

RESTATED BYLAWS
OF
TWO RIVERS SUBDIVISION
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
GENERAL PLAN OF OWNERSHIP

Section 1.1 Name. The name of the Association is the *Two Rivers Subdivision Homeowners Association, Inc.*, an Idaho non-profit Association. The principal office of the Association shall be located at the address designated on the Association's annual report form filed with the Idaho Secretary of State's Office from time to time.

Section 1.2 Bylaws Applicability. The provisions of these Restated Bylaws are applicable to Two Rivers Subdivision Homeowners Association, Inc., located in the county of Ada, City of Eagle, State of Idaho. The Members of the Association are the owners (the "Owners") of the residential lots (the "Building Lots") at Two Rivers. Pertinent to the ownership of the Building Lots are the Master Declaration of Covenants, Conditions and Restrictions for Two Rivers Subdivision and the amendments thereto ("Master Declaration").

Section 1.3 Personal Applications. All present and future Owners and their tenants, future tenants, guests, employees, and any other person that might use the facilities owned and/or managed by the Association in any manner, are subject to these Bylaws and the Declaration. Additionally, any owner who rents or leases his property shall accept full responsibility for the renter's or lessee's actions or lack of action in regards to use of the common areas and shall ensure that the renter or lessee is in possession of the governing documents and any amendments, rules, regulations or other requirements of residents of the Two Rivers Subdivision Homeowners Association, The Pointe at Two Rivers Homeowners Association, The Streams/Riverbridge at Two Rivers Homeowners Association, The Island at Two Rivers Homeowners Association and Rivermoor at Two Rivers Homeowners Association.

ARTICLE II
DEFINITIONS

Section 2.1 "ASSOCIATION" shall mean and refer to Two Rivers Subdivision Homeowners Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns and also referred to as the Main Association.

Section 2.2 "LOCAL ASSOCIATION" shall mean and refer to any Local Association as defined by the Master Declaration and the Supplemental Declaration that created each Local Association within the Main Two Rivers Subdivision Homeowners Association. The Local Associations may be specifically referred to as The Island, The Pointe, Rivermoor and/or The Streams/Riverbridge.

Section 2.3 "COMMON AREA" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners.

Section 2.4 "MASTER DECLARATION" shall mean and refer to the Master Declaration of Covenants, Conditions and Restrictions (CC&R's) applicable to the Properties recorded in the Office of the County Recorder of Ada County, State of Idaho.

Section 2.5 "LOT" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

Section 2.6 "MEMBER" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 2.7 "OWNER" shall mean and refer to the record Owner of a Lot as provided in the Declaration.

Section 2.8 "PROPERTIES" shall mean and refer to that certain real property in Ada County, State of Idaho, more particularly described as Two Rivers Subdivision, according to the official plat thereof, records of Ada County, Idaho, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III

VOTING, MAJORITY OF MEMBERS, QUORUM, PROXIES

Section 3.1 Voting. Each Member shall be entitled to one (1) vote for each Building Lot owned, as follows: a) in the election of Members to the Board of Directors, one (1) vote for each open Board seat and b) one (1) vote for any other business that comes before the Annual Meeting or Special Meeting.

Section 3.2 Majority of Members. As used in these Restated Bylaws, the term "Majority of Members" shall mean those Members representing more than fifty percent (50%) of the voting power of an established quorum.

Section 3.3 Quorum. Except as otherwise provided in these Bylaws or the Articles of Incorporation, the presence in person or by proxy of Members holding *at least ten percent (10%)* of the total votes of the Association shall constitute a quorum of the Membership. Once a quorum is initially established at a duly called meeting, business may be conducted at said meeting until adjournment, notwithstanding the departure of any number of Members throughout the course of the meeting.

Section 3.4 Proxies. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Managing Agent of the Association no later than 5:00 p.m. on the business day prior to the meeting for which the proxy is to be exercised. Every proxy shall be revocable at the pleasure of the Member who executed the proxy and shall automatically cease after completion of the meeting for which the proxy was filed.

