

# State of Idaho

## Department of State

### CERTIFICATE OF INCORPORATION OF

PAYETTE LAKES COMMERCIAL CENTER  
PROPERTY OWNERS ASSOCIATION, INC.

File Number C 107478

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 PAYETTE LAKES COMMERCIAL CENTER PROPERTY OWNERS 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 Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: August 26, 1994



*Pete T. Cenarrusa*  
SECRETARY OF STATE

By *Anna S. [Signature]*

00-00 30-00 = 30-00 30-00  
 24165 2 19940826 0900 6571 7659 CUST# 40142  
 IDAHO SECRETARY OF STATE  
 ARTICLES OF INCORPORATION  
 PAYETTE LAKES COMMERCIAL CENTER  
 PROPERTY OWNERS ASSOCIATION, INC.  
 A NON-PROFIT CORPORATION  
 AUG 26 11 47 AM '94  
 SECRETARY OF STATE

I

The name of the Corporation shall be Payette Lakes Commercial Center Property Owners Association, Inc.

II

The Corporation shall be a non-profit corporation.

III

The period of duration of the Corporation shall be perpetual.

IV

The Corporation is organized exclusively for charitable and civic purposes, within the meaning of section 501(c)(3) and (4) of the Internal Revenue Code as the same now is and as it may be hereafter amended, supplemented, or replaced. The Corporation shall undertake to administer the building plan review functions and zoning and covenant enforcement functions with respect to the land within the Payette Lakes Commercial Center; however, no liability is thereby created. The foregoing purposes are intended to lessen the burdens of government in the Valley County area of Idaho.

In pursuit of these purposes the Corporation shall have all powers permitted by I.C. 30-301, et seq., and I.C. 30-1-4, et seq., as the same may hereafter be amended, to the extent consistent with Section 501(c)(3) OR (4) of the Internal Revenue Code and permitted to Corporations exempt from income tax under that code.

V

The Corporation's registered office is 4533 Keldoan, Boise, Idaho 83702. The Registered Agent shall be Judd DeBoer, of such address.

VI

The Corporation shall be managed by a Board of Directors, elected by the Members, having three Directors unless the number of such Directors shall be changed by the By-Laws. One Director shall be elected each year; the term of office of an elected Director shall be for three years and until a successor is

elected. The initial Board of Directors consists of:

Judd DeBoer  
P.O. Box 1617  
McCall, Idaho 83638

Dick Bland  
9510 Boulder Lake Road  
McCall, Idaho 83638

Jim Campbell  
P.O. Box 1978  
McCall, Idaho 83638

#### VII

The name and address of the Incorporator of the Corporation is Brown's Industries, Inc., P.O. Box 886, McCall, Idaho 83638.

#### VIII

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 or intervene in, including the publishing or distribution of statements of, any political campaign on behalf of any candidate for public office.

#### IX

Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by corporations exempt from the Federal Income Tax under Section 501(c)(3) and (4) of the Internal Revenue Code, as the same may be amended, supplemented, or replaced; Provided, that if the Congress shall adopt tax legislation which eliminates tax exemptions or eliminates charitable deductions for charitable and civic organizations, the Corporation may continue to exercise the powers granted in Article IV above.

The directors may, but need not, provide for road maintenance, snow removal, enforcement of covenants, or other perceived needs of the Center. The directors will provide for maintenance of the sewer lift station until the lift station is no longer needed. In the event they do so, they may establish separate Accumulating Budget Funds in which to accumulate funds for each such function. The Corporation shall hold any such Funds in trust as trustee for the benefit of the then present and future Lot owners as a class of beneficiaries, and shall use the funds in such trust solely for the purposes for which they were contributed. The Directors may assess the Lot owners pro-

rata according to a system of pro-ration approved by the members or set out in the By-Laws, to support the creation of such Funds and the performance of the related functions.

Upon dissolution of the Corporation, after payment or provision for the payment of all of the liabilities of the Corporation, all of the remaining assets of the Corporation shall be turned over to the unincorporated association of the Lot owners pending reinstatement or reincorporation; but if the Protective Covenants for Payette Lakes Commercial Center have been terminated in accord with Paragraph 2 thereof entitled "Duration and Amendment", such assets shall be distributed pro-rata to the membership in according to the proportion of all past assessments paid with respect to each Lot by the members and the predecessors in interest of each of them, but no profit shall be realized by any, and any distribution in excess of past dues and assessments shall be made to a charitable organization selected by the Board of Directors, contributions to which are deductible for federal income tax purposes.

To the extent necessary the Corporation shall distribute income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not engage in any act of self-dealing as defined in section 4941D of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not retain any excess business holdings, as defined in section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not make any taxable expenditures as defined in section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

## XI

The Corporation is a membership corporation. The Members of the Corporation are the owners of Lots in the Payette Lakes Commercial Center, according to the official plat thereof on file in the office of the Recorder for Valley County. A purchaser in possession of a Lot under a contract for the purchase and sale of real property shall be

considered an owner for these purposes; except that if such purchaser is in default under that contract and admits being in default, the seller in such contract shall be considered the owner. The holder of a security interest in a Lot, whether by deed of trust or mortgage, shall not be considered the owner unless such holder is in possession under a default remedy. Each member shall have one vote for each Lot owned. The Directors shall annually determine a budget, determine the amount thereof which it will be necessary to raise from dues and assessments, and recommend to the Members the appropriate upwards or downwards adjustment to the dues.

## XII

The initial By-Laws shall be adopted by the Directors. The power to amend the By-Laws, once first adopted by the Board of Directors, shall reside in the Membership.

## XIII

A quorum for a meeting of the Membership shall be 40% of the Membership votes. In the event that a quorum cannot be obtained, despite two attempts in good faith to schedule a meeting at which a quorum might be present, the Board of Directors shall be empowered by election conducted within the Board to fill a vacancy in the Board of Directors which would result from the expiration of term of the office of the Director whose successor would have been elected by the Membership at the meeting which has not occurred for lack of a quorum; and the Board of Directors shall also under such circumstances be empowered to fix the annual dues and assessments for the year next following.

DATED: 8-25-94

BROWN'S INDUSTRIES, INC.

by: Judd W. DeBoer  
Its President

by: Dary Blaylock  
Its Secretary