

BYLAWS
OF
TERRACE LAKES WATER COMPANY

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ARTICLE I
Introduction

Section 1.1 Definition of Bylaws. These Bylaws constitute the code of rules adopted by Terrace Lakes Water Company ("Company") for the regulation and management of its affairs.

Section 1.2 Definition of Lot. Lot shall mean a portion of Terrace Lakes Recreation Ranch Unit Nos. 1 through 13 or Timbers One which is designated as a Lot on any recorded subdivision plat, whether or not improved.

Section 1.3 Definition of Owner. Shall mean the person or persons or other legal entity or entities, including Grantor, holding the fee simple interest in a Lot.

Section 1.4 Definition of Subscriber. Subscriber is defined at Article II.

Section 1.5 Purposes. The purposes for which the Company is organized and will be operated are as follows:

- A. The acquisition, construction, management, maintenance and care of wells and a domestic water distribution facility ("System") to distribute water to Subscribers within the meaning of Section 528 of the Internal Revenue Code of 1986 ("Code"), as amended from time to time.
- B. The delivery of water to its Subscribers at a cost determined by the Company's Board of Directors. The Company shall only supply water to its Subscribers for use on the Lot in the subdivisions known as Terrace Lakes Recreation Ranch Unit Nos. 1 through 13 or Timbers One (hereinafter "Subdivisions"). The Company shall not sell, distribute or lend water for profit.
- C. The exercise of all powers granted by law necessary and proper to carry out the foregoing purposes in accordance with the Rules Governing Public Drinking Water Systems (IDAPA 58.01.08).
- D. The exercise of all powers granted by law necessary and proper including, but not limited to, the power to collect dues, fees, and assessments from Subscribers. Nothing herein contained shall be deemed to authorize or permit the Company to carry on any business for profit, to exercise any power, or to do any act that a corporation formed under the Idaho Nonprofit Corporation Act ("INCA"), or any amendment thereto or substitute therefore, may not lawfully carry on or do.

Section 1.6 Incorporation. The Company is hereby organized for management and operation as an Idaho Nonprofit Company, pursuant to the provisions of INCA.

Section 1.7 Formation. A nonprofit company was organized pursuant to INCA by executing and delivering Articles of Incorporation ("Articles") to the Secretary of State in accordance with and pursuant to INCA. The Company and its Subscribers hereby forever discharge the incorporator, and the incorporator shall be indemnified by the Company and the Subscribers from and against any expense or liability actually incurred by the incorporator by reason of having been the incorporator of the Company.

Section 1.8 Name. The name of the Company is Terrace Lakes Water Company.

Section 1.9 Registered Agent and Office. The initial registered agent and registered office of the Company shall be the person and place set forth in the Articles. The Board of Directors or President may, from time to time, change or replace the registered agent or office by delivering a statement to the Idaho Secretary of State or by indicating such change in the annual report filed with the Secretary of State.

Section 1.10 Principal Office. The principal office of the Company shall be located at 101 Holiday Drive, Garden Valley, Idaho 83622 ("Principal Office"), or such other address as is, from time to time, determined by the Company.

Section 1.11 Corporate Seal. The seal of the Company shall have inscribed thereon the name of the Company, the year of its organization, and the words, "Company Not for Profit."

Section 1.12 Fiscal Year to Begin. The fiscal year of the Company shall begin the 1st day of January and end the 31st day of December each year.

Section 1.13 Policies and Procedures. The operation of the Company shall be governed by the Policies and Procedures as adopted or amended from time to time by the Board of Directors or the Subscribers. The Policies and Procedures may only be amended by a majority of the Board of Directors or 75% of the Subscribers present or represented by proxy at an annual or special meeting at which a quorum is present.

