

**BY-LAWS**

**OF**

**SPURWING GREENS ORCHARD/GROVE SUB-ASSOCIATION INC.**

**Effective Date: October 19, 2010**

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**SPURWING GREENS ORCHARD/GROVE SUB-ASSOCIATION INC.**

**THESE BY-LAWS, of SPURWING GREENS ORCHARD/GROVE SUB-ASSOCIATION INC.**, an Idaho nonprofit corporation, are hereby promulgated as the official By-Laws of said Association.

**ARTICLE I**

**DEFINITIONS**

**Articles:** The Articles of Incorporation of SpurWing Greens Orchard/Grove Sub-Association Inc., an Idaho non-profit corporation, as amended from time to time.

**Assessments:** Payments required of Members of this Association as assessments as defined and required under the Supplemental Declaration and the Master Declaration.

**Association:** SpurWing Greens Orchard/Grove Sub-Association Inc., an Idaho non-profit corporation.

**Board:** The duly elected and qualified Board of Directors of the Association.

**By-Laws:** These By-Laws of the Association, including any amendments thereto duly adopted.

**Class A Members:** The Class A Members shall be all Owners with the exception of the Grantor. The Class A Members shall be non-voting Members of the Association until such time as voting rights of the Class B Member(s) expire, as provided in the Articles and the Supplemental Declaration. Upon the Class A Members becoming entitled to voting rights, each Class A Member shall be entitled to one (1) vote for each Lot owned and when more than one (1) person holds an interest in a Lot, all such persons shall be Class A Members but the vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot owned by a Class A Member(s).

**Class B Members:** The Class B Members shall be the Grantor (and its permitted transferees as described below) and any person or entity to whom Grantor has specifically granted such Class B Member voting rights in a writing recorded in the records of Ada County, Idaho. If Grantor has not granted such Class B voting rights in such a recorded writing, the owner of a Lot shall be a Class A Member. The Class B membership and the Class B Member voting rights shall cease and be converted to Class A membership and Class A voting rights when the Grantor (including any transferee) is no longer Grantor under the Supplemental Declaration.

**Common Area:** All real property, personal property, rights and/or obligations which the Association has an interest and/or controls and/or is obligated to have, maintain and/or manage and/or pay for the common use and enjoyment of all of its Members, including, but not limited to, any of the above described in the Supplemental Declaration and/or the Master Declaration.

**Director:** A duly elected and qualified member of the Board of Directors of the Association. A Director need not be a Member of the Association, but may be called a "Director" or a "Member" of the Board of Directors.

**Grantor and/or Declarant:** SWG Brighton LLC, an Idaho limited liability company, and/or its transferees, as defined, described and/or permitted in the Supplemental Declaration.

**Lot:** A portion of SpurWing Greens Orchard/Grove Subdivision which is a legally described tract or parcel of real property within the Subdivision and subject to the Supplemental Declaration and Assessments by the Association, and the Owner of such Lot is a Member of the Association. Each Lot is also subject to the Master Declaration and Assessments by the Master Association, as described in the Master Declaration.

**Master Association:** SpurWing Greens Master Association Inc., an Idaho non-profit corporation, and its successors and/or assigns.

**Master Declaration:** The Master Declaration of Covenants, Conditions, Restrictions and Easements for SpurWing Greens Subdivision dated October 19, 2010, recorded in the records of Ada County, Idaho, as amended from time to time.

**Member:** Any person(s) who is an Owner of a Lot within a phase of the Subdivision which is subject to the Supplemental Declaration. Members shall be either Class A Members or Class B Members. As used in these By-Laws with respect to matters of notice and/or voting, "Member" or "Members" shall mean only those Members entitled to vote on such matter according to the Articles, the Supplemental Declaration and By-Laws.

**Owner:** A person or persons or other legal entity or entities, including the Grantor, holding fee simple title to a Lot in a phase of the Subdivision covered by the Supplemental Declaration, and including contract sellers, but excluding those having such interest merely as security for the performance of an obligation, but including any holder of a Mortgage or beneficiary under a Deed of Trust or other security holder in actual possession of any real property as a result of foreclosure or otherwise, and any person taking title through such security holder, by purchase at foreclosure sale or otherwise.

**Subdivision:** The whole of the real property described in the Supplemental Declaration.

**Supplemental Declaration:** The Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for SpurWing Greens Orchard/Grove Subdivision, dated effective October 19, 2011, recorded in the records of Ada County, Idaho, as amended from time to time.