ARTICLE IV

ADMINISTRATION AND MEETINGS OF MEMBERS

Section 4.1 Responsibilities. The Association shall have the responsibility of administering the Common area owned and/or managed by the Association, performing and administering other duties of the Association, approving the annual budget, establishing and collecting all assessments, and may arrange for the management of the same pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the Manager, as defined in Section 5.4 below. Except as otherwise provided, decisions and resolutions brought before the Members during an annual meeting or special meeting shall require an affirmative vote of a Majority of Members represented at the meeting, either in person or through proxy.

Section 4.2 Place of Meetings. Meetings of the Association shall be held on the Property or such other suitable place as close to the Property as practical in Ada County as may be designated by the Board of Directors.

Section 4.3 Annual Meetings. Each regular annual meeting of the Members shall be held in January, or if determined by the board, within the first quarter (by March 31) of each year. In accordance with these Bylaws, at each annual meeting there shall be elected a Board of Directors.

Section 4.4 Special Meetings. It shall be the duty of the President to call a special meeting of the Association as directed by resolution of the Board of Directors, or upon a petition signed by Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members. The notice of all annual and special meetings shall be given as provided in Section 4.5 of these Bylaws, and shall state the nature of the business to be undertaken.

Section 4.5 Notice of Annual and Special Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Association, stating the purpose thereof as well as the day, hour and place where such meeting is to be held, to each Member, at least fifteen (15) but not more than thirty (30) days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The mailing of a notice, postage prepaid, in the manner provided in this Section 4.5 to the address listed in the official membership records of the Association shall be considered notice served, after said notice has been deposited in a regular depository of the United States mail. If no address or no current address has been furnished by the Member to the Secretary, notice shall be deemed to have been given to a Member if mailed as described in this section and posted on the Association website or in a conspicuous place on the Property.

Section 4.6 Adjourned Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting, and notice a subsequent meeting at a time not less than ten (10) days or more than thirty (30) days from the time the original meeting was called. If a meeting is adjourned, notice of the subsequent meeting shall be given as in the case of an original meeting. In any case, a meeting can only take place if a quorum of the Members is present.

Section 4.7 Order of Business at Annual Meeting. The order of business at Annual Meetings shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) adopting minutes of preceding meeting; (d) reports of

officers; (e) reports of committees; (f) election of Directors; (g) unfinished business; (h) any other business included in the agenda (business not included in the agenda will not be eligible for voting) and (i) non-action comments and questions from Members. Meetings shall be conducted by the officers of the Association in order of their priority.

Section 4.8 Minutes. The minutes of an Annual or Special Meeting will be provided to the Board of Directors prior to the next regular Board meeting and, upon approval of the Board, provided to the members for final adoption at the next subsequent Annual Meeting.

ARTICLE V

BOARD OF DIRECTORS

Section 5.1 Number, Qualification and Composition of the Main Board. The Property, business and affairs of the Association shall be governed and managed by a Board of Directors composed of nine (9) persons, who must be Members of the Association; provided, however, should there be less than nine (9) members due to resignation, removal or failure to elect a full Board, then the Board shall be able to act in all capacities with the number of Board members who have been properly elected or appointed. Directors shall not receive any salary or other compensation for their services as Directors; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Association in some other capacity and receiving compensation therefore (as long as the conflict is disclosed in the minutes and a majority of the Board deems the relationship appropriate).

The Board of Directors is currently comprised of nine (9) directors. Directors' terms are for three (3) years and terms are staggered so that three (3) directors are elected each year as follows: beginning with the election of 2015, directors shall be elected as follows: in 2015, and every three years following, one (1) member from the Main Association and one (1) member from the Local Island Association and one (1) member from the Local Rivermoor Association shall be elected; in 2016, and every three years following, two (2) members from the Main Association and one (1) member from the Local Streams/Riverbridge Association shall be elected; in 2017, and every three years following, two (2) members from the Main Association and one (1) member from the Local Pointe Association shall be elected. In the event that no one chooses to be nominated from the associations up for election that year, then any Member from any Two Rivers Local or Main Association may be elected and the rotation shall continue with terms continuing for three years.

Section 5.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, as more fully set forth in the Declaration, and may do all such acts and things as are not prohibited by law.

The Board of Directors shall not enter into any management or other service contract for a term in excess of two year(s) unless such contract contains reasonable provisions for cancellation (such as upon sixty (60) days' written notice by the Association following one (1) year from the date of commencement of such contract).

