

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION
OF

PINEHURST GOLF COURSE, INC.

File number C 117587

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 PINEHURST GOLF COURSE, 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: December 27, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By *Alisa A. Hartley*

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ARTICLES OF INCORPORATION

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OF

IDAH0 SECRETARY OF STATE

PINEHURST GOLF COURSE, INC.

DEC 21 0 41 AM '96
SECRETARY OF STATE

KNOW ALL MEN BY THESE PRESENTS, that there is hereby formed a nonprofit corporation (the "Corporation") pursuant to Idaho Code, Title 30, Chapter 3, the Idaho Nonprofit Corporation Act (the "Act"), and said Corporation hereby certifies, declares, and adopts the following Articles of Incorporation.

ARTICLE I.

Name. The name of this Corporation shall be PINEHURST GOLF COURSE, INC.

ARTICLE II.

Duration. The period of existence and duration of the life of this Corporation shall be perpetual.

ARTICLE III.

Location of Registered Office and Agent. The location of the initial registered office of this Corporation shall be in Kellogg, County of Shoshone, State of Idaho, and the address of the initial registered office of this Corporation shall be 111 Main Street, Kellogg, Idaho 83837.

The name of its initial registered agent at such address is FRED M. GIBLER.

ARTICLE IV.

Purpose. The objects and purposes for which this Corporation is formed are exclusively those permitted by the Idaho Nonprofit Corporation Act or successor laws, including but not limited to:

1. The exercise of any, all, and every right and power now or hereafter granted to nonprofit Corporations under the laws of the State of Idaho.

2. To operate, primarily in Shoshone County, Idaho, exclusively for recreational, benevolent, charitable, and educational purposes.

3. To provide a golf course for the purpose of recreation and education concerning the sport of golf for the general public.

4. To promote the game of golf; to acquire real and personal property by lease, purchase, or otherwise; and to sell such real estate as may be necessary and convenient for the operation and maintenance of a golf course and clubhouse for use by members and by the general public.

ARTICLE V.

Declaration of Exempt Status:

1. All of the powers to be exercised by the Corporation shall be exercised exclusively for such purposes and in such a manner that this Corporation shall qualify as and remain a nonprofit

Corporation under the laws of the State of Idaho.

2. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered, including services rendered by officers, and to make payments and distributions in furtherance of the purposes as set forth in Article IV hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE VI.

Membership. The By-Laws of this Corporation shall provide the numbers and qualifications of the members and the terms and conditions of admission to membership. No member can have or acquire any right, title, or interest in any of the earnings or accumulations of the Corporation or its property.

ARTICLE VII.

Liability. The officers and directors of this Corporation shall not be individually liable for the Corporation debts or other

liabilities of any kind whatsoever.

Any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was an officer, director, or member of the Corporation shall be indemnified by the Corporation. Such right of indemnification shall not be deemed exclusive of any other rights to which such officer or director may be entitled apart from this Article.

ARTICLE VIII.

Levies. Assessments may be levied upon members in such amounts as may be authorized by a majority vote of the members.

ARTICLE IX.

Rights Upon Dissolution. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to one or more organizations operated and organized exclusively for recreational, charitable, educational, or benevolent purposes, or to a governmental entity. Any of such assets not so disposed of shall be disposed of by the district court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or

organizations as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE X.

Board of Directors. Control and management of the affairs of this Corporation shall be vested in the Board of Directors, consisting of seven Directors.

The members of the Board of Directors constituting the initial Board of Directors are as follows:

Wayne Kovash
P. O. Box 405
Pinehurst, ID 83850

Ed Nelson
2472A Coeur d'Alene River Rd.
Kingston, ID 83839

Marcia Biotti
P. O. Box 826
Pinehurst, ID 83850

Kirk Nelson
S. 13230 Tamarack Ridge Rd.
Cataldo, ID 83810

Jeff Wombolt
321 Emerald Drive
Kellogg, ID 83837

Mike Claymore
P. O. Box 609
Pinehurst, ID 83850

David Korff
P. O. Box 151
Kingston, ID 83839

ARTICLE XI.

Amendment. The Corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation as provided by Idaho Code.

ARTICLE XII.

Amendment of By-Laws. The Board of Directors shall have the

power to make, alter, amend, or repeal the By-Laws as set forth therein for governance of the Board and for administration and regulation of the affairs of the Corporation, provided that any such By-Laws shall not be inconsistent with these Articles of Incorporation or with the Constitution or laws of the State of Idaho or any other governmental entity duly constituted.

ARTICLE XIII.

Management. The management of the affairs of the Corporation shall be vested in the President, Vice President, Secretary, and Treasurer of the Corporation. The name and address of the initial President of the Corporation is:

Wayne Kovash
P. O. Box 405
Pinehurst, ID 83850

ARTICLE XIV.

Incorporator. The name and address of the initial incorporator is:

Fred M. Gibler
P. O. Box 659
111 Main Street
Kellogg, ID 83837-0659

IN WITNESS WHEREOF, the undersigned incorporator has signed his name this 16th day of December, 1996.

Fred M Gibler

STATE OF IDAHO)
) ss.
County of Shoshone)

On this 16th day of December, 1996, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared FRED M. GIBLER, known to me to be the person whose name is subscribed to the within and 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 in this certificate first above written.

James L. Wadner
Notary Public for the State of Idaho
Residing at Wadner
My Comm'n Expires 11/05/00