## ARTICLE II

### **MEETING OF MEMBERS**

**Section 2.01 Place of Meeting.** The Board of Directors may designate any place, either within or without the State of Idaho, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A Waiver of Notice signed by all Members entitled to vote at a meeting may designate any place, either within or without the State of Idaho, as the place for the holding of such meeting. If no such designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Association in the State of Idaho.

**Section 2.02 Annual Meeting.** Any annual meetings of the Members for the election of a Director(s) and for the transaction of such other business as may properly come before the meeting which shall be held each year on the third (3rd) Wednesday of March of each year or,

in the event a fiscal year is elected by the Board which ends on a date other than December 31, the annual meetings of the Members shall be held on the second (2nd) Wednesday of the second (2nd) month following the end of the fiscal year, or as otherwise determined by the Members and/or Board.

**Section 2.03 Waiver.** Notice of all meetings of Members shall be given to all Members entitled to vote at such meetings in the manner provided herein, but such notice may be waived either before or after the holding of a meeting.

**Section 2.04 Notice of Annual Meeting.** At least ten (10) days prior to the date of an annual meeting, written notice stating the place, day and hour of the meeting shall either personally or by mail, by or at the direction of the President or the Secretary or the officer or other persons calling the meeting, to each voting Member who, fifteen (15) days prior to the date of said annual meeting appears of record in the books of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the voting Member at such Member's address as it appears on the membership books of the Association or to such other last known address of which the Association may have notice, with postage thereon.

**Section 2.05 Deferred or Waived Annual Meeting.** If for any reason the annual meeting of the Members be not held as herein provided, such annual meeting shall be called by the President, or by the Board, as soon as it is convenient. In the event the Board fails to call the annual meeting, any Member may make a demand in writing by registered mail addressed to an officer of the Association that such meeting be held within a reasonable time. If the annual meeting is not called within sixty (60) days following such written demand, any Member may compel the holding of such annual meeting by legal action directed against the Board as provided by law. The Members may waive the annual meeting by signing a written consent to such waiver, to the fullest extent permitted by law.

**Section 2.06 Special Meetings.** Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, by the Board of Directors or by the Members holding not less than ten percent (10%) of the votes entitled to be cast at such meeting.

**Section 2.07 Notice of Meeting.** Written notice stating the place, day and hour of a meeting of voting Members and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall, unless otherwise prescribed by statute, be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the officer or other persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at such Member's address as it appears on the membership books of the Association or to such other last known address of which the Association may have notice, with postage thereon.

**Section 2.08 Quorum.** The presence of the Member(s) holding sixty percent (60%) of the total of the votes, represented in person or by proxy, shall constitute a quorum at any annual or special meeting of the Members; provided, that if a quorum is not present at a meeting duly called, the Board shall have the right to continue said meeting to a date not more than sixty (60) days after the date of scheduled meeting and at such rescheduled meeting, the presence of the Members holding ten percent (10%) of the total of the votes, represented in person or by proxy, shall constitute a quorum for all purposes. No written notice of a continued meeting shall be required. The vote of the majority of the votes entitled to be cast by the Members present, or

represented by proxy, at a meeting at which a quorum is present shall be the act of the Members, unless the vote of a greater number is otherwise required by the Articles of Incorporation, these By-Laws, the Master Declaration or by law.

**Section 2.09 Members Entitled to Vote.** The Members entitled to vote and receive notice of and to vote at any meeting of the Members shall be determined from the Association's records at the time notice is mailed but not earlier than ten (10) days prior to the last day notice may properly be mailed.

**Section 2.10 Temporary Adjournment.** An annual or special meeting of the Members may adjourn from time to time without new notice being given until the business is completed; and such meeting may adjourn from time to time, without further notice, if there is not present a quorum of the Members, in person or by proxy. The fact of and reason for such adjournment shall be recorded in the minutes of proceedings of the meeting.

**Section 2.11 Voting Record.** The officer or agent having charge of the membership books of the Association shall make a complete record of the Members entitled to vote at each meeting of Members, arranged in alphabetical order, with the address of each. Such records shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

**Section 2.12 Officers of a Meeting of Members.** The presiding officer at a meeting of the Members shall be the President of the Association, or in his/her absence the Vice-President, or in the absence of both the President and the Vice President, a chairman elected by the Members present at the meeting. The Secretary of the Association, or in his/her absence, any person appointed by the presiding officer of the meeting, shall act as Secretary of a meeting of Members.

