

State of Idaho

Department of State

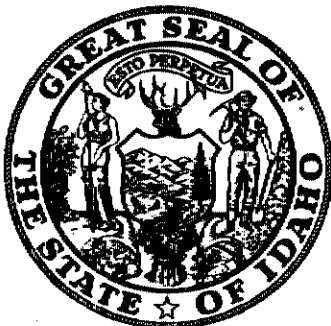
CERTIFICATE OF INCORPORATION OF

**THE CLUB AT GARFIELD BAY, INC.
File number C 111044**

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of THE CLUB AT GARFIELD BAY, INC. duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: June 19, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By *Anna Seibel*

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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION
OF
THE CLUB AT GARFIELD BAY, INC.

IDAHO SECRETARY OF STATE
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KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, desiring to incorporate a nonprofit corporation in accordance with the laws of the state of Idaho, and to obtain the rights and benefits conferred by said laws upon nonprofit corporations, does hereby make and enter into the following Articles of Incorporation, the terms of which shall be equally obligatory upon the party signing this instrument and upon all the parties who from time to time may be members or directors of the corporation:

ARTICLE I

NAME. The name of the corporation is The Club at Garfield Bay, Inc.

ARTICLE II

DURATION. the corporation shall have perpetual duration.

ARTICLE III

ORGANIZATION. The corporation is organized pursuant to the Idaho Nonprofit Corporation Act, Idaho Code §§30-3-1, et seq. (the "Act").

ARTICLE IV

PURPOSES AND POWERS. The corporation does not contemplate pecuniary gain or profit, incidental or otherwise, to its members.

(a) In way of explanation and not of limitation, the purposes for which it is formed are to own and operate a private marine club exclusively for the pleasure and recreation of its members and their guests and to provide an entity for the furtherance of the interests of its members.

(b) In furtherance of its purposes, the corporation shall have the following powers which, unless indicated otherwise by the By-Laws of the Corporation ("By-Laws"), may be exercised by the corporation's board of directors:

(i) all of the powers conferred upon nonprofit corporations by common law and by the statutes of the state of Idaho in effect from time to time;

(ii) all of the powers necessary or desirable to perform its obligations and duties and to exercise the rights and powers set out in these articles and the corporation's By-Laws, including, without limitation, the following:

(1) to fix and to collect (after the turnover date, as defined in the By-Laws) membership initiation fees, periodic dues, and other charges to be levied against members;

(2) to manage, control, operate, maintain, repair, and improve facilities of the corporation, and any property or facilities subsequently acquired by the corporation;

(3) to enforce rules adopted by the corporation affecting its members to the extent authorized under its By-Laws;

(4) to engage in activities which will actively foster, promote, and advance the interests of the members;

(5) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the corporation, subject to corporation's By-Laws;

(6) to borrow money, subject to such limitations as may be set forth in said By-Laws;

(7) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the corporation, with or in association with any other association, corporation, or other entity or agency, public or private; and

(8) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the corporation, in accordance with the provisions of the By-Laws.

(c) The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law, and the powers specified in each of the paragraphs of this Article IV are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of these Articles.

ARTICLE V

MEMBERSHIP. The corporation shall be a membership corporation organized on a nonstock basis. Qualifications for membership, the manner of admission of members, the categories of membership, and the voting rights of members shall be as set forth in the By-Laws.

ARTICLE VI

BOARD OF DIRECTORS. The business and affairs of the corporation shall be conducted, managed, and controlled by a board of directors. The board shall consist of not less than three (3) nor more than nine (9) members. The initial board of directors and their addresses are as follows:

Verl E. Thayer	6890 West Garfield Bay Road Sagle, Idaho 83860
Rita S. Walker-Thayer	6890 West Garfield Bay Road Sagle, Idaho 83860
William J. Burnett	6890 West Garfield Bay Road Sagle, Idaho 83860

The method of election, removal, and filling of vacancies and term of office of directors and officers shall be as set forth in the By-Laws. The board may delegate operating and managing authority to such companies, individuals, or committees as it, in its discretion, may determine.

ARTICLE VII

LIABILITY AND INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS. To the extent not inconsistent with Idaho law:

(a) No director, officer, employee or other agent of the corporation and no person serving at the request of the corporation as a trustee, director, officer, employee or other agent of another corporation, partnership, joint venture, trust or other enterprise and no heir or personal representative of any such person shall be liable to the corporation for any loss or damage suffered by it on account of an action or commission by such person as a trustee, director, officer, employee or other agent if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, unless with respect to an action or suit by or in the right of the corporation to procure a judgment in its favor such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation.

