elect its officers. There shall be a President, Vice President, Secretary and Treasurer. One person may serve as both Secretary and Treasurer. Officers shall be elected by a majority of Directors voting at a duly called meeting of the Directors. An officer may be removed from office at any time, for any reason, by a majority of the elected Directors. Such removal shall be evidenced by a resolution, executed by a majority of the Directors and delivered to the Secretary and the officer being removed. The officer's authority shall terminate upon delivery of said resolution to the Secretary.
- 4.5 **Action of the Board.** The action of the Board shall be the action of the Association.

ARTICLE V. ASSESSMENTS

- 5.1 **Purpose of Assessments.** The Association shall levy assessments on its Members. The assessments levied by the Association shall be used exclusively for the purpose of carrying out the general duties and powers of the Association, including but not limited to operation, maintenance, repair, reconstruction, restoration, replacement, or alteration of the water systems and roads.
- 5.2 **Special Assessments.** The Association, acting through its Board, may levy a special assessment from time to time when the current assessment is deemed insufficient for the Association to carry out its obligations under this instrument and the Bylaws.

ARTICLE VI. AMENDMENTS

- 6.1 **Members' Right to Amend.** Thereafter, these Articles may be amended upon the consent of sixty percent (60%) of the Members voting at a duly called meeting of the Members.
- 6.2 **Effectiveness.** An amendment shall be effective upon the later of its (a) filing with the Idaho Secretary of State and (b) recordation of a certified copy thereof in the records of Bonner County, Idaho.

ARTICLE VII. DISSOLUTION


- 7.1 **Requirements for Dissolution.** The Association may be dissolved upon modification of the Agreement to permit dissolution, each Member signing and acknowledging by law a resolution of dissolution.
- 7.2 **Distribution of Assets.** Upon dissolution, the assets of the Association shall be divided pro rata among the Members.
- 7.3 **Statutory Provisions.** Dissolution shall otherwise be accomplished in compliance with §30-3-110 et. seq., Idaho Code.

**ARTICLE VIII.
MISCELLANEOUS**

- 8.1 **Indemnification.** The Association shall indemnify and hold harmless its directors, officers, and employees from personal liability for monetary damages, court costs and attorney fees in any suit or proceeding, other than an action by or in the right of the Association, if such person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association. This provision is intended to comply with, and shall be interpreted in conformity with the indemnification provisions of § 30-3-88, Idaho Code.
- 8.2 **Relationship to Declaration.** These Articles are intended to comply with the Declaration. In the event of ambiguity, the Declaration shall be given greater weight.

**ARTICLE IX.
INCORPORATOR**


The incorporator is WILLIAM M. BERG whose address is 708 Superior St., Ste B, Sandpoint ID 83864.



William M. Berg
Incorporator

STATE OF IDAHO)
COUNTY OF BONNER) SS.

On this 1 day of June, in the year of 2009, before me, a Notary Public for the state of Idaho, personally appeared William M. Berg, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

(Sign) 

NOTARY PUBLIC
Residing at: PRIEST RIVER
My commission expires: 04-10-2014