**Section 2.13 Voting Rights.** Each Member of the Association holding a Class B membership shall be entitled to one (1) vote in person or by proxy for each Lot owned by said Member. The Members of the Association holding a Class A membership shall be non-voting Members of the Association until such time as voting rights of the Class B Member(s) expire. Upon the Class A Members becoming entitled to voting rights, each Class A Member shall be entitled to one (1) vote for each Lot owned and when more than one (1) person holds an interest in a Lot, all such persons shall be Class A Members but the vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot owned by a Class A Member. Except in cases in which it is otherwise provided by statute, the Articles of Incorporation, the Master Declaration, or these By-Laws, a majority of the votes entitled to be cast shall be required for the election and for the passage of any measure.

**Section 2.14 Voting by Certain Members.** Provided that a membership is otherwise entitled to vote:

- (a) A membership standing in the name of another corporation may be voted by such officer, agent or proxy as the By-Laws of such corporation may prescribe or, in the absence of such provision, as the Board of Directors of such other corporation may determine.
- (b) A membership held by an administrator, executor, guardian or conservator may be voted by such person, either in person or by proxy, without a transfer of the membership into the name of said person.

- (c) A membership standing in the name of a trustee may be voted by said trustee, either in person or by proxy.
- (d) A membership in the name of a receiver may be voted by such receiver, and a membership held by or under the control of a receiver may be voted by such receiver without the transfer thereof into the receiver's name if authority so to do be contained in the appropriate order of the court by which such receiver was appointed.
- (e) A Member whose membership is pledged shall be entitled to vote such membership until the membership has been transferred into the name of the pledgee and thereafter the pledgee shall be entitled to vote the membership so transferred.

**Section 2.15 Proxies.** Every Member entitled to vote or to execute any waiver or consent may do so in person or by written proxy duly executed and filed with the Secretary of the Association prior to the date of the meeting of the Members.

**Section 2.16 Action Without a Meeting.** Any action which, under any provisions of the Articles of Incorporation or these By-Laws may be taken at a meeting of the Members, may be taken without a meeting if authorized by a written instrument signed by all of the Members who would be entitled to notice of a meeting for such purposes. Whenever a certificate in respect to any such action is required by law to be filed in the office of the Ada County Recorder or in the office of the Secretary of State of the State of Idaho, the officer signing the same shall therein state that the action was authorized in the manner aforesaid.

**Section 2.17 Order of Business.** At meetings of Members, the following order of business may be observed, so far as consistent with the purposes of the meeting:

- (a) Calling the roll to determine the Members represented at the meeting.
- (b) Reading of notice and proof of call of meeting (or unanimous waiver thereof).
- (c) Reports of officers.
- (d) Reports of committees.
- (e) Unfinished business.
- (f) New business.
- (g) Election of Director(s).
- (h) Miscellaneous.

**Section 2.18 Cumulative Voting.** At each election for the persons to serve on the Board of Directors of the Association, every Member entitled to vote at such election shall have the right to vote, in person or by proxy, the number of votes to which such Member is entitled for as many persons as there are Directors to be elected and for whose election such Member has a right to vote, or to cumulate such Member's votes by giving one (1) candidate as many votes as the number of such Directors multiplied by the number of votes to which such Member is entitled, or by distributing such votes on the same principal among any number of such candidates. For the purpose of electing Directors, the majority of the total of all votes then entitled to be cast shall be required to elect a person to the Board of Directors.

**Section 2.19 Records.** Records of the proceedings of meetings of Members shall be kept at the registered office of the Association.

### ARTICLE III

#### **BOARD OF DIRECTORS**

**Section 3.01 Number of Directors.** The business of the Association shall be managed by an initial Board of Directors comprised of not less than three (3) persons nor more than eight (8) persons, none of whom shall be required to be a Member of the Association. The number of Directors stated above may be increased or decreased by amendment of these By-Laws, provided that at no time shall said number of Directors be less than three (3). The number of Directors from time to time may vary within the range stated above, as may be elected as provided herein.

**Section 3.02 Elections—Term of Office.** The initial Directors shall serve a term of one (1) year and/or until the next election of Directors. As long as the Class B Member is entitled to vote, if a Director resigns or is no longer in office, the Class B Member shall elect a replacement. Each Director so elected shall hold office for the term elected and until his/her successor is elected and qualified.