(b) (i) The corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the corporation), by reason of the fact that such person is or was a director, officer, employee or agent of the corporation or is or was serving in such capacity at the request of the corporation in any other corporation, partnership, joint venture, trust or other enterprise, against expenses, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, or, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation, or, with respect to any criminal action or proceeding, that such person had reasonable cause to believe that his or her conduct was unlawful.

(ii) The corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the corporation by reason of the fact that such person is or was a director, officer, employee or agent of the corporation or is or was serving in such capacity at the request of the corporation in any other corporation, partnership, joint venture, trust or other enterprise, against expenses and attorneys' fees actually and reasonably incurred by such person in the defense or settlement of such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation; provided, however, that no indemnification shall be made in respect of any claim, issue, or matter as to which such person is adjudged to be liable for negligence or misconduct in the performance of such person's duty to the corporation unless and only to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses and attorneys' fees which such court deems proper.

(iii) To the extent that a person seeking indemnification under Sections (b)(i) or (b)(ii) above

has been successful on the merits or otherwise in defense of any action, suit or proceeding, or any claim, issue or matter therein, the corporation shall indemnify such person against expenses and attorneys' fees actually and reasonably incurred in connection therewith.

(iv) The corporation shall make indemnification payments to or on behalf of the person seeking them only if authorized in the specific case upon a determination that indemnification of such person is proper because such person meets the applicable standards of conduct set forth in Sections (b)(i) or (b)(ii) above. Such determination may be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion to the corporation, or (3) by all equity members of the corporation, or (4) by the court in which such action, suit or proceeding was pending upon application made by the corporation or the person seeking indemnification or the attorney or other person rendering services in connection with the defense, whether or not such application is opposed by the corporation.

(v) The board of directors may authorize payment in advance of final disposition of an action, suit or

proceeding for the expenses and attorneys' fees incurred by a person seeking indemnification under Sections (b)(i) or (b)(ii) above, provided that such person delivers a written undertaking to repay such amount unless it is ultimately determined that such person is entitled to be indemnified under this Article VII.

(vi) The indemnification provided in this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification are entitled under any by-law, agreement, vote of disinterested directors or otherwise, both as to action in a person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who ceases to be director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators.

(vii) The corporation may purchase and maintain insurance on behalf of any person described in Article VII, sections (b)(i) or (b)(ii) above, against any liability asserted against or incurred by such person in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify the person against such liability under this Article VII.

(viii) This Article VII shall be effective with respect to any person who is a director, officer, employee or agent of

the corporation or is serving in such capacity at the request of the corporation in any other corporation, partnership, joint venture, trust or other enterprise, with respect to any action, suit or proceeding against such person based upon his or her acting in such capacity.

ARTICLE VIII

CORPORATE LIABILITY. The property of the corporation shall alone be liable in law for the debts and liabilities of the corporation. The members, officers, and directors of the corporation shall incur no personal liability for said debts and liabilities by reason of membership or position.

ARTICLE IX

DISTRIBUTION OF ASSETS UPON DISSOLUTION. The distribution of assets on dissolution shall be made as provided in the corporation's By-Laws and as provided by Idaho Code §30-3-113(f).

ARTICLE X

AMENDMENTS. These articles may be amended only as provided by the act.

ARTICLE XI

INCORPORATOR. The name and address of the incorporator is as follows:

Verl E. Thayer
6890 West Garfield Bay Road
Sagle, Idaho 83860

ARTICLE XII

REGISTERED AGENT AND OFFICE. The initial registered office of the corporation is 6890 West Garfield Bay Road, Sagle, Idaho 83860, and the initial registered agent at such address is Verl E. Thayer.

I certify under the penalties of Idaho statutes that I have read the above statements and that the same are true and correct.

WITNESS my hand this 16 day of June, 1995.



VERL E. THAYER
Incorporator

STATE OF IDAHO)
 : ss
County of Bonner)

On this 16 day of June, 1995, before me, the undersigned, a notary public in and for the state of Idaho, personally appeared Verl E. Thayer, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Notary Public in and for Idaho
Residing at Sandpoint, Idaho
Commission expires: 7/28/97