

**FILED EFFECTIVE**

**ARTICLES OF INCORPORATION**

**OF**

**CHESTNUT VALLEY OWNERS ASSOCIATION, INC.**

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation for such corporation.

**ARTICLE 1. NAME:**

The name of the corporation shall be Chestnut Valley Owners Association, Inc. This corporation is a nonprofit corporation.

**ARTICLE 2. DURATION:**

The duration of this corporation shall be perpetual.

**ARTICLE 3. PURPOSE AND POWERS:**

The purposes for which the corporation is organized are to serve as the management body for the Chestnut Valley development; to engage in all such activities as are incidental or conducive to the attainment of the objectives of the corporation and any other activities which are permitted to be done by a nonprofit corporation under any laws that may now or hereafter be applicable or available to this corporation. Without limiting the foregoing, it is expressly provided hereby that:

- (a) The corporation shall exercise all of the powers and privileges and perform all of the duties and obligations of the corporation as set forth in the Amended and Restated Declaration and Covenants, Conditions, and Restrictions for Chestnut Valley (hereafter "Declaration") applicable to the Development (as defined therein) and recorded or to be recorded in the Office of the Canyon County Recorder, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set out at length.
- (b) The corporation shall fix, levy, collect and enforce payment by any lawful means, all charges or assessments, periodic or special, that are authorized to be made under the Declaration.

**ARTICLE 4. MEMBERSHIP:**

Every Owner of a Duplex/Fourplex shall be a member of the corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the payment of an obligation. Membership shall be appurtenant to and may not be separated from the ownership of any Duplex/Fourplex. Such ownership shall be the sole qualification for membership and shall automatically commence upon a person becoming such Owner and shall automatically terminate and lapse when such ownership in said property shall terminate or be transferred.

Articles of Incorporation - 1

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**ARTICLE 5. VOTING RIGHTS:**

The Association shall have one (1) single class of voting membership. All Owners shall be Class A Members, with each Owner entitled to one (1) vote for each Dwelling Unit owned. When more than one person or entity holds an interest in any Duplex/Fourplex, all such persons or entities shall be Members. The vote for such Duplex/Fourplex shall be exercised as they determine but in no event shall more than one (1) vote be cast with respect to any Duplex/Fourplex.

**ARTICLE 6. REGISTERED OFFICE AND AGENT:**

The address of the initial registered office of this corporation is 3775 Cassia St., Boise, ID 83705, and the name of its initial registered agent at such address is Cathy Rosera.

**ARTICLE 7. DIRECTORS:**

The number of directors of this corporation shall be fixed by the bylaws and may be increased or decreased from time to time in the manner specified therein, but in no event shall less than three (3) persons serve as the corporation's directors. The initial board of directors shall consist of three (3) directors. The names and addresses of the persons who shall serve as directors until their successors are elected and qualify, or unless they resign or are removed, are:

Anthony P. Graves

857 Seale Avenue  
Palo Alto, CA 94303

Brian D. McNay

14558 La Rinconada Drive  
Los Gatos, CA 95032

Stewart Winkle

533 W. Curling Drive  
Boise, ID 83702

**ARTICLE 8. INCORPORATOR:**

The name and address of the incorporator are as follows:

Cathy Rosera

3775 Cassia St.  
Boise, ID 83705

**ARTICLE 9. AMENDMENTS:**

Amendments of these Articles may be made at any regular meeting, or any special meeting of the corporation called for that purpose, by the affirmative vote of more than two-thirds (2/3) of the total voting power of the corporation's members, and, if required by the Declaration, the consent of holders of first mortgages in Unit(s) who have requested of the Corporation in writing to provide them notice of proposed action which affects their interests. No amendment which is inconsistent with the provisions of the Declaration shall be valid.

**ARTICLE 10. DISSOLUTION:**

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.

**ARTICLE 11. LIMITATION OF LIABILITY:**

A director of this corporation shall not be personally liable to this corporation or its members for monetary damages for breach of fiduciary duty as a director, except for liability (i) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (ii) for any transaction from which the director derived any improper personal benefit. If the Idaho Nonprofit Corporation Act (the "Act") is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of this corporation shall be eliminated or limited to the fullest extent permitted by the Act as so amended. Any repeal or modification of this Article 11 by the members of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

**ARTICLE 12. CAPITALIZED TERMS:**

Any capitalized terms which are not defined herein shall have the meanings ascribed to them in the Declaration.

EXECUTED effective as of the 13 day of June, 2005, by the undersigned incorporator.

  
Cathy Rosera