

BYLAWS
OF
COPPER RIDGE ASSOCIATION, INC.

ARTICLE I

Principal Office

The principal office of Copper Ridge Association, Inc., (the "Association"), shall be in the City of Ketchum, County of Blaine, State of Idaho. The Association may have such other offices, either within or without the state of Idaho as the Board of Directors may determine or the affairs of the Association may require.

ARTICLE II

Board of Directors

1. **General Powers.** The property, business, and affairs of the Association shall be controlled and managed by the Board of Directors.

2. **Number.** The Board of Directors shall consist of **three (3) members**. The Board of Directors may be increased by amendment of these Bylaws; provided, however, the number of directors shall not be increased to more than nine (9), and provided further, a reduction in the number of directors by amendment of these Bylaws shall not have the effect of reducing the term of an incumbent director.

3. **Qualifications; Election; Term.** **Directors need not be members of the Association** and shall be elected by the members at their annual meeting. Directors shall serve the **term of tow (2) years** or until their successors are duly elected and qualified.

4. **Removal; Resignation.** Any director maybe removed with or without cause by a vote of two-thirds (2/3) of the total number of votes entitled to be cast by the members of the Association at a meeting called for that purpose. Any director may resign by submitting a written notice to the Board of Directors stating the effective date of that director's resignation, and acceptance of the resignation shall not be necessary to make it effective.

5. **Vacancies.** Any vacancy occurring on the Board of Directors whether by removal, resignation, death, or otherwise **shall be filled by a majority of the remaining**

directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy on the Board of Directors shall hold office until the next annual election of directors and until that director's successor is duly elected and qualified.

6. **Meeting.** There shall be a regular annual meeting of the Board of Directors immediately following the annual meeting of the members of the Association, and the Board of Directors may establish regular meetings to be held at such other places, in such other manners, including telephonically, and at such other times as the Board of Directors may determine from time to time. After the establishment of a time, place, and manner for regular meetings, no further notice thereof need be given. Special meetings of the Board of Directors may be called by the President or upon written request delivered to the Secretary-Treasurer by any two (2) directors.

7. **Notices; Waiver.** Five (5) days' notice of special meetings shall be given to each director by the Secretary-Treasurer. Such notice may be given orally to each director. Written waiver of notice signed by a director or attendance at a meeting of the Board of Directors by such director shall constitute a waiver of notice of such meeting, except where attendance is for the expressed purpose of objecting to the failure to receive such notice or to defects in said notice.

8. **Quorum; Vote Required Adjournment.** At any meeting of the Board of Directors a majority of the qualified directors shall constitute a quorum. If a quorum is present, the action of a majority of the directors present and voting shall be the act of the Board of Directors. If a quorum is not present, the majority of directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting.

9. **Action of Directors Without a Meeting.** Any action required to be taken or any other action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the directors entitled to vote in respect to the subject matter thereof.

ARTICLE III

Officers

1. **General.** The officers of the Association shall be a President, one or more Vice Presidents, and a Secretary-Treasurer, all of whom shall be elected by the Board of Directors to serve at the pleasure of the Board of Directors.

2. **President.** The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall direct, supervise, coordinate, and have general control over the affairs of the Association, and shall have

the powers generally attributable to the chief executive officer of a corporation. The President shall be a director and shall preside at all meetings of the members of the Association.

3. **Vice President.** A Vice President shall act in place of the President in case of the President's death, absence, inability, or failure to act and shall perform such other duties and have such authority as from time to time delegated to such Vice President by the Board of Directors or by the President. The Vice President shall be a director; however, if the Board of Directors elects more than one Vice President only one so elected need be a director.

4. **Secretary-Treasurer.** The Secretary-Treasurer shall be the custodian of the records and the seal of the Association and shall affix the seal to all documents requiring the same and shall see that all notices are duly given in accordance with the provisions of these Bylaws as required by law and that the books, reports, and other documents and records of the Association are properly kept and filed. The Secretary-Treasurer shall have charge and custody of and be responsible for all sorts of securities of the Association. The Secretary-Treasurer shall deposit all such funds in the name of and to the credit of the Association in such banks and depositories as shall be designated by the Board of Directors. The Secretary-Treasurer shall keep books of account and records of transactions and of the financial condition of the Association, shall submit such reports thereof as the Board of Directors may from time to time require, and in general shall perform all of the duties incident to the office of Secretary-Treasurer and such other duties as may from time to time be assigned to the Secretary-Treasurer by the Board or Directors or the President. The Board of Directors may appoint one or more Assistant Secretary-Treasurers who may act in the place of the Secretary-Treasurer in case of the Secretary-Treasurer's death, absence, inability, or failure to act.

