

**CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION**

**FILED**  
99 FEB 25 AM 8:56  
SECRETARY OF STATE  
STATE OF IDAHO

The Articles of Incorporation of Middlefork Ranch, Incorporated, an Idaho non-profit corporation, have been amended and restated. A true and correct copy of those AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MIDDLEFORK RANCH, INCORPORATED is attached to this certificate. The AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MIDDLEFORK RANCH, INCORPORATED were adopted as follows:

1. Date of adoption: July 5, 1997
2. Designation of memberships outstanding: 6,450 shares of common stock
3. Number of votes entitled to be cast by each class entitled to vote separately on the amendment: 6,450
4. Number of votes of each class indisputably voting on the amendment: 5,115
5. Total number of votes cast for and against the AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MIDDLEFORK RANCH, INCORPORATED by each class entitled to vote separately on them:

For:           5,115  
Against:       0

6. The total number of votes cast for the AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MIDDLEFORK RANCH INCORPORATED were sufficient for approval by the members/shareholders of the corporation.

IN WITNESS WHEREOF, this CERTIFICATE has been executed this 30<sup>th</sup> day of January, 1999.

By William T. Casey, President  
William T. Casey, President

By Steven P. Brown  
Steven P. Brown, Secretary  
IDAHO SECRETARY OF STATE

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02/25/1999 09:00  
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CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION - 1

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# **AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MIDDLEFORK RANCH, INCORPORATED**

History: Original Articles of Incorporation of Middlefork Ranch, Incorporation were adopted on 22 August 1966 and amended on 3 July 1968 and filed with the Department of State of the State of Idaho on the 24 July, 1968. The 3 July 1968 amendment changed the corporation from one for profit to a nonprofit corporation with the purpose of the corporation described in the second paragraph, as amended. The articles were also amended on 3 July 1968 to provide for a requirement that each stockholder had to own a lot in Pistol Creek subdivision and each lot regardless of the number of owners would own 300 shares of stock. In addition, the amendment provided for assessments against the stock as set by the Directors and approved by a majority of the shareholders at the annual meeting of shareholders.

The Articles of Incorporation were further amended and approved by the shareholder at their annual meeting on 6 July 1996 by the additions to paragraphs Fourth and Seventh with modification approved at the annual meeting on July 5, 1997.

Computer File Location:   Hollister & Brace, Santa Barbara  
File: 3646.003\Amended.Art.wk5

**AMENDED AND RESTATED**  
**ARTICLES OF INCORPORATION**  
**OF**  
**MIDDLEFORK RANCH, INCORPORATED**

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, being natural persons of full age and citizens of the United States, in order to form a nonprofit corporation for the purposes hereinafter stated, under and pursuant to the provisions of Title 30, Chapter 3, Idaho Code Non Profit Corporation Act § 30-3-1 et. seq. and the provisions of the general corporation laws of the State of Idaho and the acts amendatory thereof and supplemental thereto not in conflict with said section, do hereby certify as follows:

**FIRST**

The name of the corporation is Middlefork Ranch, Incorporated.

**SECOND**

Section 1. The purposes for which the corporation is organized and shall operate are:

(a) This corporation is organized and shall be operated exclusively for pleasure, recreation and other nonprofitable purposes. No part of the net earning of which shall inure to the benefit of any private shareholder.

(b) Subject to and for the accomplishment of the purposes set forth in subsection (a) of this section and without any intention to enlarge upon or extend those purposes, but merely by way of explanation thereof, this corporation may:

(1) Purchase, organize and operate the Middlefork Ranch (also known as the Pistol Creek Ranch) located in Valley County, Idaho, for the pleasure and recreation of the shareholders hereof, in order that said shareholders, who are owners of lots and cabins located within and adjacent to the Middlefork Ranch (the Pistol Creek Ranch Subdivision) may have the use and benefit of said Ranch, including access and egress to and from

their lots and cabins, and the use and proper maintenance of such common facilities as the airplane landing field, the lodge, the barns, and the pastures, horses and pack animals.