Section 5.3 Special Powers and Duties. Without limiting the foregoing general powers and duties, and such powers and duties as set forth in the Declaration, the Board of Directors is vested with, and responsible for, the following powers and duties:

- (a) To select, appoint and remove all officers, agents, and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, with the Articles of Incorporation, the Master Declaration, and these Restated Bylaws; to fix their compensation and to require from them security for faithful service when deemed advisable by the Board of Directors.
- (b) To conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefore consistent with law, with the Articles of Incorporation, the Master Declaration, and these Restated Bylaws, as the Board of Directors may deem necessary or advisable.
- (c) To change the principal office for the transaction of the business of the Association from one location to another within the County of Ada, State of Idaho, as provided in Article I hereof; to designate any place within said County for the holding of any annual or special meeting or meetings of the Association consistent with the provisions of Section 4.2 hereof.
- (d) To borrow money and to incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, ledges, hypothecations or other evidence of debt and securities therefore; subject, however, to the limitations set forth in the Articles of Incorporation and the Master Declaration.
- (e) To fix and levy from time to time Regular Assessments, Special Assessments and Limited Assessments upon the Owners, as provided in the Master Declaration; to determine and fix the due date for the payment of such Assessments, and the date upon which the same shall become delinquent; provided, however, that such Assessments shall be fixed and levied only to provide for the payment of the expenses of the Association and of the taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Association and for the general benefit and welfare of the Owners, in accordance with the provisions of the Master Declaration. The Board of Directors is hereby authorized to incur any and all such indebtedness for any of the foregoing purposes and to provide, or cause to be provided adequate reserves for replacements as the Board of Directors shall deem to be necessary or advisable in the interest of the Association or welfare of the Owners. The funds collected by the Board of Directors from the Owners, attributable for replacement reserves, for maintenance recurring less frequently than annually, and for capital improvements, shall at all times be held in trust for the Owners and shall not be commingled with other Assessments collected from the Owners. Such Regular Assessments and Special Assessments shall be fixed in accordance with the provisions of the Master Declaration. Should any owner fail to pay such Assessments, the Board of Directors, in its discretion, is authorized to enforce the payment of such delinquent Assessments as provided in the Master Declaration, or these Restated Bylaws.
- (f) To enforce the provisions of the Master Declaration covering the Property, these Restated Bylaws or other agreements of the Association.

- (g) To contract for and pay for liability, Directors and Officers and any other insurance deemed advisable by the Board of Directors insuring the Owners, the Association, the Board of Directors and its volunteers and Agents, in accordance with the provisions of the Master Declaration.
- (h) To operate, maintain and otherwise manage or provide for the operation, maintenance and management of the Common Area, as defined in the Master Declaration, and to contract for and pay maintenance, gardening, utilities, materials and supplies and services relating to the Common Area as set forth in the Master Declaration, and to employ personnel necessary for the operation of the Commons Area as set forth in the Master Declaration, including legal and accounting services, and to contract for and pay for improvements and any recreational facilities on the Common Area, if any. In case of damage by fire or other casualty to the property owned and/or managed by the Association, if insurance proceeds exceed Twenty-Five Thousand and No/100 Dollars (\$25,000), or the cost of repairing or rebuilding exceeds available insurance proceeds by more than Two Thousand and No/100 Dollars (\$2,000.00), then the Board of Directors shall obtain firm bids from two or more responsible contractors to rebuild any portion of the said property and will have the authority to decide to rebuild or not rebuild.
- (i) To grant easements where necessary for utilities and sewer facilities over the Common Area to serve the Property.
- (j) To adopt, amend, and repeal by majority vote of the Board of Directors, rules and regulations as to the Association deemed reasonable and necessary.
- (k) To pay all real and personal property taxes and assessments levied against the Common Area owned or managed by the Association.
- (l) Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association.

Section 5.4 Management Agent. The Board of Directors may contract or employ for the Association a management agent ("Manager") at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize, including, but not limited to the duties listed in Section 5.3 hereof.

Section 5.5 Nomination, Election and Term of Office. Nomination for election to the Board of Directors may be made by a nomination committee. Nominations may also be made from the floor at the annual meeting. If a nomination committee is formed by a majority of the Board, the nomination committee shall consist of a chairperson, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. If a nomination committee is formed, the nomination 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 only from among Members.

