

**AMENDMENT TO
ARTICLES OF INCORPORATION
OF
GOLF CLUB ESTATES WATER ASSOCIATION, INC.**

The undersigned, acting on behalf of the Board of Directors of the of a nonprofit corporation, under the provisions of Title 30, Chapters 21 and 30 of the Idaho Code, adopts the following Articles of Incorporation for such corporation:

ARTICLE 1

NAME

The name of the corporation is: GOLF CLUB ESTATES WATER ASSOCIATION, INC.

ARTICLE 2

PURPOSE

The corporation is organized exclusively to promote social welfare in accordance with Section 501(c)(4) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue Code. Consistent with and subject to its qualification under Section 501(c)(4) of the Internal Revenue Code, the purposes for which the corporation is formed are as follows:

a. The corporation is organized exclusively to promote social welfare within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue Code; and

b. To provide water to its Members; Priest Lake Golf Club Estates, Priest Lake Golf Club Estates First Addition, Priest Lake Golf Club Estates Second Addition, Eagle Ridge, Eagle Terrace, and any subsequent addition to the above developments by maintaining, repairing, improving, expanding, and preserving the existing water system located at Priest Lake, Bonner County Idaho.

ARTICLE 3

SECTION 501(c)(4) RESTRICTION

The corporation shall have all the powers granted by law necessary and proper to carry out its above-stated purposes. However, the powers of the corporation shall be limited to those permitted to an organization which is exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue Law. The net earnings of the Corporation and devoted exclusively to the tax exempt purposes of the corporation. No part of the net earnings of the corporation shall inure to the benefit of, or be distributed to, its members, directors, trustees, officers, or

other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes. The corporation shall not participate or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office to an extent that would disqualify it from tax exemption under section 501(c)(4) of the Internal Revenue Code. The corporation shall never be operated for the primary purpose of carrying on a trade or business for profit. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue Law, carry on any activities which would remove the said tax benefits.

ARTICLE 4
REGISTERED AGENT AND OFFICE

4.1 Name. The name of the registered agent is:

Craig W. Hill

4.2 Address. The registered office address, which is also the address of the registered agent, is:

4777 W. Lakeshore Rd
Priest Lake, ID 83856

4.3 Consent to Appointment as Registered Agent. I, Craig Hill, hereby consent to serve as registered agent in the state of Idaho for the above-named corporation. I understand that as agent for the corporation, it will be my responsibility to accept service of process on behalf of the corporation; to forward license renewals and other mail to the corporation; and to immediately notify the office of the secretary of state in the event of my resignation or of any changes in the registered office address.

Dated: August ____, 2022.

Craig W. Hill

ARTICLE 5
DIRECTORS

5.1 Name and Number. The number of directors of the continuing Board of Directors of the corporation is three (3) and the names and addresses of these persons who are to serving as directors are:

Craig W. Hill
PO Box 506

Nordman, ID 83848

Clifford R. Myers
PO Box 506
Nordman, ID 83848

Michael R. Craigen
PO Box 506
Nordman, ID 83848

5.2 Management. The affairs of the corporation shall be managed by the directors who need not be residents of Idaho nor members of this corporation.

5.3 Term. The term of the initial directors shall be until the first annual meeting of the shareholders or until their successors are elected and qualified, unless removed in accordance with the provisions of the Bylaws.

5.4 Director Liability. A director shall have no liability to the corporation for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or a knowing violation of law by the director, or for 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 Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by the Idaho Nonprofit Corporation Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification for or with respect to an act or omission of such director occurring prior to such repeal or modification.

Article 6
INCORPORATOR

The names and addresses of the incorporators are as follows:

Craig W. Hill
PO Box 506
Nordman, ID 83848

Clifford R. Myers
PO Box 506
Nordman, ID 83848

Michael R. Craigen
PO Box 506
Nordman, ID 83848

ARTICLE 7

Members

7.1 Voting Members. The voting Members of the corporation are Priest Lake Golf Club, Inc., its successors and/or assigns, and the lot owners of Priest Lake Golf Club Estates, Priest Lake Golf Club Estates First Addition, Priest Lake Golf Club Estates Second Addition, and any subsequent addition to Priest Lake Golf Club Estates.

7.2 Nonvoting Members. The nonvoting Members of the corporation are the owners of any Equivalent Residential Unit (ERU) of Eagle Ridge and Eagle Terrace or any subsequent addition thereto.

Article 8

BYLAWS

11.1 Bylaws. Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws, subject to the provisions of these Articles.

11.2 Amendment. The authority to make Bylaws for the corporation is hereby vested in the Board of Directors and they may change and amend such Bylaws so long as they do not conflict with the provisions of these Articles or with any applicable law.

ARTICLE 9

INDEMNIFICATION

12.1 Right to Indemnification. The corporation shall indemnify any person who is or was a director or officer of the corporation made a party to a proceeding, and may, at the discretion of the Board of Directors, obligate itself to advance or reimburse expenses incurred in a proceeding, to the fullest extent permitted by law and without regard to the limitations set forth in Idaho Code 30-30-626, provided that no director or officer shall be indemnified from or on account of:

a. Acts or omissions of the director or officer finally adjudged to be intentional misconduct or a knowing violation of law;

b. Conduct of the director or officer finally adjudged to be in violation of unlawful distribution; or

c. Any transaction with respect to which it was finally adjudged that such director or officer personally received a benefit in money, property or services to which the director or officer was not legally entitled.

12.2 Indemnification of Employees and Agents of the Corporation. The corporation may, by action of its board of directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the corporation

with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of this corporation or pursuant to rights granted pursuant to, or provided by, Title 30, Chapters 21 and 30 of the Idaho Code as applied to nonprofit corporations, or otherwise.

12.3 Implementation. The Board of Directors may take such action as is necessary to carry out these indemnification and expense advancement provisions. It is expressly empowered to adopt, approve and amend from time to time such bylaws, resolutions, contracts, or further indemnification and expense advancement arrangements as may be permitted by law, implementing these provisions.

12.4 Survival of Indemnification Rights. No amendment or repeal of this Article shall apply to or have any effect on any right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

ARTICLE 10 **ASSESMENTS**

13.5 Assessments. The corporation may make assessments to be paid by the Members from time to time. The Board of Directors shall fix the amount, method, and time of collection of assessments.

13.6 Enforceability. Assessments may be enforceable by civil action upon notice given in writing twenty (20) days before commencement of such action.

13.7 Liens. Assessments may be secured by lien upon real property to which Membership rights are appurtenant, which lien may be foreclosed in the same manner as a mortgage.

ARTICLE 11 **DISSOLUTION**

This corporation is not organized for profit, and its assets and monies shall not be used for the private profit of any individual. Upon liquidation or dissolution of the corporation, its property and assets will be distributed to another social welfare organization exempt from federal income tax under section 501(c)(4) of the Internal Revenue Code of 1986, (or the corresponding provision of any future U.S. Internal Revenue Code) and/or to any government entity or instrumentality as determined by the Board of Directors.

ARTICLE 12
AMENDMENTS

The corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute.

Dated this ___ day of August 2022.

By: _____
Its: _____