

BYLAWS
OF
COURTYARD OWNER'S ASSOCIATION, INC.

I. NAME, REGISTERED OFFICE AND REGISTERED AGENT

- A. Name. The name of this Corporation is the Courtyard Owner's Association, Inc.
- B. Registered Office and Registered Agent. The address and post office box of the registered office of this Corporation is 180 First Street West, Suite 216, and P.O. Box 5989, Ketchum, Idaho 83340. The name of the registered agent of this Corporation at that address is Lee P. Ritzau.

II. NONPROFIT CORPORATION AND PURPOSES.

- A. Nonprofit Corporation. This Corporation is organized under the Idaho Nonprofit Corporation Act.
- B. Purposes. The purpose of this Corporation is to engage in any lawful activity unless a more limited purpose is set in the Articles of Incorporation.

III. BOARD OF DIRECTORS.

- A. General Power of the Board. The business and affairs of the Corporation shall be managed by a Board of Directors.

B. Number, Qualifications, Election and Term of Office. The number of Directors shall be no less than three (3) and no more than ten (10). Each Director, except one selected to fill a vacancy, shall be elected to serve for the term of two (2) years and until his successor shall be elected and shall qualify. Directors need not be a resident of the State of Idaho. Directors shall be elected by the Board of Directors. *amended 12/10/01*

C. Removal of Directors. Any Director may be removed without assigning cause by an affirmative vote of two thirds (2/3) or more of the total number of votes entitled to be cast by the Directors of the Corporation at a meeting called for that purpose.

D. Vacancies. Vacancies occurring for any reason shall be filled by a vote of a majority of the remaining members of the Board though less than a quorum. Any Director so selected shall serve for the unexpired term of his predecessor in office and until his successor is elected and qualified.

E. Compensation. Directors shall not receive a salary for their services as Directors; but by resolution of the Board, a fixed sum and expenses of attendance may be allowed for

attendance at each meeting of the Board. A Director may serve the Corporation in a capacity other than that of Director and receive a compensation for the services rendered in that other capacity.

F. Resignation. A Director may resign at any time by giving written notice to the Board or the President of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or the President, and the acceptance of the resignation shall not be necessary to make such resignation effective.

IV. MEETINGS OF THE BOARD OF DIRECTORS.

A. Regular Meeting. A regular annual meeting of the Board of Directors shall be held on the 15th day in the month of July in each year at the hour of 9:00 o'clock a.m., for the purpose of electing Directors and officers of the Corporation, and for the transaction of such other business as may come before the meeting. If the date fixed for the regular meeting shall be a legal holiday in the State of Idaho, such meeting shall be held on the next succeeding business date. If the election of Directors shall not be held on the date designated herein for any regular annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Directors as soon thereafter as conveniently possible. The Board of Directors may provide by resolution the time and place, either within or without the State of Idaho, for holding for additional regular meetings of the Board without other notice than such resolution.

B. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place either within or without the State of Idaho, as the place for holding any special meeting of the Board called by them.

C. Place of Meetings. The meetings of the Board of Directors may be held at the registered office of the Corporation or at any place within or without the State of Idaho that a majority of the Board of Directors may from time to time decide. Members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such a meeting.

D. Notice of Meetings. Written notice of the regular annual meeting and any special meeting, setting forth the time and place of the meeting shall be given to each Director at least thirty (30) days before the meeting. This notice may be given either personally, by sending a copy of the notice through the United States mail to the address of each Director appearing on the books of the Corporation or by telecopier sent to the Director's telecopier number appearing on the books of the Corporation.

E. Waiver of Notice. A Director may waive in writing notice of a meeting of the Board either before or after the meeting and his waiver shall be deemed the equivalent of giving notice. Attendance of a Director at a meeting shall constitute waiver of notice of that meeting.

unless he attends the meeting for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

F. Quorum. At meetings of the Board of Directors a majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business. If a quorum is present the acts of the majority of the Directors in attendance shall be the acts of the Board. 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.

G. Adjournment. A meeting of the Board of Directors may be adjourned. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement at the meeting at which the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which would have been transacted at the meeting originally called.

H. Presumption of Assent. A Director of the Corporation which is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the Secretary of the meeting before adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation within three (3) days after adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

I. Informal Action. If all the Directors severally or collectively consent in writing to any action taken or to be taken by the Corporation and the writing or writings evidencing their consent are filed with the Secretary of the Corporation, the action shall be as valid as though it has been authorized at a meeting of the Board. Such consent shall have the same effect as a unanimous vote.

J. Honorary Directors. The Board of Directors may at any time and at its sole discretion appoint such persons as honorary members of the Board of Directors as they deem to be deserving of such status and capable of contributing to the goals of the Corporation. Such honorary Directors shall serve in an advisory capacity only, may attend any of the regular or special meetings of the Board of Directors, but shall not have a vote in its affairs.

V. OFFICERS, EMPLOYEES AND AGENTS.

A. Officers. The executive Officers of the Corporation shall be chosen by the Board of Directors and shall consist of a President, Secretary and Treasurer. Other Officers, assistant Officers, agents and employees that the Board of Directors from time to time may deem necessary may be elected by the Board of be appointed in a manner prescribed by the Board. Two or more offices may be held by the same person except that one person shall not at the same time hold the offices of President and Secretary. Officers shall hold office until their successors are chosen and have qualified, unless they are sooner removed from office as provided in these Bylaws.

B. President: Powers and Duties. The President shall be the chief operating Officer of the Corporation and shall perform the general operating duties of the Corporation. He/she

shall also perform whatever duties and have whatever powers the Board of Directors may from time to time prescribe.