At each annual meeting of the Association, new Directors shall be elected by secret written ballot by Members present at such meeting as provided in these Restated Bylaws. Members present, or individuals holding valid proxies for Members, shall be entitled to cast a vote for each open Board of Director's seat. Cumulative voting is not permitted. The Member receiving the largest number of votes for open Board seats as described in this Article V, Section 5.1 will be elected to fill that seat.

The term of office for Directors shall begin immediately following the date of adjournment of the annual meeting at which they are elected. The normal term of office for Directors will be for three years and until their successors are elected.

In the event an annual meeting is not held, or the Directors are not elected thereat, the Directors may be elected at any special meeting held for that purpose. Each Director shall hold office until a successor has been elected or until death, resignation, removal or judicial adjudication of mental incompetence.

No director shall serve more than two consecutive three-year terms or more than six consecutive years. A director who has served the maximum consecutive term provided herein may be reelected to the Board after remaining off the Board for a three-year period of time. If a director resigns during a term it will count as a full term of three years. Any Board member filling a vacancy occurring on the Board whether by removal, resignation, death, or otherwise, may serve only one additional term if the total years served exceeds five years.

Section 5.6 Vacancies. In the instance of resignation, death, or removal of a Director causing a vacated Board seat, the Main Board shall notify the Board of the Local or Main Association whose seat was vacated. The successor Director to fill the vacated Local or Main seat shall be selected by the remaining Members of the Main Association Board from the Membership of the Main or Local Association which the vacated seat represented and such Local or Main Member shall serve the unexpired term of his predecessor. If there is no interested candidate from the Local or Main Association which the vacated seat represented, then the seat shall be filled by a Member selected by remaining Members of the Main Association Board from among all of the Two Rivers Association, and shall expire when the term of the predecessor was due to expire. Once a seat is vacated, the entire Membership of the affected Local or Main Association will be notified by mail 45 days before a replacement is made with application forms and will be provided an opportunity to meet with the Main Association Board.

Section 5.7 Removal of Directors. At any regular or special meeting of the Association duly called and with a quorum not less than 20%, any one or more of the Directors may be removed by a majority vote of 66 2/3% (sixty-six and two-thirds percent). Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. If any or all of the Directors are so removed, new Directors may be elected at the same meeting. In the event any Director fails to attend three (3) consecutive regular meetings of the Board of Directors or five (5) regular meetings of the Board of Directors within a calendar year, the remaining Directors may remove that Director by vote of a majority of the Board.

Section 5.8 Organization Meeting. The first regular meeting of a newly elected Board of Directors shall be held within seven (7) days of the election of the Board of Directors, at such place as shall be fixed and announced by the Board of Directors at the meeting at which such Directors were elected, for the purpose of organization, election of officers, and the transaction of other business. Notice shall be necessary to legally constitute such meeting.

Section 5.9 Other Regular Meetings. Meetings of the Board of Directors shall be held on a regular basis, at such place and hour as may be fixed from time to time by decision of the Board. Notice

of regular meetings of the Board of Directors shall be given to each Director, personally or by e-mail, at least seven (7) days prior to the day named for such meetings.

Section 5.10 Special Meetings. Special meetings of the Board of Directors may be called by the President, or, if the President is absent or refuses to act, by the Vice President, or by any three (3) Directors. At least five (5) days' notice shall be given to each Director, personally or by mail, telephone, facsimile or email, which notice shall state the time, place (as hereinabove provided) and the purpose of the meeting. If served by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Association, and shall be deemed given, if not actually received earlier, on the second day after it is deposited in a regular depository of the United States mail as provided herein. When any Director has been absent from any special meeting of the Board of Directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such Director, as required by law and as provided herein.

Section 5.11 Quorum and Adjournment. Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 5.12 Action without Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the vote or written consent of all the Directors. If consent is granted, voting can occur by email, text, telephonically or in writing. Any action so approved by a majority of the Directors shall have the same effect as though taken at a meeting of the Directors.

Section 5.13 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for the Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

Section 5.14 Committees. The Board of Directors, by resolution, may from time to time designate such committees as the Board of Directors shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing a committee shall provide for the appointment of its Members, as well as a chairperson, shall state the purpose of the committee, and shall provide for reports, termination, and other administrative matters as deemed appropriate by the Board of Directors. The Board should review rules and regulations recommended to the Board against existing local, state and Federal rules and regulations.

Section 5.15 Books, Financial Statements and Audit. The Board of Directors shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles or as required by law. The Association will provide an audited statement for the preceding fiscal year or for more than one year, if the Board votes by majority to do so, or at the request of 20% of Members. A copy of each audit shall be delivered to each Member within thirty (30) days after the completion of such audit. An annual operating statement reflecting income and expenditures of the Association shall be available upon

written request to each Member within sixty (60) days after the end of each fiscal year, and to first mortgagees who have requested in writing notice of Association proceedings.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 6.1 Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors and from those Directors. The Board of Directors may appoint an Assistant Treasurer, and such other officers as in the Board of Directors' judgment may be necessary. One person may hold two or more offices, except for the following: the offices of President and Treasurer may not be combined; and the offices of President and Secretary may not be combined.

Section 6.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors, and each officer shall hold office for one (1) year unless he or she shall sooner resign or shall be removed or otherwise disqualified.

Section 6.3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Board of Directors, or any special meeting of the Board of Directors called for such purpose. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified in said notice, acceptance of such resignation by the Board of Directors shall not be necessary to make it effective. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.4. Compensation. Appointment of any officer, agent or employee shall not of itself create contractual rights of compensation for services performed by such an officer, agent or employee. Employees or other agents engaged by the Board of Directors shall receive such reasonable compensation for their services as may be authorized or ratified by the Board of Directors. Officers, however, shall not be entitled to compensation for services provided to the Association relating to the office held.

Section 6.5 Special Appointment. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office until the next annual organizational meeting, must be Members of the Association and have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 6.6 President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors.

The President shall have all of the general powers and duties which are usually vested in the office of the President of a non-profit Association, including but not limited to the power, subject to the provisions of Section 5.14, to appoint committees from among the Members from time to time as the President may decide are appropriate to assist in the conduct of the affairs of the Association. The President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Association. Except as otherwise allowed in Section 10.2 of these Bylaws, the President shall sign all Association contracts.

Section 6.7 Vice President. The Vice President shall take the place of the President and perform such duties whenever the President shall be absent, disabled or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint another member of the Board of Directors to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed by the Board of Directors or these Restated Bylaws.

Section 6.8 Secretary. The Secretary shall record the votes and keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association at the principal office of the Association or such other place as the Board of Directors may order. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and the Secretary shall, in general, perform all the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Association and of the Board of Directors required by these Restated Bylaws or by law to be given.

Section 6.9 Treasurer. The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts of the Property owned by the Association, tax records and business transactions of the Association including accounts of all assets, liabilities, receipts and disbursements, all in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with the Master Declaration, shall render to the President and Directors upon request, an account of all transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Restated Bylaws.

ARTICLE VII

AMENDMENTS TO RESTATED BYLAWS

The Bylaws of the Association may be altered, amended, or new Bylaws adopted at any regular meeting or at any special meeting of the Members thereof, called for that purpose, by the affirmative vote of two-thirds (2/3) of the Members present or represented by proxy at such meeting; provided, that a quorum as specified herein or in the laws of the State of Idaho be present.

ARTICLE VIII

CONFLICTING PROVISIONS

In case of any conflict between the Restated Bylaws of the Two Rivers Subdivision Homeowners Association and the Master Declaration, the Master Declaration shall control.

ARTICLE IX

INDEMNIFICATION AND INSURANCE

Section 9.1 Directors and Executive Officers: The Association shall indemnify its directors and officers to the full extent permitted by the Idaho Nonprofit Corporation Act (the "Act"), as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Act permitted the association to provide prior to such amendment); provided however that the association may limit the extent of such indemnification by individual contracts with its directors and officers; and, provided further, that the association shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person or any proceeding by such person against the association or its directors, officers, employees or other agents unless (i) such indemnification is expressly required to be made by law; (ii) the proceeding was authorized by the Board of Directors of the association, or (iii) such indemnification is provided by the association, in its sole discretion, pursuant to the powers vested in the association under the Act.

Section 9.2 Other Officers, Employees and Other Agents: The association shall have the power to indemnify its employees and other agents as set forth in the Idaho Nonprofit Corporation Act.

Section 9.3 Good Faith: For purposes of any determination under this Article IX, a director or officer shall be deemed to have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the association and, with respect to any criminal or proceeding, to have had no reasonable cause to believe that this conduct was unlawful, if his action is based on the records or books of account of the association or another enterprise, or on information, opinions, reports or statement, including financial statement and other financial data, prepared or presented (i) the officers of the association or another enterprise whom the director or officer reasonably believes to be reliable and competent in the matters present, or (ii) legal counsel, a public accountant or other person as to matters which the director or officer believes to be within such person's professional or expert competence. The term "other enterprise" as used in this Section 9.3 shall mean any other corporation or any partnership, joint venture, trust or other enterprise, including any employee benefit plan, of which such person is or was serving at the request of the corporation as a director, officer, employer or other agent. The provisions of this Section 9.3 shall not be deemed to be exclusive and/or limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth by the Act.

Section 9.4 Expenses: The association shall advance, prior to the final disposition of any proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding upon receipt of any undertaking by or on behalf of such person to

repay such amount if it should be determined ultimately that such person is not entitled to be indemnified under this Article IX or otherwise.

Section 9.5 Enforcement: Without the necessity of entering into an express contract, all rights to indemnification and advances under this Article IX shall be deemed to be contractual rights and to be effective to the same extent as if provided for in a contract between the association and the director or officer that serves in such capacity at any time while this Article IX and other relevant provisions of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this Article IX to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting his claim. It shall be a defense to any such action that the claimant has not met the standards of conduct which make it permissible under the Act for the association to indemnify the claimant for the amount claimed; but the burden of proving such defense shall be on the association. Neither the failure of the association (including its Boards of Directors, its independent legal counsel, or its Members) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the Act, nor an actual determination by the association (including its Boards of Directors, its independent legal counsel, or its Members) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

Section 9.6 Non-Exclusivity of Rights: The rights conferred on any person by this Article IX shall not be exclusive of any other right which such person may have or hereafter acquire under any statute provision of the Articles of Incorporation, Bylaw, agreement, vote of Members or disinterested directors or otherwise, both as to action in this official capacity and as to action in any other capacity while holding office. The association is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, as provided by law.

Section 9.7 Survival of Rights: The rights conferred on any person by this Article X shall continue as to a person who has ceased to be a director, officer, employee or other agent and shall inure to the benefit of the heirs and personal representatives of such person.

Section 9.8 Amendments: Any repeal or modification of this Article IX shall only be prospective and shall not affect the rights under this Article X in effect at the time of the alleged occurrence of any act or omission to act that is the cause of any proceeding against any director, officer, employee or agent of the association.

Section 9.9 Savings Clause: If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the association shall nevertheless indemnify each director or officer to the full extent permitted by any applicable portion of this Article IX that shall not have been invalidated, or by any other applicable law.

ARTICLE X

MISCELLANEOUS

Section 10.1 Checks, Drafts and Documents. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by Resolution of the Board of Directors.

Section 10.2 Execution of Documents. The Board of Directors, except as otherwise provided in these Restated Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have the power or authority to bind the Association by any contract or engagement or to pledge the Association's credit or to render the Association liable for any purpose or in any amount.

Section 10.3 Inspection of Books and Records. Members shall be entitled to inspection of books and records in accordance with Idaho non-profit law.


Section 10.4 Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year.

Section 10.5 Membership. The Board shall cause to be kept a complete record of membership including names and addresses of all Members. In doing so, the Board may rely on information provided by each Member.

The foregoing Restated Bylaws shall be effective the 21 day of October 2014.

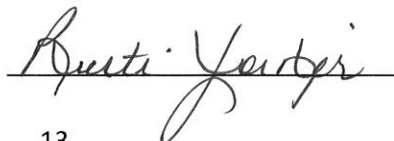
STATE OF IDAHO

County of Idaho



On this 23 day of October 2014, before me, a notary public, personally appeared Laurel Baker, known and identified to me to be the Secretary of the Board of Directors for Two Rivers Subdivision Homeowners Association, Inc., and acknowledged to me that said Association acknowledged the same in accordance with the governing documents of the Association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first written above.





NOTARY PUBLIC, State of Idaho

Residing at Eagle, Idaho

My Commission Expires: 9/17/2015