5. **Compensation.** Officers, agents, and employees shall receive such reasonable compensation for their services as may be authorized by the Board of Directors. Appointment of any officer, agent, or employee shall not in and of itself create contractual rights of compensation for services performed by such officer, agent, or employee.

6. **Delegation of Powers.** In case of absence of any officer of the Association or for any other reason that may seem sufficient to the Board of Directors, the Board of Directors may delegate that officer's duties and powers for the time being to any other officer or any director.

ARTICLE IV

Rights, Duties, and Obligations of the Members of the Association

1. **Membership.** Every Owner of a Condominium in the Shops and Residences at Copper Ridge (the "Project") (all as defined in the Condominium Declaration and Covenants, Conditions and Restrictions for the Shops and Residences at Copper Ridge (the "Condominium Declaration")) shall be a member of the Association, and no person or entity other than an owner of a Condominium may be a member of the Association. If title to a Condominium is held by more than one person, the votes of such Condominium shall be shared by all such persons in the same proportionate interest as their ownership interest in such Condominium and by the same type of tenancy in which the title to the Condominium is held. Memberships in the Association shall not be transferred except in connection with the transfer of a Condominium; provided, however, the rights of membership may be assigned as further security for a loan secured by a lien on a Condominium.

2. **Transfer of Membership.** Transfer of membership in the Association shall occur upon the transfer of a title to a Condominium of the Project to which the membership pertains; however, the Association shall be entitled to maintain the person, persons, or entity in whose name or names the membership is recorded on the books and records of the Association until such time as evidence of the transfer of title satisfactory to the Association has been submitted to the Secretary-Treasurer. A transfer of membership shall not release the transferor from liability or obligation accrued and incidental to such membership prior to such transfer. In the event of dispute as to ownership of a Condominium and to the membership appurtenant thereto, title to the Condominium as shown on the public records of the County of Blaine, State of Idaho, shall be determinative.

3. **Voting Rights.** The voting rights of each member owners will not necessarily be equal to the voting rights of each of the other members. **The voting rights of a member of the Association shall be determined as set forth in Exhibit B of the Condominium Declaration.** The voting rights and interests of new members shall be determined in the same way as such rights were determined for old members.

The **total number of votes** that attach to membership certificates to be exercised by members of the Association **shall be sixteen (16)**, all of which votes shall be exercised by the members of the Association from and after the date of the incorporation. Seven (7) of these votes shall be allocated to those members whose membership derives from ownership of Retail Condominiums in the Project, and such votes shall be divided among such Owners in accordance with the percentage of their ownership of the Retail Area. The remaining nine (9) votes shall be allocated among members whose membership derives from ownership of Residential Condominiums. **Each residential condominium**

shall be entitled only to the votes allocated to it in Exhibit B of the Condominium Declaration, and such votes shall be divided among the Owners of such unit if the unit is held by more than one person. Voting by proxy shall be permitted; however, proxies must be filed with the Secretary-Treasurer at least twenty-four (24) hours before the appointed time of each meeting.

4. **Annual Meetings.** An annual meeting of the members for the purpose of electing directors and transaction of such other matters as may properly come before the meeting shall be held at 1 p.m. on the first Saturday in December of each year or on such other convenient date as the members mutually agree in a convenient location in the County of Blaine, State of Idaho, or such other location as the members mutually agree. All business which may be lawfully transacted may be transacted at such meeting without any further or special notice.

5. **Special Meeting.** Special meetings of the members may be called any time by the Board of Directors or by written request of one-half (1/2) of the voting power of all the members and shall be held at a convenient location in the County of Blaine, State of Idaho. The Secretary-Treasurer shall forthwith give notice of such meeting at such time as the Secretary-Treasurer may fix, not less than ten (10) or more than thirty-five (35) days after the receipt of said request, and if the Secretary-Treasurer shall neglect or refuse to issue such call, the Board of Directors or members making request may do so.