Section 1.14 Delegation of Authority. Terrace Lakes Recreation Ranch, Inc., ("TLRR") has assigned and delegated to the Terrace Lakes Water Company any right, authority, and prerogative under the following Master Declaration of Covenants, Conditions, and Restrictions and any amendments thereto, ("Covenants"). The rights, authorities, and prerogatives under these Covenants are delegated to the Company to provide water to Subscribers, to operate a water system, to charge for the use of water, and to enforce liens against Lots for failure to pay for such services. The Company accepts such assignment and shall be deemed to exercise such rights, powers, and prerogatives in its operations and actions under the following Covenants recorded in the records of Boise County, Idaho:

<u>Subdivision</u>	<u>Instrument No(s).</u>
Terrace Lakes Recreation Ranch Inc. Unit No. 1	77677
Terrace Lakes Recreation Ranch Inc. Unit No. 2	77678
Terrace Lakes Recreation Ranch Inc. Unit No. 3	78461
Terrace Lakes Recreation Ranch Inc. Unit No. 4	78464
Terrace Lakes Recreation Ranch Inc. Unit No. 5	79871
Terrace Lakes Recreation Ranch Inc. Unit No. 6	80004
Terrace Lakes Recreation Ranch Inc. Unit No. 7	81528
Terrace Lakes Recreation Ranch Inc. Unit No. 8	81529, 87471
Terrace Lakes Recreation Ranch Inc. Unit No. 9	81530, 92130
Terrace Lakes Recreation Ranch Inc. Unit No. 10	91034, 92131, 157365
Terrace Lakes Recreation Ranch Inc. Unit No. 11	92977, 157365
Terrace Lakes Recreation Ranch Inc. Unit No. 12	104914, 157365
Terrace Lakes Recreation Ranch Inc. Unit No. 13	111350, 157365
Timbers One	104914

ARTICLE II
Subscribers

Section 2.1 Subscribers. Each Owner of a Lot in a Subdivision shall be a Subscriber of the Company. However, no water or other services shall be supplied to a Subscriber until the Subscriber:

- (1) pays the connection fee;
- (2) agrees to be bound by the terms of the Articles, Bylaws, and Policies and Procedures, as amended from time to time;
- (3) agrees to pay dues, fees, and other assessed costs for operating the System in accordance with these Bylaws and the Policies and Procedures; and
- (4) agrees to be bound by the regulations governing water use promulgated from time to time.

After a Subscriber agrees to the preceding provisions, the Subscriber shall be eligible to receive water from the Company.

Section 2.2 Voting. Each Subscriber shall have one (1) vote for each Lot eligible to have water delivered to it.

Section 2.3 Subscriber Fees.

2.3.1 Each Subscriber shall pay fees at the rate determined by the Board of Directors and ratified by the Subscribers, based on anticipated cost for operating the System, including repairs, maintenance, and capital improvements. All dues, assessments, and any other fees are dedicated to the System and no unrelated purpose. All dues, fees, or assessments for meter rates and/or flat rates may be paid in installment payments as determined by the Board of Directors and ratified by the Subscribers.

2.3.2 The Company is not intended to have surplus funds or net income after provisions are made for the payment of the expenses of operation and maintenance, the funding of the various reserves for depreciation, debt retirement, equipment repair, equipment replacement, and other purposes, including those required by the terms of any borrowing transaction. However, if there are surplus funds or net income, they shall be taken into consideration by the Board of Directors in determining the water rates to be charged the Subscribers.

Section 2.4 Annual Meeting. An Annual Meeting of the Subscribers of the Company shall be held on such date and at such time which may, from time to time, be designated by the Board of Directors and shall be held in the County of Boise, State of Idaho.

2.4.1 Order of Business. The Annual Meeting of the Subscribers shall be held:

- (a) for the purpose of adopting new provisions or amending the existing provisions of the Policies and Procedures which establish a set of rules to administer and operate the Company to insure that the System will provide adequate water supply that meets all public health and safety standards; and**
- (b) for the President to report on the activities and financial condition of the Company.**

2.4.2 Notice of Meetings. Notice of the date, time, and place of the Annual Meeting of the Subscribers shall be delivered at least ten (10) days prior to the meeting.

Section 2.5 Special Meetings. Special meetings of the Subscribers may be called at any time by the Board of Directors or ten percent (10%) of the Subscribers. The purpose of every special meeting shall be stated in the notice thereof.