Once the Class A Members are entitled to vote, election to the Board of Directors shall be by secret written ballot. At such election, the Members, or their proxy, may cast, in respect to each vacancy, as many votes as they are entitled to exercise by reason of their being a Member of the Association. The person(s) receiving the largest number of votes shall be elected. Cumulative voting shall be required as provided in Section 2.18, above.

**Section 3.03 Nominations.** Once the Class A Members are entitled to vote, Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nomination Committee shall consist of a Chairman who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the date of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

**Section 3.04 Vacancies.** Vacancies in the Board of Directors shall be deemed to exist upon the death, actual or constructive resignation, or removal from office of a Director, or if the Members increase the number of Directors and fail to elect the full number of authorized Directors.

Vacancies in the Board of Directors shall be filled by a majority of the remaining Directors, and such elected Director shall hold office until his/her successor is elected and qualified by the Member(s) entitled to so elect. The Members may elect his/her successor at their next annual meeting or at any special meeting thereof duly called for that purpose and held prior to the annual meeting and may do so at the meeting at which the By-Laws are amended authorizing the increase in the number of Directors. No reduction of the number of Directors shall have the effect of removing any Director prior to the expiration of his/her term of office.

### **Section 3.05 Meetings.**

- (a) Regular meetings of the Board of Directors may be held at least quarterly, or at such other intervals as may be decided by the Board of Directors from time-to-time, without notice, at the time and place as shall be designated by resolution of that Board or by written consent of a majority of the members of the Board.
- (b) Within ten (10) days following each annual meeting of Members of the Association, the Board of Directors may hold a regular meeting for the purpose of organization, election of officers and the transaction of such other business as may properly come before the meeting. No formal notice of such meeting need be given.
- (c) Special meetings of the Board of Directors of the Association may be called for any purpose at any time by the President or by the Vice-President or by any two (2) Directors.
- (d) Notice of any special meeting shall be given at least three (3) days prior to the time set for such meeting by written notice delivered personally or mailed to each Director at his/her business address or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the notice is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director to a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of the business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notice of the time and place of holding an adjourned meeting of the Board of Directors need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

**Section 3.06 Quorum.** A majority of the duly elected and qualified Directors comprising the Board of Directors shall be necessary to constitute a quorum at all meetings of the Board of Directors for the transaction of business, except to adjourn as hereinafter provided, and the actions and decisions of a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act or acts of the Board of Directors. Provided, however, that if all of the Directors shall approve the proceedings of a meeting of the Board of Directors by execution of that approval on the minutes or other records of the meeting, such meeting shall be legal regardless of the manner in which it was called, or the number of Directors present.

**Section 3.07 Action Without Meeting.** Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if, prior to such action, a written consent thereto is signed by all members of the Board or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

**Section 3.08 Adjournment.** A quorum of the Directors may adjourn any meeting of the Board of Directors to meet again at a stated day and hour; provided that in the absence of a quorum, a majority of the Directors present at the meeting, either general or special, may adjourn from time to time until a quorum shall be present and prior to the time fixed for the next regular meeting of the Board of Directors.



**Section 3.09 Compensation.** Directors shall not receive any salary or other compensation for their services as Directors but, by resolution of the Board, the expenses incurred in the performance of their duties may be allowed. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity as an officer, agent, employee or otherwise and receiving compensation therefor.

**Section 3.10 Removal.** A member of the Board of Directors, or the entire Board of Directors, may be removed, with or without cause, by a vote of a majority of the Members then entitled to vote at any election of Directors. If less than the entire Board is to be removed, no Director may be removed if the votes cast against his/her removal would be sufficient to elect him/her if then cumulatively voted on at an election of the entire Board of Directors. The removal of a Director, or the entire Board of Directors, in the manner prescribed in this Section may occur at any special meeting of the Members called for that purpose.

**Section 3.11 Presumption of Assent.** A Director of the Association who is present at a meeting of the Board of Directors at which action on any Association matters is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

**Section 3.12 Powers.** The property, business and affairs of the Association shall be controlled and managed by a Board of Directors and it shall have all lawful powers necessary or convenient to carry out the same unless prohibited by law, the Articles of Incorporation, these By-Laws or the Master Declaration.

## ARTICLE IV

### OFFICERS

**Section 4.01 Authorized Officers.** The officers of the Association shall be a President, Treasurer and a Secretary; which shall be elected by the Board of Directors as provided in Section 4.03 of this Article. At its discretion, the Board of Directors may elect one (1) or more Vice-Presidents, a general manager (including a property manager) and such other officers and agents (including a property manager) as may be necessary for the business of the Association and specify the duties, authority and compensation of each.