(2) Protect the investment of the shareholders in their lots and cabins located within and adjacent to the Middlefork Ranch by preparing a general plan of development of said Ranch for the recreation and pleasure of the shareholders, including but not limited to restrictions as to commercial use, number and size of the lots, cost and building type of the cabins of shareholders, and the manner of garbage refuse and sewage disposal.

(3) Maintain existing water supplies for the benefit of shareholders, provide gas and power to shareholders, and obtain or maintain necessary licenses for hunting, fishing and use of adjacent federal and state lands.

Section 2. To carry out and further the purposes set forth in Article, this corporation shall have the following powers:

(a) To purchase, hold, sell, improve, develop and lease real estate, and mortgage and encumber the same, and to erect, manage, care for and maintain, extend and alter buildings thereon;

(b) To buy, sell, acquire, hold, own, mortgage, pledge, lease, assign, transfer, trade and deal in and with all kinds of personal property, goods, wares, and merchandise of every kind, nature and description;

(c) To make, perform and carry out contracts of every kind and description made for any lawful purpose, without limit as to amount, with any person, firm, association or corporation, either public or private. or with any territory or government, or any, agency thereof;

(d) To borrow money, to draw, make, accept, endorse, transfer, assign, execute and issue bonds, debentures, promissory notes, and other evidences of indebtedness, and for the purpose of securing any of its 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 this corporation, upon such terms and conditions as the Board of Directors shall authorize, and as may be permitted by law;

(e) To acquire, hold, sell, re-issue, or cancel any shares of its own capital stock, provided, however, that this corporation may not use any of its funds or property for the purchase of its own common stock when such use would cause any impairment of the capital of this corporation, and provided, further, that the shares of its own capital stock belonging to this corporation shall not be voted directly or indirectly;

(f) To purchase or otherwise acquire the whole or any part of the property, assets, business and goodwill of any other person, firm, corporation or association, and to conduct in any lawful manner the business so acquired, and to exercise all the powers necessary or convenient in and about the conduct, management and carrying on of such business;

(g) To have one or more offices to carry on all or any part of its 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 corporation, and which now or hereafter may be authorized by law, and this 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 person, firm, association or corporation;

(h) To have and to exercise any and all powers and privileges now or hereafter conferred by the laws of the State of Idaho upon nonprofit corporations formed under the laws of said State, or under any Act amendatory thereof or supplemental thereto or substituted therefor;

(i) In the performance of the powers herein enumerated the Board of Directors of this corporation shall not be held to a higher standard of prudence and care than that applicable to boards of directors of commercial operations.

### **THIRD**

The corporation is to have perpetual existence.

### **FOURTH**

Section 1. The amount of the capital stock of this corporation shall be, and is \$100,000, broken down into 10,000 shares at \$10.00 per share.

Section 2. The corporation shall have members who shall be called shareholder in this document as well as the corporation By-Laws. All shareholders of the corporation must be owners of a lot or portion of a lot within the Pistol Creek Subdivision of the Middlefork Ranch Inc.

Section 3. The owners of each lot, regardless of the number of owners, shall in the aggregate own no more and no less than three hundred (300) shares of stock in the corporation. The number of shares of stock owned by any one person shall correspond to that person's ownership interest in the lot.

Section 4. A shareholder shall not be entitled to receive any payment in the nature of dividends or interest or other form of remuneration by reason of owning shares of capital stock in this corporation.

Section 5. Any attempted transfer of stock without a transfer of the corresponding interest in the lot shall be void and will not be recognized by the corporation.

Section 6. A stockholder that intends to convey, sell or trade the corporation stock of the Middlefork Ranch, Inc. shall pay a transfer fee to the Corporation set by the Board of Directors and approved by a majority vote of the shareholders at the annual meeting of the shareholders. The transferring shareholder shall deposit with the corporation the appropriate transfer fee all unpaid assessments and charges of the corporation currently due from the stockholder, a written request to transfer the shares and the shares to be transferred before the corporation has any obligation to make or recognize such transfer.

