

State of Idaho

Department of State

CERTIFICATE OF AMENDMENT OF

GLENCARIN ASSOCIATION INC.
File Number C 96409

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Amendment to the Articles of Incorporation of GLENCARIN ASSOCIATION INC., changing the corporate name to GLENCAIRN ASSOCIATION, INC., duly signed and verified 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: April 13, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sally J. Clark*

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**RESTATEMENT OF
ARTICLES OF INCORPORATION
OF
GLENCAIRN ASSOCIATION INC.**

Pursuant to the provisions of Idaho code 30-3-89, et. seq. of the Idaho Non-Profit Corporation Act, the undersigned corporation adopts the following Restated Articles of Incorporation.

I.

The name of the Corporation is GLENCAIRN ASSOCIATION, INC.

II.

THIS AGREEMENT, made and entered into this 22nd day of March, 1994 between PATRICK A. CONDON, MARY E. CONLEY, JOHN J. CONDON, KATHLEEN GREEN, BRIDGET D. BROCKMEYER, MICHELL C. WINGARD, WILLIAM J. CONDON, and DANIEL H. CONDON, et. al., herein collectively referred to as MEMBERS.

WITNESSETH;

WHEREAS, the Members desire to restate the Articles of Incorporation of Glencairn Association, Inc. and establish policy and procedure for the operation of the Association as follows:

NOW THEREFORE, for and in consideration of the mutual covenants, terms and conditions and benefits to be derived herein, the Members agree as follows:

ARTICLE I

NAME OF THE ORGANIZATION

The name of the Association shall be GLENCAIRN ASSOCIATION, INC. and shall be filed as required by the laws of the State of Idaho as a non-profit Homeowner's Corporation.

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Glencairn Articles -1-

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ARTICLE II

PURPOSE OF THE ORGANIZATION

Section 1. Purpose Generally. The above listed members have formed this Association to claim their inheritance to property on Hayden Lake, to become the new stewards of Glencairn, to preserve the pristine quality of the land, its seclusion, to promote family unity, comraderie, and equity, and all of this for the benefit of future generations.

This statement shall form the purpose and spirit of the present agreement and serve as the foundation for future actions taken by the Glencairn Association, Inc. All provisions or actions which are inconsistent with or jeopardize the values of the above stated purpose and spirit shall be prohibited.

Section 2. Specific Purpose. The specific purpose of the Association shall be to participate in the ownership and private development, consistent with the above stated purpose, of Block 1, Glencairn P.U.D., as recorded according to the Plat Book G, Page 72-72A, records of Kootenai County, Idaho, and lying within Lot 17, Section 22, Township 51 N., 3 West Boise Meridian. The members now own in common all of Lot 17, Section 22, Township 51 N., 3 West Boise Meridian.

Section 3. Power to Deed. The purpose of the Association shall be to hold, maintain or convey those properties referred to above. Specifically the Association, by proper vote taken, shall have the power to deed portions of the above described property to establish private ownership. The Association shall be bound by that certain Declaration of Restrictive Covenants and By-Laws dated the 23rd day of August, 1991, recorded as #1229431 in the State of Idaho, County of Kootenai at the request of Mary E. Conley, registered agent for the Glencairn Association, Inc. The provisions for assessments and collection thereof are binding on all members.

ARTICLE III

ASSOCIATION ORGANIZATION

Section 1. Members. This Association is created with eight (8) equal members whose

initial interest in the Association is an undivided one-eighth each. It is agreed and understood that there are eight (8) owners for the purpose of this Agreement holding equal percentages as above set forth, and the parties to this Agreement shall remain members until the termination or dissolution of the Agreement, except as herein provided. This restatement incorporates by reference and reflects the changes to member interests by virtue of the Supplemental Agreement executed pursuant to Article IX, Sections 1 and 2 of the By-Laws, admitting Daniel H. Condon, et. al., as a new member holding a one-eighth (1/8) undivided interest in Glencairn Association, Inc.