**Section 4.02 Combining Offices.** Any two (2) or more of the offices may be combined in one (1) person except President and Secretary; and any officer of the Association may also be manager.

**Section 4.03 Election of Officers.** The officers of the Association, except those appointed in accordance with Section 4.04 of this Article, shall be chosen by the Board of Directors annually at their meeting following the annual meeting of the Members as provided in Section 2.02 of Article II, hereof. Each officer shall hold office until his/her successor shall have been duly elected and shall have qualified or until his/her death or until he/she shall resign or shall have been removed in the manner provided in Section 4.05 of this Article.

**Section 4.04 Filling Vacancies.** A vacancy in any office from whatever cause may be filled at any regular or special meeting of the Board of Directors for the unexpired portion of the term.

**Section 4.05 Removal.** Any officer or agent of the Association may be removed by action of the Board of Directors at any meeting thereof by a majority vote of the Directors in office.

**Section 4.06 Resignation.** The resignation of any officer or agent of the Association shall become effective by written notice to the Board of Directors, President or Secretary at the time therein specified, without acceptance by the Board of Directors.

**Section 4.07 Powers and Duties of Officers.**

- (a) **President.** The President shall be the chief officer of the Association generally supervising the performance of all business policies adopted and approved by the Board of Directors. He/she shall be the general managing officer of the operations of the Association. He/she shall preside at all meetings of Members and the Board of Directors. He/she shall be responsible for long-term planning of financial policies of the Association and periodically shall report and recommend financial policies and programs to the Board of Directors. He/she shall have authority to employ, designate duties and supervise the activities of all employees of the Association and shall have ultimate authority to discharge any employee of the Association. He/she may sign, with attestation by the Secretary, certificates of membership in the Association and with or without attestation, any deeds, mortgages, bonds, notes, contracts or other instruments, and/or property management contracts, which the Board of Directors has authorized to be executed. He/she shall perform those duties and have and exercise that authority and responsibility customarily incident to the office of president of a corporation of the nature of this one and, furthermore, shall perform those special duties and functions delegated to him/her by the Board of Directors.
- (b) **Vice-President.** In the absence of the President or in the event of his/her death, inability or refusal to act, a Vice-President (or in the event there is more than one (1) Vice-President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. In addition, the Vice-President shall be directly responsible to the President and shall have such authority and perform such duties as shall be assigned to him/her by the President or by the Board of Directors.
- (c) **Secretary.** The Secretary shall: (i) manage the minutes of the proceedings of the Members and of the Board of Directors; (ii) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (iii) be custodian of the corporate records of the Association and see that the seal of the Association is affixed to all documents, the execution of which, on behalf of the Association, under its seal is authorized and directed by the Board of Directors; (iv) manage a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (v) have general charge of the membership lists of the Association; and (vi) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Secretary may delegate membership duties herein to a property manager

In the event a vacancy exists in the office of Vice President, the Secretary shall have the power and duties specified in Section 4.07(b) of this Article IV.

- (d) **Treasurer.** The Treasurer shall keep full and accurate account of the receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association and such banks and depositories as may be designated by the Board, but shall not be personally liable for the safekeeping of any funds or securities so deposited pursuant to the order of the Board. He/she shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements and shall render to the President and Directors at the regular meetings of the Board and, whenever they may require, accounts of all his/her transactions as Treasurer and of the financial condition of the Association. He/she shall perform the duties usually incident to the office of Treasurer and such other duties as may be prescribed by the Board of Directors or by the President. The Treasurer may delegate duties herein to a property manager.
- (e) **Assistant Secretary--Assistant Treasurer.** If and when elected, the Assistant Secretary or the Assistant Treasurer shall perform such duties and have such authority as prescribed by the President.

**Section 4.08 Bonds.** The Board of Directors may, by resolution, require any or all of the officers of the Association to give a bond with sufficient surety, conditioned for the faithful performance of the duties of their respective offices.

**Section 4.09 Salaries.** The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he/she is also a Director of the Association.

## ARTICLE V

### **COMMITTEES**

After the right of the Grantor to do so shall expire, the Board of Directors shall appoint an Architectural Control Committee, as provided in the Supplemental Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

## ARTICLE VI

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

**Section 6.01 Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

**Section 6.02 Loans.** No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authority may be general or confined to specific instances.