### **FIFTH**

Section 1. The Board of Directors shall have the power to levy and assess and collect, and provide for the collection of, dues or assessments in accordance with such provisions as may be established in the By-Laws of this corporation, but not in excess of a maximum rate to be fixed, at a regular or special meeting, by a vote of the shareholders holding a majority of the voting power of the entire membership. Any shareholder in default in the payment of dues or assessments shall be subject to termination from all privileges of

ownership of shares of capital stock in such corporation pursuant to a due process provision as may be established in the By-Laws of this corporation.

Section 2. When there are multiple owners of any one lot within or adjacent to the Pistol Creek Subdivision, each owner shall be jointly and severally liable for all dues and assessments made against the three hundred (300) shares of stock owned by the owners of that lot, and each owner shall be jointly and severally liable for all charges for goods and services provided by the Ranch to any owner or guest of any owner of that lot.

Section 3. All dues and assessments levied on any shareholder or charges incurred by any shareholder or its guest and owed to the corporation may be enforceable by action or by forfeiture of the entire three hundred (300) shares of stock in which the shareholder has an interest, or both, upon notice given in writing as provided by the by-laws, but at least twenty (20) days in advance of any such action or forfeiture.

Section 4. Pursuant to Title 30, Chapter 3, Idaho Non Profit Corporation Act Section 30-3-17 all sums owed by a shareholder shall be secured by a lien upon the whole of the real property in which the shareholder has an interest located in the Pistol Creek Subdivision to which the shareholder's rights are appurtenant.

## SIXTH

The number of Directors of the corporation shall be as specified in the By-Laws, and such number may from time to time be increased or decreased in such manner as may be prescribed in the By-Laws, provided the number of Directors of the corporation shall not be less than three. In case of any increase in the number of Directors, the additional Directors may be elected by the Directors then in office, and the Directors so elected shall hold office until the next annual meeting of the stockholders and until their successors are elected and qualified.

## SEVENTH

Stockholders of the corporation shall have preemptive and preferential right of subscription to any shares of stock of the corporation, whether now or hereafter authorized. Obligations convertible into stock of the corporation shall first be offered to the stockholders of the corporation.

## EIGHTH

A voluntary sale, lease or exchange of all of the property and assets of the corporation, including its good-will and its corporate franchises, may be made by the Board of Directors upon such terms-and conditions as it may deem expedient and for the best interests

of the corporation but only after approval of a vote of the shareholders holding a majority of the voting power of the entire membership.

#### NINTH

No contract or other transaction between the corporation and any other corporation and no act of the corporation shall in any way be affected or invalidated by the fact that any of the Directors of the corporation are pecuniarily or otherwise interested in, or are Directors or officers of such other corporation; any Director individually, or any firm of which any Director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation, provided that the fact that he or such firm is so interested shall be disclosed or shall have been known to the Board of Directors or a majority thereof; and any Director of the corporation who is also a director or officer of such other corporation, or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the corporation which shall authorize any such contract or of such transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

#### TENTH

The Board of Directors is expressly authorized to repeal and amend the By-Laws of the corporation and to adopt new By-Laws, and the corporation reserves the right to amend, alter, change or repeal, any provision contained in these Articles of Incorporation, in the manner now, or hereafter, prescribed by law, at any annual meeting of the shareholders or at any meeting duly called for that purpose, except where the laws of the said State of Idaho otherwise provide.

#### ELEVENTH

Upon dissolution of the corporation, the assets of the corporation shall be distributed according to the Idaho Non-Profit Corporation Act as amended.

IN WITNESS WHEREOF, this instrument has been executed this 5<sup>th</sup> day of July, 1997.

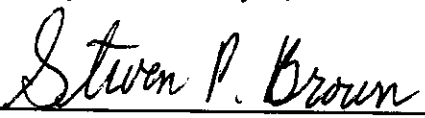
By

  
STEVE MARKSTEIN, President

STEVEN EVANS KIRBY V.P.



Approved by a majority of the shareholders of the corporation at the Annual Shareholders Meeting held on July 5, 1997

  
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STEVEN P. BROWN, Corporate Secretary

Approved as to form:

Hall, Farley, Oberrecht & Blanton

By   
\_\_\_\_\_  
Phil Oberrecht

Dated: