

**BY-LAWS OF
BILLS ISLAND ASSOCIATION, INC.**

ARTICLE I.

Meetings of Members

1. Members' meetings shall be held at Mack's Inn, Idaho.
2. The annual meeting of the members of this association shall be held the *Saturday closest to the 4th of July each year, the date for the next year to be determined by the Board of Directors and announced in the first newsletter after the annual meeting just held, beginning with the year 1972, at which time there shall be elected by the members of the association, by ballot, directors for the ensuing year, and the members shall transact such other business as shall properly come before them.
3. A notice setting out the time and place of such annual meeting shall be mailed, postage prepaid, to each member of record, at his address as the same appears on the records of the company, or if no such address appears, at his last known place of address, at least *thirty days prior to the annual meeting.
4. If a quorum be not present at the annual meeting, the members present may adjourn to such future time as shall be agreed upon by them and notice of such adjournment shall be mailed, postage prepaid, to each member at least five days before such adjourned meeting; but if a quorum be present, they may adjourn from day to day as they see fit, and no notice of such adjournment need be given. *A quorum is defined as the number of members in good standing present at the annual meeting and members in good standing represented by valid proxy held by members duly assembled to transact business of the Bills Island Association.
5. Special meetings of the members may be called at any time by the Board of Directors. If more than eighteen months are allowed to elapse without the annual members' meeting being held, any member may call such meeting to be held at the registered office of the association. At any time, upon written request of any director, or of any members holding in the aggregate one-fifth of the voting power of the members, it shall be the duty of the secretary to call a special meeting of the members to be held at the registered office at such time as the secretary may fix, not less than ten nor more than thirty-five days after the receipt of said request, and if the secretary shall neglect or refuse to issue such call, the director or members making the request may do so. An adjournment, or adjournments, of any special meeting may be taken without new notice being given. No Business shall be transacted at a special meeting except as stated in the notice sent to the members, unless by the unanimous consent of all members.
6. Notice of time, place and purpose of any meeting of members may be waived by the written assent of a member entitled to notice filed with or

entered upon the records of the meeting either before or after the holding thereof.

7. Any action which under the provisions of the statutes, articles of incorporation or by-laws may be lawfully taken at a meeting of the members, may be taken without a meeting if authorized by a consent in writing signed by all of the members who would be entitled to notice of a meeting for such purpose. Whenever a certificate in respect to any such action is required by statute to be filed in the office of the County Recorder or in the office of the Secretary of State, the officers signing the same shall therein state that the action was authorized in the manner aforesaid.
8. When all the members of the association are present at any meeting, however called or notified, and sign a written consent thereto on the records of such meeting, the doings of such meeting are as valid as if had at a meeting legally called and notified.
9. A majority of the members of this association present at any meeting duly and regularly called, shall constitute a quorum for the transaction of business at any such meeting of association. *Members in good standing present at the annual meeting or represented by valid proxy held by members in good standing constitute a quorum for the transaction of business at any such meeting of the association.
10. The following order of business shall be observed at all annual and special meetings of the members so far as practicable, viz.:
 1. Calling the roll.
 2. Reading, correction and approval of minutes of previous meeting.
 3. Reports of Officer.
 4. Reports of Committees.
 5. Election of Directors.
 6. Unfinished business.
 7. New business.

ARTICLE II.

1. A board of seven directors shall be chosen to manage the affairs of the company. The directors shall be classified with respect to time for which they shall severally hold office by dividing them into three classes, the first class to consist of three members and the second class to consist of three members and the third class to consist of one member. At a meeting held for the election of the Board in 1971, directors of the first class shall be elected for a period of three years; directors of the second class for a term of two years and directors of the third class for one year, and at each annual election thereafter successors to classes of directors whose term shall expire that year shall be elected to hold office for a term of three years so that the term of office of one class of directors shall expire each year. *Directors will be elected and other matters decided by

- majority vote of members in good standing present at the annual meeting or members in good standing represented by valid proxy held by members duly assembled to transact business of the Bills Island Association.
2. Vacancies in the Board of Directors by reason of death, resignation or other causes shall be filled by the remaining directors choosing from among the members a director to fill the unexpired term.
 3. Meetings of the Board of Directors shall be held at such time and place, whether in this state or elsewhere, as a majority of the directors may from time to time appoint. Special meetings may be called by the President or any two Directors upon giving five days notice to each director. A meeting of the directors shall be held without notice immediately following the adjournment of the annual members meeting.
 4. Directors shall not (as such) receive any stated or fixed salary, but may receive compensation for expenses actually incurred by them. Such compensation to be fixed by the Board.
 5. The Board of Directors shall elect a president and one or more vice presidents from its members and shall also elect or select a secretary and a treasurer, who may, or may not, be a member of the Board of Directors. All officers shall hold office for one year unless sooner removed and until their successors shall have been elected and qualified.
 6. The directors may elect, appoint or remove at will and without previous notice, all appointive officers, managers, agents and employees of the association, prescribe their duties and fix their compensation. Bonds or other security may be required for faithful performance of duties where deemed necessary.
 7. The Board of Directors shall have the general management and control of the business and affairs of the company and shall exercise all of the powers that may be exercised or performed by the association under the statutes and articles of incorporation and by-laws; to incur indebtedness within the limits fixed by statute, and any note or obligation given for any such indebtedness, when signed officially by the president and duly attested by the secretary, shall be binding on the association such obligation having been first authorized by the Board of Directors.
 8. At each annual meeting of the members the Board shall present a full and complete statement of the affairs of the association, such statement may, however, be presented by its duly constituted officers.
 9. The order of business at all meetings of the Board of Directors shall be as follows:
 1. The president calling the meeting to order;
 2. Reading the minutes of the last meeting, consideration and approval of the same;
 3. Consideration of communications;
 4. Report of officers or employees;
 5. Reports of Committees;
 6. Unfinished business;

7. New Business and general discussions.

ARTICLE III.