6. **Notice: Waiver.** Notice of annual and special meetings of the members must be given in writing and must state the date, hour, and place of the meeting and generally describe the nature of the business to be transacted. Such notice shall be delivered personally to or deposited in the mail, postage prepaid, and addressed to the last known address, as shown on the books of the Association, to the owners or any one of the co-owners of each membership, as shown on the books of the Association, and shall be delivered or deposited in the mail at least ten (10) days prior to the date of the meeting.

In the event that a special meeting is called by the members as aforesaid, they shall notify the Secretary-Treasurer in writing of the time, place, and purpose of the meeting in sufficient time to permit the Secretary-Treasurer to give notice to all members in accordance with these Bylaws.

Written waiver of notice signed by or attendance at a meeting by the owners or any one of the co-owners of a membership shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objecting to the failure to receive such notice or to defects in the notice.

7. **Quorum; Vote Required; Adjournment.** Members holding one-third (1/3) or more of the votes of members entitled to vote represented in person or by proxy shall constitute a quorum at any meeting of the members. If a quorum is present, the

action of a majority of the votes present and voting shall be the act of the members. If a quorum is not represented at a meeting, a majority of the membership present in person or by proxy may adjourn the meeting from time to time without notice other than announcement at the meeting.

8. **Certificates Held.** Membership certificates held in estates or trust may be voted by the administrator, executor, guardian, trustee, conservator, or receiver thereof without such membership or title to the Condominium being transferred to said person.

9. **Conduct of the Meeting.** The meeting will be conducted by the officers in order of their priority. The order of business shall be a call of the roll, a reading of the notice and proof of the call, report of officers, report of committees, unfinished business, new business, election of directors, and miscellaneous business.

ARTICLE V

Incorporation by Reference to Condominium Declaration

Pursuant to Article X of the Articles of Incorporation of this Association, the Condominium Declaration is hereby incorporated by reference and made a part of these Bylaws as if set out in full herein, including, but not limited to, articles entitled "Nature and Incidents of Condominium Ownership" (Article IV), "The Association" (Article VII), "Certain Rights and Obligations of the Association" (Article VIII), "Assessments" (Article IX), and "Use of Condominiums" (Article X).

ARTICLE VI

Contracts, Conveyances, Checks, & Miscellaneous

1. **Contracts.** The Board of Directors may authorize any officer of the Association to enter into any contract or execute any instrument in the name of the Association except as otherwise specifically required by the Articles of Incorporation or by the Condominium Declaration.

2. **Conveyances and Encumbrances.** Association property may be conveyed or encumbered by authority of the Board of Directors by resolution of the Board of Directors. Conveyances or encumbrances shall be executed by instrument by the President or a Vice President and by the Secretary-Treasurer of the Association.

3. **Checks.** All checks, drafts, notes, and orders for the payment of money shall be signed by such persons as the Board of Directors may authorize.

4. **Fiscal Year.** The fiscal year or business year of the Association shall begin on the first day of January and end on the last day of December following.

5. **Records.** The Association shall maintain accurate and correct books, records, and accounts of the Association's business and properties, and they shall be kept at such place as is from time to time fixed and designated by the Board of Directors.

6. **Seal.** The Board of Directors may adopt an Association seal of such design as may be appropriate.

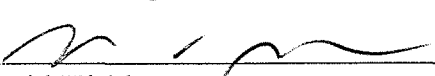
ARTICLE VII

Amendments

These Bylaws may be amended, altered, or repealed from time to time by a vote of members holding two-thirds (2/3) or more of all the votes allocated to members of the Association in accordance with the provisions of Article VII of the Articles of Incorporation at any annual or special meeting provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered. These Bylaws may also be amended or repealed or new bylaws adopted at any meeting of the Board of Directors by the vote of at least a majority of the entire Board of Directors; provided, any bylaw adopted by the Board of Directors may be amended or repealed by the members in the manner set forth above. Any proposal to amend or repeal these Bylaws or to adopt new Bylaws shall be stated in the notice of the meeting of the Board of Directors or in the waiver of notice thereof, as the case may be, unless all of the directors are present at such meeting.

APPROVED AND ADOPTED this ____ day of March, 2007, by the undersigned members of the initial Board of Directors of the Association.


Kevin G. Fortun


David Kirkham


Pat Ott