

State of Idaho

Department of State

CERTIFICATE OF AMENDMENT OF

STONERIDGE PINES ASSOCIATION, INC.
File Number C 35306

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 STONERIDGE PINES ASSOCIATION, 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: February 13, 1995



Pete T. Cenarrusa
SECRETARY OF STATE

By *[Signature]*

The following restatement of the Articles of Incorporation was adopted by the majority vote of the members of the Corporation on April 5th, 1994, wherein the required majority of votes which were members present at such meeting in person or by proxy were entitled to cast, pursuant to the provisions as set forth in the Articles and Bylaws of this corporation, voted in favor of this restatement of the Articles of Incorporation in the manner prescribed by the laws of the State of Idaho, and the Articles of Incorporation of the Corporation with said restatement of the Articles of Incorporation to be effective on April 5th, 1994.

ARTICLES OF INCORPORATION
OF
STONERIDGE PINES ASSOCIATION, INC.

ARTICLE I:

The name of this Corporation (hereinafter called "Association") is STONERIDGE PINES ASSOCIATION, INC.

ARTICLE II: (Amended)

This Association is organized pursuant to the Idaho Non-Profit Corporation Act, and is a non-profit corporation, exclusively for religious, charitable, scientific, eleemosynary, literary or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and pursuant to Idaho Code Section 30-306 et seq., and shall also be a Water User's Association under Idaho Code Section 30-804 et seq.

The purposes for which this Association is formed are as follows:

- a. To supply water for the domestic and gardening uses of its members in the Stoneridge Pines and Stoneridge Pines II platted subdivisions, hereinafter referred to as "Stoneridge Pines subdivisions", by constructing, modifying, maintaining and operating a water system; and to engage in any activity related thereto, including but not limited to the acquisition of water by appropriation, drilling, pumping and/or purchase; and the purchase, laying, installation, operation, maintenance and repair of wells, pumping equipment, water mains, pipelines, valves, meters and all other equipment necessary to the construction, maintenance and operation of a water system.
- b. To provide access to the real estate of its members in the Stoneridge Pines subdivisions by building, constructing and maintaining roadways and roads.
- c. To provide recreation facilities, including but not limited to lakeshore facilities, for the use and benefit of its members.

These objectives shall be pursued with an awareness of the necessity for protection of the surrounding environment, and the maintenance and improvement of the quality of the lake water.

ARTICLE III: (Previously Article IV)

The duration of this Association shall be perpetual.

IDAHO SECRETARY OF STATE
19950123 0900 58655 2
CK #: 2009 CUST# 43959

CORP
1@ 30.00= 30.00

SECRETARY OF STATE
FEB 13 3 46 PM '95

: C

ARTICLE IV: (Previously Article III)

The location and street address of the registered office of the Association in the State of Idaho is Gotham Bay, HCR 02, Box 104, Harrison, Idaho 83833. This Association may, however, maintain offices and places of business at such other places within the State of Idaho as the Board of Directors may determine. The registered agent at said address shall be the current Secretary of the Association.

ARTICLE V: (Previous Articles VII & IX combined)

The affairs of this Association shall be managed by a Board of Directors of at least three (3) Directors. The number, qualifications, terms of office, manner of election, time, place, and manner of calling meetings, and the powers and duties of the Board of Directors shall be prescribed by the Bylaws. All Directors must be members of the Association.

ARTICLE VI: (Previously Article V)

Neither the Directors nor the officers or members of the Association shall be personally liable for the debts, liabilities or obligations of the Association.

ARTICLE VII: (Amended - Previously Article VI)

This Association shall not have capital stock, and its capital shall be represented by two classes of membership certificates which shall be issued subject to ownership in accordance with the Bylaws of this Association. The rights and interests of all members shall be equal within their class of membership, and no member can have or acquire a greater interest therein than any other member; however, this shall not prevent any person from holding more than one membership certificate, one certificate being available for each lot that he owns.

Every person or entity who is an owner of record in good standing of a lot in the Stoneridge Pines subdivisions shall be a member of the Association as required by the Restrictive Covenants for the subdivisions as recorded at the Kootenai County Hall of Records.

Regular Membership certificates shall be issued based on the ownership of a lot(s) in the Stoneridge Pines subdivisions. Regular Members are entitled to water from the Association-owned water system, accessibility to their lots at all times via Association-owned roads, and use of the Association-owned lakeshore recreation facilities. Regular membership certificates entitle the holder to vote at all regular and special meetings of the members on all issues brought before the Association.

Membership is also available, on a voluntary basis, to owners of record of parcels of land falling within the metes and bounds legal description (boundaries) of the areas described in Document #772489, Memo For The Record, as recorded at the Kootenai County Hall of Records.

Associate Membership certificates shall be issued based on the ownership of a parcel(s) of land in two areas adjoining the Stoneridge Pines subdivisions falling within the metes and bounds legal description (boundaries) of the areas described in Document #772489, Memo For The Record, as recorded at the Kootenai County Hall of Records Book #94, Page 186. Associate Members, a membership which is entirely voluntary, are entitled to availability of Association owned lakeshore recreation facilities only. Associate membership certificates entitle the holder to vote at all regular and special meetings of the members only upon those issues dealing with the lakeshore recreation facilities.

