



ARTICLES OF AMENDMENT (Non-profit)

To the Secretary of State of the State of Idaho
Pursuant to Title 30, Chapter 3, Idaho Code, the undersigned
non-profit corporation amends its articles of incorporation as
follows:

FILED EFFECTIVE

2004 SEP -3 AM 8:47

STATE OF IDAHO

1. The name of the corporation is:

Pilot ROCK DEVELOPMENT ASSOCIATION, INC.

2. The text of each amendment is as follows:

1. New Corporate name: PILOT ROCK OWNERS ASSOCIATION, INC.

2. AMENDED AND RESTATED ARTICLES OF INCORPORATION; enclosed text

3. The date of adoption of the amendment(s) was: Oct. 8th, 2003

4. Manner of adoption (check one):

- ☐ Each amendment consists exclusively of matters which do not require member approval pursuant to section 30-3-90, Idaho Code, and was, therefore, adopted by the board of directors. (Please fill spaces below)
- a. The number of directors entitled to vote was: _____
- b. The number of directors that voted for each amendment was: _____
- c. The number of directors that voted against each amendment was: _____

- ☒ The amendment consists of matters other than those described in section 30-3-90, Idaho Code, and was, therefore adopted by the members. (Please fill spaces below)

a. The number of members entitled to vote
was: 21

b. The number of members that voted for each
amendment was: 18

c. The number of members that voted against
each amendment was: 0

Dated: 7/29/04

Signature: _____

Typed Name: James N. Sledge

Capacity: President

Customer Acct #:

(if using pre-paid account)

Secretary of State use only

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IDAHO SECRETARY OF STATE
09/03/2004 05:00
CK: 4487 CT: 181946 IM: 764489
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**AMENDED & RESTATED
ARTICLES OF INCORPORATION
OF
PILOT ROCK DEVELOPMENT ASSOCIATION, INC.**

**ARTICLE I.
NAME**

The new name of the Corporation (hereinafter called the "Association") is PILOT ROCK OWNERS ASSOCIATION, INC., and it is a nonprofit corporation.

**ARTICLE II.
DURATION**

The Association shall exist perpetually.

**ARTICLE III.
PURPOSES AND POWERS OF THE ASSOCIATION**

This Association does not distribute gains, profits, or dividends to its Members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation, and insurance of Association property, being certain timberland and preservation real property located in Kootenai County, Idaho. Said land is held by the Association for the benefit of the owners of adjacent residential property located along the shores of Lake Coeur d'Alene, owned by members of the Association, all of which land is commonly known as Pilot Rock. A legal description of the property is attached to the Association's Bylaws and is incorporated herein by reference.

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

- a. Perform all of the duties and obligations of the Association as set forth in the Bylaws;
- b. Fix, levy, collect and enforce Assessments as set forth in the Bylaws;
- 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. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, exchange, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- e. Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

f. Dedicate, sell, transfer, or grant easements over all or any part of the subject property to any public agency, authority or utility for such purposes and subject to such conditions as may be set forth in the Bylaws;

g. Annex additional property to the property managed by the Association;

h. Have and exercise any and all powers, rights, and privileges which a corporation organized under the Nonprofit Corporation Act of the State of Idaho by law may now or hereafter have or exercise.

ARTICLE IV. MEMBERS AND MEMBERSHIP

Section 1. Non-stock Corporation. Participation in management and ownership of the Association shall be by membership only. The Association shall issue no stock and shall have no shareholders.

Section 2. Membership. The owner of any real property located within Pilot Rock shall automatically, upon becoming an owner, become a Member (or part of a Member, as defined in the Bylaws) of the Association, and shall remain a Member thereof until such time as its ownership ceases for any reason, at which time its membership in the Association shall automatically cease.

Section 3. Transferred Membership. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the property to which it is appurtenant, and then only to the new owner of such property. Any attempt to make a prohibited transfer is void. In the event the owner of any such property should fail or refuse to transfer the membership registered in its name to the purchaser of its property, the Association shall have the right to record the transfer upon its books and thereupon the old membership outstanding in the name of the seller shall be null and void.

Section 4. One Class of Membership. The Association shall have one class of voting membership.

Section 5. Voting Rights of Owners. Each Member of the Association shall have one (1) vote with respect to all matters upon which a vote is to be taken, regardless of the number of lots or size of property the Member owns within Pilot Rock.

Section 6. Limitation of Payment to Dissenting Member. Membership in the Association is appurtenant to and cannot be segregated from ownership of property within Pilot Rock. Except upon dissolution of the Association, a dissenting Member shall not be entitled to any return of any contribution or other interest in the Association.