Section 2.6 Quorum. A quorum to conduct business at any Annual or Special Meeting of the Subscribers shall be at least ten percent (10%) of the Subscribers entitled to vote present or represented by proxy.

Section 2.7 Subscriber Obligations. A Subscriber shall be responsible for all parties using the System on the Subscriber's Lot including: a renter, tenant, the Subscriber's family, or any licensee, lessee, or invitee.

ARTICLE III **Directors**

Section 3.1 Powers. All corporate powers, including the business and affairs of the Company, shall be exercised by and under the authority of the Board of Directors, subject to any limitations set forth in the Articles, these Bylaws, or authorized under INCA.

Section 3.2 Initial Board of Directors. The initial Board of Directors designated in the Articles shall serve until their successors are elected at the Annual Meeting of Subscribers or a special meeting called for the purpose of electing a Director or Directors.

Section 3.3 Number of Directors. The Board of Directors shall consist of five (5) Directors elected by the Subscribers which shall each fill a seat on the Board of Directors designated A, B, C, D, or E.

Section 3.4 Qualifications. A Director must be a Subscriber and shall be an individual over age twenty-one (21).

Section 3.5 Term. The terms of the initial Directors shall continue until the first Annual Meeting of Subscribers. The terms for the Directors elected at the first Annual Meeting of Subscribers shall be three (3) years for Directors filling seats A and B, two (2) years for Directors filling seats C and D, and one (1) year for the Director filling seat E. Thereafter, the terms of office for each seat shall be three (3) years, to the end that the terms for no more than two (2) seats shall expire in any year. If a vacancy occurs, the term for the person selected to fill the vacancy shall only run through the unexpired term for the seat with respect to which the vacancy is being filled.

Section 3.6 Resignation. A Director may resign at any time by delivering written notice to the Board of Directors, the President, or the Secretary. A resignation is effective when the notice is delivered unless the notice specifies a later effective date, in which event the resignation shall become effective at the discretion of the remaining Directors. Unless specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective.

Section 3.7 Removal. A Director may be removed by a majority vote of the other Directors or of the Subscribers.

Section 3.8 Newly Created Directorships and Vacancies. Any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal, or other cause shall be filled by designation or appointment of the Board.

Section 3.9 Meetings.

3.9.1 *Annual Meetings.* The annual meeting of the Board of Directors shall be held at the place designated by the Board of Directors. Notice of an annual meeting of the Board of Directors shall be given in accordance with Section 3.9.4; and such meeting shall be held for the purpose of appointing officers and transacting such other business as may lawfully come before it.

3.9.2 *Place of Meetings.* Regular and special meetings of the Board of Directors, or of any committee designated by the Board, may be held at any place within or without the state of Idaho.

3.9.3 *Telephone Meetings.* Any Director of any committee designated by the Board may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of conference telephone or similar communications equipment by which all Directors participating in the meeting may simultaneously hear each other during the meeting. A Director participating in a meeting by such means is deemed to be present in person at such meeting.

3.9.4 *Notice of Meetings.* Notice of the date, time, and place of any regular or special meeting of the Board of Directors shall be delivered at least two (2) days prior to the meeting; provided that the Board of Directors may provide, by resolution, the date, time, and place, either within or without the state of Idaho, for the holding of regular meetings without notice other than such resolution. Neither the business to be transacted at, nor the purpose(s) of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.9.5 *Waiver of Notice.* A Director may waive any notice required by INCA, the Articles, or these Bylaws at any time before or after the date and time stated in the notice. Except as otherwise provided in these Bylaws, such waiver must be signed by the Director and filed with the minutes or corporate records. The attendance of a Director at or participation in a meeting shall constitute a waiver of notice of such meeting unless the Director, at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting any business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

Section 3.10 Voting. The affirmative vote of the majority of the Directors present shall be the act of the Board of Directors.