ARTICLES OF INCORPORATION, Stoneridge Pines Association, Inc.

The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

- a. The Bylaws shall provide the terms and conditions of membership.
- b. Membership in the Association shall not be transferred, pledged, or alienated in any way, except as set forth in the Bylaws.
- c. The Association shall have two classes of voting membership. Regular members shall be entitled to one vote, for each certificate owned, on all issues brought before the Association. Associate members shall be entitled to one vote, for each certificate owned, subject to restrictions and limitations as stated in the Articles of Incorporation and Bylaws of the Association relating to the class of membership held.
- d. Membership fees shall be fixed and regulated by the Bylaws. Each member, who is not in arrears regarding payments for membership and assessments, shall be entitled to one vote at any meeting of the members of the Association for each membership certificate owned, subject to the restrictions imposed by the class of membership certificate held, as set forth in the Bylaws of the Association. Assessments against members, and a determination of their liability, shall be fixed by the Bylaws, which shall provide for the manner of collection and its enforcement, and also for the lapse of membership and forfeiture of the right to the privileges of Association membership.
- e. This Association is organized as a non-profit association for the mutual benefit of its members, and will not have profits. All fees received for admission of members, and assessments paid by members, shall be placed in the general fund to be used for normal operating expenses of the Association; the payment of indebtedness, repairs, building and maintenance; and for future capital expenditures necessary for the operation of the Association and the performance of its objectives. After all expenses of the Association are paid each year and a reasonable reserve, as determined by the Board of Directors, set aside, any income of the Association in excess thereof shall be used to reduce the assessments to the Members for the next year's obligations.

ARTICLE VIII: (Amended)

Notwithstanding any other provision of these Articles, this corporation shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code.

This Association does not contemplate the distribution of gains, profits, or dividends to its members, and the specific primary purposes for which it is formed are to provide for the supplying of water to its Regular members, road access to the lots of its Regular members, and to make lakeshore recreation facilities available to all members.

In furtherance of said purposes, this Association shall have the power to:

- a. Perform all of the duties and obligations of the Association as set forth in the Bylaws;
- b. To levy assessments in such manner and in such amount as may be provided for in the Bylaws of this Association, and to provide for the manner of collection of assessments for services furnished to its members and the enforcement thereof;

ARTICLES OF INCORPORATION, Stoneridge Pines Association, Inc.

- c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against the Association property;
- d. To borrow from any source money, goods or services without limitation as to amount of corporate indebtedness or liability, and to pledge or mortgage any of its property as security therefore in any manner permitted by law;
- e. To buy, lease, hold and exercise all privileges of ownership in and to the real or personal property as may be necessary or convenient for the conduct and operation of the business of the Association, or incidental thereto;
- f. To acquire and to hold, own and exercise all rights of ownership in, and to sell, transfer or pledge shares of capital stock or bonds, or become a member or stockholder of, any corporation or association engaged in any related activities;
- g. To establish reserves and to invest the funds thereof in stocks, bonds, and other property as the Board of Directors may deem satisfactory;
- h. To have and to exercise all powers, privileges and rights which a Corporation organized under the Idaho Non-Profit Corporation Act now or hereafter has to exercise, and all powers and rights incidental to carrying out the purposes for which this Association is formed, except such as are inconsistent with the express provisions of the act under which this Association is incorporated;
- i. To further promote the goodwill and trade in Coeur d'Alene, Idaho and surrounding areas.

ARTICLE IX:

Upon winding up and dissolution of this Corporation, after paying or adequately providing for the debts and obligations of the organization, the remaining assets shall be distributed to a non-profit fund, foundation, or corporation which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE X:

These Articles of Incorporation may be amended by a vote at a meeting of the members having voting rights, which may be either an annual or special meeting as provided in the Idaho Non-Profit Corporation Act for the giving of notice of a meeting of members. The proposed amendment shall be adopted upon receiving at least two-thirds (2/3) of the votes which members present at such meeting, in person or by proxy, are entitled to cast by the terms of the Bylaws.

ARTICLES OF INCORPORATION, Stoneridge Pines Association, Inc.

Executed by the undersigned President and Secretary in duplicate originals at Coeur d'Alene, Idaho
on this 17 day of January, 1995

STONERIDGE PINES ASSOCIATION, INC.

By Thomas G. Meyer
President

By Bonnie W. Meyer
Secretary

STATE OF IDAHO, }
County of Kootenai, } ss.

On this 17th day of January, 1995, before me, the undersigned Notary Public,
personally appeared Thomas G. Meyer and Bonnie W. Meyer
known to me to be the President and Secretary respectively of the Corporation described in and that
executed the foregoing instrument and known to me to be the persons who executed it on behalf of
the Corporation therein named, and they and each of them acknowledge to me that such
Corporation executed the same.

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

Cynthia L. Tehano
Notary Public for the State of Idaho

Residing at Coeur d'Alene, Id.

My Commission expires 1-28-2000