Officers

1. The President shall preside at all meetings of the Board and of the members, he shall sign all membership certificates and other instruments in writing which have been approved by the Board. He is also empowered to sign all contracts, all leases and other written instruments in the ordinary course of business, and shall have full authority to convey full and complete title to any real estate and personal property owned by the association, first having obtained such authority from the Board. He shall have general supervision over the affairs of the association and over the other officers and employees of the association.
2. The Vice President shall have all the powers and perform all the duties of the president in case of the absence of the President or his inability to act, or in case of a vacancy in the office of President.
3. The Secretary shall attend all meetings of the Board and members and shall keep and record a full and complete account of their proceedings in an association minute book. He shall keep all association records and do such other duties as may from time to time be prescribed by the Board.
4. The Treasurer shall keep accounts of all moneys of the association received and disbursed and shall deposit all moneys and valuables in the name of and to the credit of the association in such banks or depositories as the Board of Directors say designate and money shall be withdrawn therefrom only by check signed by the Treasurer and President or Vice President. The Treasurer shall, if possible, attend all meetings of the Board and shall do such duties as may be prescribed by the Board.
5. The office of Secretary and Treasurer may be combined in one person.

ARTICLE IV.

Membership

1. The membership of this association shall be composed of property owners on the I. P. Bills Island in Fremont County, Idaho, who desire to join this association or *are members by virtue of purchase of property in the Welling addition. (see Articles of Incorporation VII C)
2. The voting power and property rights and interest of each member in this association who is in good standing shall be as follows:
 - A. All property owners of improved lots on said I. P. Bills Island who are members of this association shall be entitled to two votes. All property owners of unimproved lots shall be entitled to one vote. As the unimproved lots are improved, the owners thereof shall become

entitled to two votes. The Rexburg Boat Club shall be considered as consisting of seven improved lots and shall be entitled to fourteen votes.

- B. *A property owner on I. P. BILLS ISLAND who desires to become a member (*or who is a member by virtue of purchase of property in the Welling addition) of the Bills Island Association (will) do so by paying an initial membership fee of \$100 and annual assessments as follows:

The initial \$100 membership fee for an unimproved lot will cover the first year annual assessment. Annual assessments are set at *\$175.00 for each improved lot and *\$75.00 for unimproved lots. Owners of more than one unimproved lot will pay only one annual assessment. Owners of both improved and unimproved lots will pay annual assessment for improved lots only.

An improved lot is one on which a permanent building is constructed or brought in to be used for living quarters.

An unimproved lot changes to improved lot status as soon as building a permanent structure begins. This beginning is defined as pouring a foundation for a permanent building to be used for living quarters or moving a unit onto the property to be used for living quarters on a permanent basis.

Membership will terminate at the end of the Fiscal Year in which no annual assessment is paid.

- C. In the event a property owner on the island who is a member of this association sells his lot, he *will assign to the purchaser his certificate of membership.
3. Each member's interest in the assets of the association shall be in proportion to the assessments paid by each member of the association.
4. The membership fee may be changed at any annual meeting of this association providing that notice of the proposed change is given in the call of the annual meeting and is voted by a majority of the MEMBERSHIP.

ARTICLE V.

Assessments.

1. Should it become necessary to levy an assessment to meet the requirements of the association, the president and directors shall call a special meeting of the association, stating the object, and submit a full report of the condition of its affairs, and it shall require a vote of two-thirds of the members present, provide one-fourth of the membership votes are cast at such meeting, to make such assessment.

ARTICLE VI.

Proxies

1. At each meeting of the association every member having a right to vote shall be entitled to vote in person or by proxy appointed by instrument in writing, subscribed to by the member, and bearing date not more than sixty days prior to the meeting; that such proxy should be witnessed but does not need to be acknowledged.

ARTICLE VII.

Miscellaneous.

1. This association, the members of this association, their guests or any other person using association facilities and property shall be subject at all times to the rules and regulations adopted by this organization and shall co-operate at all times with the Security Contractor employed by this association to care for the property of the association in abiding by the rules and regulations of this association.

ARTICLE VIII.

Amendments.

1. Subject always to by-laws made by the members, the Board of Directors may make by-laws, and, from time to time, may alter, amend or repeal any by-laws; but any by-laws made by the Board of Directors may be altered or repealed by the members at any annual meeting, provided notice of such proposed alteration or repeal by the members be included in the notice of such special meeting of the members.

We, the undersigned, Board of Directors of the Bills Island Association, Inc., an Idaho Corporation, hereby adopt the foregoing by-laws as and for the by-laws of said Corporation.

WITNESS OUR HANDS this ____ day of ____, 1972.

/s/ Board of Directors

*Incorporates amendments and/or changes approved by BIA Board of Directors through October 1993.