Section 3.11 Action Without a Meeting. Any action required or permitted by INCA to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if the action is consented to by all members of the Board. The action must be evidenced by one or more written consents describing the action taken, signed by each member of the Board of Directors, or of the committee, as the case may be, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last Director signed the consent, unless the consent specifies an earlier or later effective date. A consent signed under this Section has the effect of a meeting vote and may be described as such in any document.

Section 3.12 General Standards for Directors. A Director shall discharge his or her duties as director, including his or her duties as a member of any committee of the Board of Directors on which he or she may serve, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the best interests of the Company. In discharging his or her duties, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One (1) or more Officers or employees of the Company whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) Legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within such person's professional or expert competence; or
- (c) A committee of the Board of which he or she is not a member if the Director reasonably believes the committee merits confidence.

A Director is not acting in good faith if he or she has knowledge concerning the matter in question that makes such reliance otherwise permitted by this Section 3.12 unwarranted.

Section 3.13 Committees of the Board of Directors. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee must have two (2) or more members, each of whom shall serve at the pleasure of the Board of Directors. The committees shall recommend resolutions to the Board for its consideration and action.

Section 3.14 Director Conflicts of Interest. A "conflict of interest transaction" is a transaction with the Company in which a Director of the Company has a direct or indirect interest. It is not voidable or the basis for imposing liability on a Director if approved after full disclosure in accordance with the requirements of Idaho Code section 30-3-81.

ARTICLE IV

Officers

Section 4.1 Required Officers. The Officers of the Corporation shall consist of at minimum a president, a secretary, and a treasurer, each of whom shall be appointed by the Board of Directors. The Board of Directors may appoint such other officers or assistant officers as may be deemed necessary or desirable.

Section 4.2 Multiple Office Holders. In any election of Officers, the Board of Directors may elect and appoint a single person to any two (2) or more offices simultaneously, except that the offices of President and Secretary must be held by separate individuals.

Section 4.3 Tenure and Duties of Officers.

4.3.1 *Term of Office.* Each Officer shall be appointed by the Board of Directors and hold office at the pleasure of the Board or until death, resignation, or removal. If the Office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

4.3.2 *The President.* The President shall be the principal executive officer of the Company and, subject to the control of the Board of Directors, shall, in general, supervise and control all of the business and affairs of the Company. If so authorized by the Board of Directors, he or she may appoint such other officers or assistant officers as he or she deems appropriate to the conduct of the Company's business. He or she shall, when present, preside at all meetings of the Subscribers and of the Board of Directors. He or she may sign, with any other proper officer of the Company thereunto authorized by the Board of Directors, any deeds, mortgages, contracts, or other instruments including, checks; drafts; notes and other negotiable instruments; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of Company property; assignments; leases; partnership agreements; and any other instruments or documents necessary in which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Company, or shall be required by law to be otherwise signed or executed; and, in general, the President shall perform all duties commonly incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

4.3.3 *The Vice President.* In the absence of the President or in the event of his or her removal, resignation, death, or inability or refusal to act, the Vice President (or in the event there is more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform

other duties commonly incident to the office of Vice President and such other duties as, from time to time, may be assigned to him or her by the President or by the Board of Directors.

4.3.4 *The Secretary.* The Secretary shall: (i) attend all meetings and keep the minutes of the meetings and other proceedings of the Subscribers and of the Board of Directors in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of and responsible for authentication of the corporate records, and be custodian of the seal of the Company and see that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized; (iv) keep a register of the post office address of each Subscriber and whether each Subscriber has agreed to the provisions of Section 2.1 of these Bylaws. (Each Subscriber's address shall be furnished to the Secretary by such Subscriber.); (v) sign, with the President, or a Vice President, applications to become a Subscriber of the Company; and (vi) in general, perform all duties commonly incident to the office of Secretary and such other duties as, from time to time, may be assigned to him or her by the President or by the Board of Directors.