C. Secretary: Powers and Duties. The Secretary shall attend all meetings of the Board of Directors and shall keep or cause to be kept a true and complete record of the proceedings of those meetings. He/she shall give, or cause to be given, notice of all meetings of the Board of Directors and shall perform whatever duties the Board of Directors and the President may from time to time prescribe.

D. Treasurer: Powers and Duties. The Treasurer shall have custody of corporate funds and securities. He shall keep full and accurate accounts of receipts and disbursement and shall deposit all corporate monies and other valuable effects in the name and to the credit of the Corporation in a depository or depositories designed by the Board of Directors. He/she shall disburse the funds of the Corporation and shall render to the President or the Board of Directors, whenever they may require it, an account of his transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall furnish a bond satisfactory to the Board of Directors if they so deem.

E. Salaries. The Board of Directors shall fix the salaries, if any, of the Officers of the Corporation. The salaries of other agents and employees of the Corporation may be fixed by the Board of Directors or by an Officer to whom that function has been delegated by the Board of Directors.

F. Delegation of Duties. Whenever an Officer is absent or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of an Officer to any other Officer or Officers or to any Director or Directors.

G. Removal of Officers and Agents. An Officer or agent of the Corporation may be removed by a majority vote of the Board of Directors whenever in their judgment the best interests of the Corporation will be served by their removal. The removal shall be without prejudice to the contract rights, if any, of the person so removed.

H. Vacancies. When a vacancy occurs in one of the executive offices by death, resignation or otherwise, it shall be filled by the Board of Directors. The Officer so selected shall hold office until his successor is chosen and qualifies.

VI. COMMITTEES.

A. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one (1) or more committees, each of which shall consist of two (2) or more Directors, which committees, to the extent provided in said resolution, shall exercise the authority of the Board of Directors in the management of Corporation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the Corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all, or substantially all, of the property and assets of the Corporation; authorizing the voluntary

dissolution of the Corporation or revoking proceedings therefor; adopting a plan of the destruction of the assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it by him or law.

B. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Directors of the Corporation, and until his successor is appointed, unless the committee shall be sooner terminated, or unless such Director be removed from such committee, or unless such Director shall cease to qualify as a Director thereof.

C. Chairman. One (1) member of each committee shall be appointed Chairman by the person or persons authorized to appoint the members thereof.

D. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

E. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

F. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

VII. FINANCIAL MATTERS.

A. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

B. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Corporation.

C. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

D. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

VIII. BOOKS AND RECORDS.

A. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors entitled to vote. All books and records of the Corporation may be inspected by any director, or his agent or attorney, for any proper purpose at any reasonable time.

IX. FISCAL YEAR.

A. The fiscal year of the corporation shall begin on the first day of January in each calendar year, and end of the last day of December in each calendar year.

X. SEAL.

A. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed the name of the Corporation and the words "Corporate Seal, Courtyard Owner's Association, Inc."

XI. WAIVER OF NOTICE.

A. Whenever any notice is required to be given under the provisions of the Idaho Nonprofit Corporation Act, or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

XII. SPECIAL CORPORATE ACTS.

A. Execution of Written Instruments. Contracts, deeds, documents and instruments shall be executed by the President or any other Officer authorized by the Board of Directors, unless the Board of Directors shall, in a particular situation, designate another procedure for their execution.

B. Signing of Checks and Notes. Checks, notes, drafts and demands for money shall be signed by the President and other Officers from time to time designated by the Board of Directors.

C. Records. The Corporation shall maintain accurate and correct books, records and accounts of its business and properties, and they shall be kept at such places as is from time to time fixed and designated by the Board of Directors.

D. Fiscal Year. The fiscal year or business year of the Corporation shall be the calendar year, unless a different year is elected by the Board of Directors.

XIII. CONTRACTS IN WHICH DIRECTORS HAVE AN INTEREST.

A. Circumstances for Validity of Transaction. No contract or other transaction between this Corporation and one or more of its Directors in which the Director has a direct or indirect conflict of interest shall be either void, voidable or the basis for imposing liability on the Director if the transaction was fair at the time it was entered into or the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a committee of the Board authorized, approved or ratified the transaction.

B. Approval of a Conflict of Interest Transaction. A conflict of interest transaction is authorized, approved or ratified, if it receives the affirmative vote of a majority of the Directors on the Board or on the committee, who have no direct or indirect interest in the transaction. If a majority of the Directors of the Board who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this section.

C. Definition of Conflict of Interest Transaction. A Director has a direct conflict of interest if he or any immediate family member has a material or financial interest in the transaction. A Director has an indirect conflict of interest in a transaction if another entity in which the Director has a material interest or in which the Director is a general partner is a party to the transaction; or if another entity of which the Director is a director, officer or trustee is a party to the transaction.

XIV. INDEMNIFICATION.

A. Standards for Indemnification.

1. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, Officer, employee or agent of the Corporation or is serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding if he had no reasonable cause to believe his conduct is unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

2. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or

suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Director, Officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney's fees, actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

A. Determination of Indemnification. Any indemnification as set forth above in Section A1 or A2, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Section A1 or A2. Such determination shall be made, (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

B. Expenses and Advancement of Expenses. To the extent that a Director, Officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above in Section A1 or A2, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses, including attorney's fees, actually and reasonably incurred by him in connection therewith. Expenses, including attorney's fees, actually and reasonably incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director, Officer, employee or agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this section. The indemnification and advancement of expenses provided by or granted pursuant to this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any other Bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

XV. AMENDMENT OF BYLAWS.

These Bylaws may be amended or repealed by the affirmative vote of two-thirds (2/3) or more of the voting power of the members of the Corporation at any annual or special meeting of the members.