Section 7. No Private Inurement. No part of the net earnings of the Association may inure to the private benefit of any Member of the Association or any other private shareholder or individual, except through the acquisition, construction, management, maintenance and care of Association property or the rebate of excess membership dues, fees, or assessments.

Using the services and facilities of the Association as they are presently available, or by participating in Association affairs, or by paying any assessments and accepts the provisions of these Articles of Incorporation and bylaws as amended from time to time.

Section 5: Voting Rights of Owners. Each membership of the Association shall have only one (1) vote with respect to all matters upon which a vote is to be taken, regardless of the number of memberships owned by the same entity within Pilot Rock Park.

Section 6: Limitation of Payment to Dissenting Member. Membership in the Association is appurtenant to and cannot be segregated from ownership of property within Pilot Rock. Except upon dissolution of the Association, a dissenting member shall not be entitled to any return of any contribution or other interest in the Association.

Section 7: No Private Inurement. No part of the net earnings of the Association may inure to the private benefit of any member of the Association or to any other private shareholder or individual, except through the acquisition, construction, management, maintenance and care of the Association property or the rebate of excess membership dues, fees or assessments.

ARTICLE V

Initial Registered Agent & Office

The initial registered office of the Association shall be at; 2944 W. Sandpoint Lane, Coeur d'Alene, ID, 83814, and the registered agent at such address shall be Nellrae Kealy.

ARTICLE VI

Board of Directors; Incorporator

The affairs of this Association shall be managed by a Board of Directors of between 5 and 9 directors who shall be members of the Association. The number of the Directors may be changed by amendment of the bylaws of the Association. The names and addresses of the Directors of the Association at the time of this restatement of Articles of Incorporation are:

- Anne Cowles 1908 E. 25th Spokane, WA 99203
- Betsy Dix 11501 S. Freya Rd. Spokane, WA 99223
- Jack Flume 5608 S. Helena Lane Spokane, WA 99223
- Caren Furbeyre 2021 S. Abrams Ct. Spokane, WA 99203
- Nellrae Kealy 2944 W. Sandpoint Ln. Coeur d'Alene, ID 83814
- Jim Pugh 2902 W. Sandpoint Ln. Coeur d'Alene, ID 83814
- Grant Silvernale 1431 10th Street West Kirkland, WA 98033
- Jim Sledge 5110 E. Glennaire Spokane, WA 99223
- Doug Stewart 711 W. Shoshone Spokane, WA 99203

ARTICLE VII

Indemnification

A Director of the Association shall not be personally liable to the Association for monetary damages arising from any conduct as a Director except, this limitation on liability shall not apply to (i) acts or omissions involving intentional misconduct by the Director or a knowing violation of the law by the Director; or (ii) any transaction from which the Director will personally receive

a benefit in money, property, or services to which the Director is not legally entitled. If the Idaho Business Incorporation Act and/or the Idaho Non-Profit Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of Corporate Directors, then the liability of the Director of the Association may be eliminated or limited to the fullest extent permitted by such law as so amended, if so determined by majority vote of disinterested members of the Board of Directors. Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a Director of the Association existing at the time.

The Association has the power to indemnify and to purchase & maintain insurance for, its Directors, officers, trustees, employees, water-system manager and other persons or agents. Without limiting the generality of the foregoing, the Association shall indemnify its Directors against all liability, damages and costs or expenses (including attorney's fees) arising from or in any way connected with service for, employment by, or other affiliation with this Association to the maximum extent and under all circumstances permitted by law.

ARTICLE VIII **Dissolution**

The Association may be dissolved upon the vote of sixty-seven percent (67%) of the total voting power of the memberships. In the event of dissolution, liquidation, or winding up of the Association, after paying or adequately providing for the debts and obligations of the Association, the Directors or person in charge of the liquidation shall divide the remaining assets among the members.

ARTICLE IX **Amendment of Articles**

Except as otherwise provided by law, these articles may be amended at any time and in any manner by the vote of sixty-seven percent (67%) of the total voting power of the membership; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken undersaid clause or provision; and provided further, that any such amendment shall not be inconsistent with the law.

The undersigned hereby certifies that the foregoing are the amended and restated Articles of Incorporation of **PILOT ROCK OWNERS ASSOCIATION, INC.**, an Idaho non-profit corporation, as adopted by unanimous vote of the members at the annual meeting the 13th day of October, 2003.

 7/29/04

President/Secretary