Section 2. Board of Directors. All voting members shall be a member of the Board of Directors. The initial Board of Directors include:

PATRICK A. CONDON
East 1624 38th Street
Spokane, WA 99203

MARY E. CONLEY
19230 Little Spokane Drive
Colbert, WA 99005

JOHN J. CONDON
West 538 Sumner
Spokane, WA 99204

KATHLEEN GREEN
East 724 Ermina
Spokane, WA 99207

BRIDGET D. BROCKMEYER
614 St. Clare
Lodi, CA 95240

MICHELL C. WINGARD
4533 Brock Loop South
Salem, Oregon 97302

WILLIAM J. CONDON
2806 East 19th Street
Spokane, WA 99202

DANIEL H. CONDON, et. al.
West 1415 Viewmont Road
Spokane, WA 99204

Section 3. Powers of the Board of Directors. The Board of Directors shall exercise only those powers enumerated in the By-Laws. The Directors shall exercise emergency By-Laws powers consistent only with those set forth in the By-Laws, its amendments and restatements.

Section 4. Place of Business. The principal place of doing business for the Association shall be at East 6965 South Hayden Lake Road, Hayden Lake, Idaho, 83835.

The principal place of business may be changed at any time by a favorable vote of members representing a majority (more than 50%) of the outstanding Association interest.

Section 5. Registered Agent. The registered agent for Glencairn Association, Inc. in the State of Idaho is Mary E. Conley, c/o Ken Jacobsen, 118 N. 7th, Coeur d'Alene, Idaho, 83814.

Section 6. Annual Meeting. The annual meeting shall be as designated at the meeting held the previous year or at such other place as is agreed by a majority (more than 50%) of the voting membership.

ARTICLE IV

DURATION OF THE ASSOCIATION

The duration of the term of this Association shall be until terminated by operation of law or under a provision of this agreement, and shall commence on August 23, 1991.

ARTICLE V

CAPITAL CONTRIBUTIONS

Section 1. Member Contribution. The members agree that they shall each contribute their undivided interests in and to the above described property to the Association on or before the 23rd day of August, 1991.

Section 2. Additional Contributions. All additional capital contributions shall be made in the same proportion as each member's capital account bears to the total amounts as are necessary to the continuation of the Association business. No interest shall be paid on any capital contribution. Any gain as a result of the appreciation shall belong to the members at the same ratio as profits and losses are shared by the members.

ARTICLE VI

CAPITAL ACCOUNTS

A capital account shall be maintained by the Association for each member and shall include original capital contributions by each member and any additional assessments that the member is required to contribute to the Association. This account shall be used to determine any required repayment.

ARTICLE VII

COMPENSATION, PROFITS AND LOSSES

Section 1. Salaries. It is specifically provided that none of the members shall receive any salary from the Association for any service rendered to the Association unless agreed upon in writing by a majority (more than 50%) of the voting members of the Association.

Section 2. Profits and Losses. Any profits or losses earned by the Association during the fiscal year of the Association shall be divided among the members on a prorata basis. The profits or losses shall be calculated annually after the close of each fiscal year and payment of the profit due to each member shall then be paid to the members according to their percentage of interest as above set forth. Losses shall be apportioned among the members and the net Association loss shall be repaid from the individual capital account, on a prorata basis, during the following year.

ARTICLE VIII

CONDUCT OF BUSINESS

Section 1. Management Policies. The members shall freely and informally consult with each other regarding establishment, maintenance, and alterations in any management policies. If any disputes shall arise, the vote of members holding a majority (more than 50%) interest in the Association shall be controlling, unless otherwise specified.

Section 2. Representatives. For convenience in the transaction of business of the Association, there may be elected from among the members, one or more owner representatives. These representatives will be elected at a meeting of the members and when so elected, the said representatives shall serve for one year. The representatives shall serve in

a fiduciary capacity to the Association to carry the business of the Association.

Section 3. Improvements, Alterations, and Costs. Any improvements or costs to the common property which exceed One Hundred Dollars (\$100.00), shall be further subject to a seventy-five percent (75%) vote of approval by the total Association. Furthermore, no building, fence, wall, or other structure shall be commenced, erected or maintained upon the Association common property, nor shall any addition, alteration, change or repair regardless of cost therein be made until the plans and specifications showing the exact nature, kind, materials, and location of the same shall have been submitted to and approved by a seventy-five percent (75%) majority of the Association members.

Section 4. Meetings. Meetings may be held at any time on thirty (30) days written notice thereof. Actions taken at any meeting where one hundred percent (100%) of the total Association interests were notified, shall bind all members to the decisions made at the meeting.

Section 5. Notice. A notice of meeting shall be sent to each member at their addresses listed in this Association Agreement, or such other place as the member may designate in writing. The requirement of notice may only be waived in writing by the members either before or after any meeting.