**Section 6.03 Checks, Drafts, Etc.** All checks, drafts and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, employee or employees, or agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 6.04 Deposits.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies and other depositories as the Board of Directors may select.

## ARTICLE VII

### **ASSESSMENTS**

The Association shall have the right to assess, levy and collect Assessments as provided in the Supplemental Declaration and/or Master Declaration, which assessments may be enforced as provided in the Supplemental Declaration and/or Master Declaration.

## ARTICLE VIII

### **TRANSFER OF MEMBERSHIPS**

**Section 8.01 Membership.** Each Owner of a Lot in the Subdivision which is subject to the Supplemental Declaration shall, for the duration of such ownership, be deemed a Member of the Association.

**Section 8.02 Transfer of Membership.** The membership in the Association shall be appurtenant to the Lot owned by the Member and shall not be transferred, pledged or alienated in any way except upon the transfer of title to said Lot and then only to the transferee of title to said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to said Lot shall operate automatically to transfer said membership to the new Owner thereof.

## ARTICLE IX

### **AMENDMENTS**

**Section 9.01 Board of Directors.** These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors, or if so provided in the Articles of Incorporation, by the voting Members at any regular or special meeting.

**Section 9.02 Conflict.** In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Master Declaration or Supplemental Declaration and these By-Laws, the Master Declaration and Supplemental Declaration shall control. In the event any provisions herein do not comply with applicable law, they shall be severed and the remainder of these By-Laws shall be in full force and effect.

## ARTICLE X

### **GENERAL PROVISIONS**

**Section 10.01 Ownership Interest.** Except as may be specifically provided to the contrary in the Articles of Incorporation, these By-Laws or the Supplemental Declaration, every Member shall have the same rights and interest in the Association and in the real and personal property owned by the Association and no Member can have or acquire a greater interest therein than any other Member.

**Section 10.02 Suspension of Rights.** The rights of a Member may be suspended or withdrawn as more particularly provided in the Supplemental Declaration. The loss of such

rights shall not relieve the Member from the Member's obligation to pay any of the Assessments properly levied by the Board. Restoration of full rights of membership must meet the conditions prescribed by the Board which may include payment of all amounts due the Association, execution and delivery of covenants and/or other security that future violations will not occur and any other terms and conditions reasonably imposed by the Board.

**Section 10.03 Taxation of Real Property.** The Association and the Owners shall make every effort to have each Lot subjected to its own individual real property tax and the real property taxes relating to the Common Areas owned or under the control of the Association shall be assessed against said property and shall be the sole responsibility of the Association.

**Section 10.04 Contracts.** The Association shall have the power to enter into any contracts and incur indebtedness on behalf of the Association, but shall be specifically limited by the limitations, if any, contained in the Articles of Incorporation, these By-Laws or the Master Declaration.

**Section 10.05 Rules, Regulations and Standards.** The Board shall have the power to promulgate rules, regulations and standards for its own government, to aid and assist the Board and its committees in the carrying out of duties and to set standards of design, construction, maintenance, etc., the rules of conduct of Owners and occupants and Members of the Association.

**Section 10.06 Inspection of Records.** The Association shall keep at its registered office records of proceedings of the Members and of the Board of Directors, a register giving the names of the Members and showing their respective last known addresses and the date on which they acquired membership and a set of the By-Laws of the Association.

Each Member shall have the right to examine in person or by agent or attorney at any reasonable time or times, for any reasonable purpose, any and all of the books and records of the Association and to make extracts therefrom.

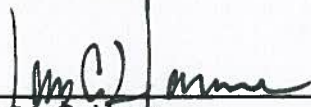
[End of Text]

**IN WITNESS WHEREOF**, the undersigned, being all of the Members of the initial Board of Directors of the Association, have approved the foregoing By-Laws of the Association effective as of the 19th day of October, 2010.

**BOARD OF DIRECTORS:**



\_\_\_\_\_  
Peter Oliver



\_\_\_\_\_  
Lars C. Hansen



\_\_\_\_\_  
Becky Hanks

**CERTIFICATE OF SECRETARY**

**IT IS HEREBY CERTIFIED** that the attached By-Laws were approved and adopted by the Board of Directors of SpurWing Greens Orchard/Grove Sub-Association Inc., an Idaho nonprofit corporation, effective as of the 19th day of October, 2010, without a formal meeting, and that said By-Laws have not been rescinded or modified and are in full force and effect as of the date of this Certificate.

**SECRETARY:**

  
\_\_\_\_\_  
Becky Hanks