

**FILED EFFECTIVE**

**STATEMENT OF AUTHORITY**

**FOR**

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**PREFERRED REAL ESTATE GROUP, LLC**

SECRETARY OF STATE  
STATE OF IDAHO

**An Idaho Limited Liability Company**

The undersigned limited liability company hereby states and represents that:

1. **Company name** - The name of the Company is: Preferred Real Estate Group, LLC.
2. **Street address** - The street address of the Company's designated office is: 1305 South Kimball Avenue, Caldwell, ID 83605.
3. **Mailing address** - The mailing address of the Company's designated office is: 1305 South Kimball Avenue, Caldwell, ID 83605.
4. **Nature of Business** - The Company may engage in any lawful business or activity permitted by the Idaho Uniform Limited Liability Company Act (the "Act") or the laws of any jurisdiction in which the Company may do business. The Company has the authority to do all things necessary or convenient to accomplish its purposes.
5. **Management** - The Company is manager-managed, and the Managers of the Company are: Richard S. Sweaney and Patrick Inglis.
6. **Acts Requiring a Majority Vote of the Members:** The following matters, without limitation, require a Majority vote of the Members:
  - (a) Disagreements regarding the authority of a Manager;
  - (b) Compensation of a Manager;
  - (c) Removal of a Manager;
  - (d) The indemnification of a Member, Manager or any other Person;
  - (e) Any matter submitted to a vote of the Members not requiring a unanimous vote.
7. **Meaning of "Majority" Vote of the Members:** Whenever any matter is required or allowed to be approved by a Majority of the Members of the Company or a Majority of the remaining members, such matter is considered approved or consented to upon the receipt of the affirmative approval or consent, either in writing or at a meeting of the Members, of Members having Membership Interest percentages in the Company in

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excess of one-half of the Membership Interest percentages of all the Members entitled to vote on a particular matter. In the case of a Member who has disposed of that Member's entire Transferable Interest in the Company to a Transferee, but has not been removed as a Member, the Membership Interest percentage of such Member is considered in determining a Majority and such Member's vote or consent shall be determined by such Membership Interest percentage.

**8. Acts Requiring a Unanimous Vote of the Members:** The following matters require the unanimous vote of the Members:

- (a) Any amendment to the Operating Agreement or the Certificate of Organization;
- (b) The dissolution of the Company;
- (c) The continuation of the Company after the Dissociation of a Member;
- (d) The authorization of a Manager or Member to do any act on behalf of the Company that contravenes the Operating Agreement;
- (e) The admission of an Additional Member or Substitute Member to the Company;
- (f) The amount of additional contributions, if any, needed by the Company to conduct its business.

**9. Authority of Members to Bind the Company:** A Member is not an agent of the Company solely by reason of being a Member. Only the Managers and authorized agents of the Company shall have the authority to make representations or warranties, or enter into contracts on behalf of the Company (i.e., bind the Company). No Member who is not a Manager shall take any action to bind the Company.

**10. Authority of Managers:** Except as the following powers may be otherwise expressly limited in this Statement of Authority, each Manager has the power, on behalf of the Company, to do all things necessary or convenient to carry out the purpose and activities of the Company, including, without limitation:

- (a) The filing, amendment or cancellation of a Statement of Authority with the Secretary of State of Idaho;
- (b) The conduct of the Company's business, the establishment of Company offices, and the exercise of the powers of the Company within or without the State of Idaho;
- (c) The appointment of employees and agents of the Company, the defining of their duties, the establishment of their compensation;

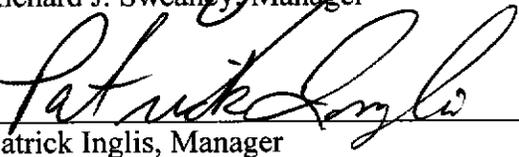
(d) The performance of any other act that furthers the business and affairs of the Company.

11. **Actions of the Managers:** The Managers have the power to bind the Company as provided in Section 10 above. No person dealing with the Company shall have any obligation to inquire into the power or authority of a Manager acting on behalf of the Company. Each Manager has equal rights in the management and conduct of the activities of the Company. A difference arising among the Managers as to a matter in the ordinary course of the activities of the Company may be decided by a majority in number of the Managers.

Dated this 1<sup>st</sup> day of January, 2010.

**PREFERRED REAL ESTATE GROUP, LLC**, an Idaho limited liability company

By:   
Richard J. Sweaney, Manager

By:   
Patrick Inglis, Manager

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