Section 6. Members List. The membership list for all meetings shall consist of all members holding a voting interest in the Association and be filed with the fiduciary.

Section 7. Treasurer. One of the members shall serve as Treasurer to the Association and shall keep accurate accounts of all financial transactions. An annual accounting shall be provided to the Association members.

ARTICLE IX ADMISSION OF NEW ASSOCIATES

Section 1. Power to Admit. The admission of any new members to the Association is authorized by this Agreement and shall be accomplished by the approval of members holding a seventy-five percent (75%) majority of the Association interest. No person shall be admitted as a member without his or her consent.

Section 2. Supplemental Agreement. A Supplemental Agreement shall be created prior to the admission of a new member to the Association. The Supplemental Agreement shall provide, at a minimum, (1) contributions to the Association capital by the new member; (2) the percentage interest in the Association of the new member; (3) the adjusted percentage of interest in the Association of all existing members based upon the new member's contribution. All members, including the new member shall execute the supplemental agreement which shall become effective on the date signed by the last member. The Supplemental Agreement shall then be attached to this Agreement as an exhibit, and held by the Secretary of the Association.

Section 3. New Classes of Membership. The Association shall have the power to create new classes of membership, either voting or non-voting, as it may from time to time deem appropriate. The power to create a new class of membership shall require an affirmative vote of seventy-five percent (75%) of the voting membership.

ARTICLE X

TRANSFER OF INTEREST

Section 1. Transfer Restrictions on Member's Interest. No member, without the express written consent of the other members shall sell, devise, assign, mortgage, hypothecate, transfer, pledge, create a security interest, lien, encumber, give or otherwise dispose of any of his/her Association interest in the Association now owned or hereafter acquired or lot or building site as referred to in the Declaration of Restrictive Covenants, during the term of this Association Agreement, in any manner other than as permitted in this Agreement or its amendments.

Section 2. Right of First Refusal. In the event any member desires to transfer his/her interest in this Association and building site, including through an executor of estate, the Association shall have a right of first refusal. The value of the interest shall be determined as provided below, and said interest shall first be offered in writing to the Association. In the event the Association desires to obtain the interest of the withdrawing member, the Association shall notify, in writing the withdrawing member, within sixty (60) days of the notification of desire to withdraw or sell and the Association shall then purchase said interest on the terms and under the conditions set forth below.

A. Fair Market Value. The Fair Market Value of the building site owned by a member and the member's interest in the Association shall be as determined by a certified appraiser. In the event the Association elects to purchase the withdrawing member's site and interest, the Association shall pay to the withdrawing member the value of his/her interest in the Association and building site as follows:

i. **Valuation Date.** Real estate and improvements thereon shall be as valued at their fair market value on the valuation date, provided that date is within eighteen (18) calendar months of the notification of death, withdrawal or desire to sell.

ii. **Request For New Valuation.** The withdrawing member or the estate of the deceased member may request a new valuation within the above stated 18 month period. The new valuation shall be at the sole expense of the withdrawing member or the estate of the deceased member.

iii. **Disputes.** In the event the Association and the withdrawing member or the deceased member's estate cannot agree on the value of the interest, the parties agree to use an average of two independent certified appraisers.

B. Execution of Sale. The execution of the close of the sale shall not exceed a total

of 180 days from last valid appraisal agreed upon by both the Association and the member selling their interest.

Section 3. Waiver of Right of First of Refusal. In the event the Association does not elect to purchase the interest of the withdrawing member or the estate of the deceased member, the member is free to sell his/her interest to a third party who shall then be bound by the terms of this Association Agreement, the Declaration of Restrictive Covenants and the By-Laws referred to herein.

Section 4. Property Subject to Legal Process. In the event any interest of a member in the Association or a building site is attached, levied upon, or otherwise subjected to legal process, or in the event any petition shall be filed by or against any member in court, in any bankruptcy arrangement, reorganization or insolvency proceeding, and such member is adjudged bankrupt or such petition be approved by the court, or if a receiver or a trustee be appointed for such member's property, then such member's interest in the Association or building site may be immediately purchased by the Association. The option to purchase may be exercised any time within (60) days of the notice to the members giving rise to this option. The purchase price and terms shall be determined in accordance with this Article and the valuation date shall be the last day of the month preceding the month in which the option to purchase arose.

Section 5. Effect of Member's Death. If any member dies, the Association shall not dissolve and the deceased associates interest will pass to the estate descendants as specified in the Last Will and Testament of the deceased member or the heirs of the deceased member. Where the deceased member has no legal issue or heirs related by blood or adoption to the voting members, the executor of the estate shall first offer the interest to the Association as prescribed by Section 2 of this Article.

Section 6. Approval of Rights of Transfer. Pursuant to Idaho Code, 30-3-38 of the Idaho Non-Profit Corporation Act, where transfer rights have been provided, no restriction on

them shall be binding with respect to a member holding a membership issued prior to the adoption of the restriction unless the restriction is approved by a majority (more than 50%) of the members and the affected member.

ARTICLE XI

RIGHT OF PARTITION WAIVED

Each member hereby expressly waives any statutory or other right which said member may have to seek partition of any real estate owned by the Association or dissolution of the Association except in accordance with the provision hereof. Each future member, by acquiring an interest in the Association, whether by gift, request, devise, purchase, or otherwise, expressly waives such right simultaneously with his/her acquisition.

ARTICLE XII

MEMBERS IN DEFAULT OF OBLIGATIONS

Section 1. Proceeding to Compel Specific Performance. In the event that a member fails to perform any obligation on his/her part to be performed hereunder, the Association may institute and maintain a proceeding to compel the specific performance of this Agreement by the member in default, as prescribed in the By-Laws, Article IX, Section 1(a) and Article X, Section 4 of this Agreement, it being agreed that the members not in default and the Association do not have an adequate remedy at law.

Section 2. Costs and Attorney's Fees. In the event the Association institutes suit against a member to enforce any rights herein, the prevailing party shall receive from the other reasonable attorney's fees in addition to any and all costs allowed by law.

ARTICLE XIII

MISCELLANEOUS

Section 1. Governing Laws. This Agreement is made in accordance with and shall be interpreted and governed by the laws of the State of Idaho.

Section 2. Venue. If any action or other proceeding be brought on or in connection with this Agreement, the venue of said action shall be Kootenai County, Idaho.

Section 3. Arbitration. In the event of a dispute under the Articles of Incorporation, the By-Laws or the Declaration of Restrictive Covenants, all members agree to submit the dispute to binding arbitration in Kootenai County, Idaho.

Section 4. Severability of Provisions. Each provision shall be considered severable and if, for any reason, any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation or effect of the those portions of this Agreement which are valid.

Section 5. Termination, Expulsion, Suspension of a Member. Pursuant to Idaho Code, 30-3-42 of the Idaho Non-Profit Corporation Act, the Association shall have the power to terminate, expel or suspend a member of the Association for the reasons and in the manner set forth in the By-Laws.

ARTICLE XIV

DISSOLUTION OF THE ASSOCIATION

Section 1. Notice. The Association shall give notice of any meeting at which the Association seeks dissolution approval by its members. The notice shall state that the purpose, or one of the purposes, of the meeting is to consider dissolution of the corporation, contain a copy of the plan of dissolution and otherwise conform with notice provisions of Idaho code 30-3-50 of the Idaho Non-Profit Corporation Act.

Section 2. Plan for Dissolution. In approving dissolution, the officers shall adopt a plan of dissolution indicating to whom the assets owned or held by the corporation will be distributed after all creditors have been paid.

Section 3. Approval. Approval of dissolution shall be by a seventy-five percent

(75%) majority of the voting members.

Section 4. Articles of Dissolution. Pursuant to Idaho Code, 30-3-112, 114 & 115 of the Idaho Non-Profit Corporation Act, the Chairperson of Glencairn Association, Inc. shall deliver to the secretary of state the Articles of Dissolution setting forth:

- (a) the name of the corporation;
- (b) the date dissolution was authorized;
- (c) the designation, number of memberships outstanding, number of votes entitled to be cast by each class entitled to vote separately on dissolution, and the number of votes of each class indisputably voting on dissolution; and
- (d) the total number of undisputed votes cast for dissolution by each class and a statement that the number cast for dissolution by each class was sufficient for approval by that class.

III.

There are eight (8) equal members in this Idaho non-profit corporation and the number of members voting affirmatively and voting nay are as follows:

Aye 75%

Nay 25%

IV.

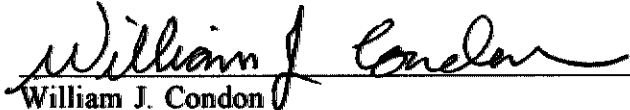
These restated articles do not affect a change in any stated capital.

V.

The above restated articles were adopted at a meeting called pursuant to notice pursuant to Idaho Code, 30-3-50 of the Idaho Non-Profit Corporation Act, and shall supersede

the original articles of incorporation and all amendments to them.

DATED this 23 day of 03, 1995


William J. Condon
Chairperson


Bridget M. Buckmeyer
Secretary

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Patrick A. Condon

Date

Mary E Conley
Mary E Conley
12230 Little Spokane Dr
Colbert, Wa 99005

1/4/95
Date

John J. Condon

Date

Kathleen Green
Kathleen Green
724 E Grevera
Spokane WA. 99207

1/4/95
Date

Bridget D Brockmeyer
Bridget D. Brockmeyer
614 St Clair Dr
Indi IN 46240

12/30/94
Date

Michell C Wingard
Michell C. Wingard
4533 Brock Loop S
Salem, OR 97302

12-27-94
Date

William J Condon
William J. Condon
1908 EAST. 19
SPOKANE WASH. 99202

03-22-95
Date

Daniel H Condon
Daniel H. Condon, et. al.
1415 W VERNANT
SPOKANE 99204

1-26-95
Date

STATE OF _____)

SS.

COUNTY of _____)

On this _____ day of _____, 1994, before me, the undersigned Notary Public, personally appeared PATRICK A. CONDON, known or identified to me to be the person whose name is subscribed to the foregoing 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 first above written.

Notary Public for _____
Residing at _____
My Commission expires _____

STATE OF WASHINGTON)

SS.

COUNTY of SPOKANE)

On this 4th day of JANUARY, 1994, before me, the undersigned Notary Public, personally appeared MARY E. CONLEY, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

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

Joanne Limbaugh
Notary Public for WASHINGTON
Residing at SPOKANE
My Commission expires 10-30-95

STATE OF _____)

SS.

COUNTY of _____)

On this _____ day of _____, 1994, before me, the undersigned Notary Public, personally appeared JOHN J. CONDON, known or identified to me to be the person whose name is subscribed to the foregoing 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 first above written.

Notary Public for _____
Residing at _____
My Commission expires _____

STATE OF WASHINGTON)

SS.

COUNTY of SPOKANE)

On this 4th day of JANUARY, 1994⁵, before me, the undersigned Notary Public, personally appeared KATHLEEN GREEN, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

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

Joanne Limbaugh
Notary Public for WASHINGTON
Residing at SPOKANE
My Commission expires 10-30-95

STATE OF Washington)

SS.

COUNTY of Spokane)

On this 3rd day of December, 1994, before me, the undersigned Notary Public, personally appeared BRIDGET D. BROCKMEYER, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

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

Constantine Shiller
Notary Public for Washington
Residing at Mead
My Commission expires March 7, 1997

STATE OF OR)

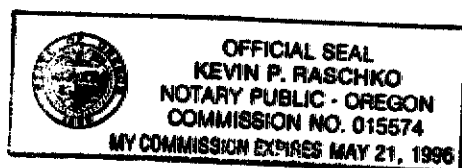
SS.

COUNTY of Marion)

On this 27th day of Dec, 1994, before me, the undersigned Notary Public, personally appeared MICHELL C. WINGARD, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same.

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

[Signature]
Notary Public for _____
Residing at _____
My Commission expires May 21, 1996



STATE OF Idaho

SS.

COUNTY of Bozeman

On this 22nd day of March, 1994⁵, before me, the undersigned Notary Public, personally appeared WILLIAM J. CONDON, known or identified to me to be the person whose name is subscribed to the foregoing 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 first above written.

Barbara J. McEwen
Notary Public for Idaho
Residing at Bozeman
My Commission expires 9-22-98

STATE OF WASHINGTON

SS.

COUNTY of SPOKANE

On this 26th day of JANUARY, 1994⁵, before me, the undersigned Notary Public, personally appeared DANIEL H. CONDON, et. al., known or identified to me to be the person whose name is subscribed to the foregoing 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 first above written.

Elaine J. Samples
Notary Public for SE - IDAHO
Residing at Spokane
My Commission expires 1-1-99