4.3.5 *The Treasurer.* The Treasurer shall: (i) have charge and custody of and be responsible for all funds of the Company; (ii) receive and give receipts for monies due and payable to the Company from any source whatsoever, and deposit all such monies in the name of the Company in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (iii) in general, perform all of the duties commonly incident to the office of Treasurer and such other duties as, from time to time, may be assigned to him or her by the President or by the Board of Directors. Without diminishing the responsibility of the Treasurer for the Company's funds, all disbursements, whether by check or otherwise, shall only be made with the signatures of at least two (2) officers.

Section 4.4 Resignations. Any Officer may resign at any time by delivering written notice to the Company. A resignation is effective when the notice is delivered unless the notice specifies a later effective date, in which event the resignation shall become effective at such later time at the discretion of the Directors. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective.

Section 4.5 Removal. The Board of Directors may remove any Officer at any time with or without cause.

Section 4.6 Bank Accounts. The Treasurer may establish a bank account in the name of the Company from which disbursements may only be made with the signature of at least two (2) Officers.

ARTICLE V

Indemnification of Directors and Officers

Section 5.1 Indemnification. The Company shall indemnify any Officer or Director against claims arising from action taken as such Officer or Director to the extent allowed by the laws of Idaho.

Section 5.2 Insurance. The Company may purchase and maintain directors and officers liability insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Company against liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such. The Company may purchase and maintain other insurance on behalf of the Company to provide a fund from which to pay the indemnification provided for herein. The Company may purchase and obtain such insurance whether or not the Company would have the power to indemnify against such liability.

ARTICLE VI

Enforcement

Section 6.1 Violation. Any violation of the Bylaws or Policies and Procedures may result in an imposition of assessment and/or termination or suspension of services. Upon discovering the violation, the Board of Directors may impose a special assessment for each violation and/or may terminate or suspend the rights of such Subscriber for a period until such violation is corrected and/or such special assessment or other fees owing are paid.

6.1.1 *Notice and hearing.* If the board intends to impose an assessment, and/or terminate or suspend the rights of a Subscriber, notice shall be given by certified mail or hand delivery seven (7) days prior to imposition of the assessment and/or termination or suspension of services. The Subscriber may request a hearing within seven (7) days of the notice of assessment, and/or termination or suspension. If the Subscriber fails to request a hearing prior to the imposition of assessment, termination or suspension of services, the Company may hold a hearing at a later date and continue with the previously noticed imposition of assessment, suspension, or termination. The Subscriber will have an opportunity at such hearing to be heard in person or by counsel at the Subscriber's expense. At the hearing, the Board of Directors may reconsider any imposition of assessment, suspension, or termination.

Section 6.2 Default. In the event any Subscriber fails or refuses to pay their dues or assessments and such failure continues for a period of sixty (60) days after mailing of notice, such failure shall constitute a default and shall entitle the Company to a lien against the Subscriber's lot.

6.2.1 Lien. The lien shall be effective when filed of record by the President or Secretary in the office of the Boise County Recorder, Boise County, Idaho, signed and verified and containing the following information:

- (i) A statement of all dues and/or assessments due and payable;
- (ii) A description sufficient for identification for that portion of the Lot owned by the defaulting owner which is subject to the lien;
- (iii) The name of the defaulting Subscriber; and
- (iv) The name and address of the President or other party asserting the lien.

6.2.2 Surcharge upon Default. A Subscriber shall be considered in default if such Subscriber fails or refuses to pay their dues, fees, or any assessments within the time required by this Section. Such default shall then make due and owing a surcharge equal to 25% of the unpaid bill, and legal action may thereafter be instituted against the defaulting Subscriber by any Subscriber or the Company who may have paid such expense.

6.2.3 Interest. Interest shall accrue from the date payment was due until paid at a rate equal to the lesser of (1) the highest rate allowed by law, or (2) the rate 5% above the reference rate of interest charged from time to time to corporate borrowers of the highest credit standard by Wells Fargo Bank of Idaho or its successor ("Default Rate").

Section 6.3 Termination of Service. With proper notification, the Board of Directors shall have the authority to terminate or suspend service if:

- (1) The Subscriber denies or willfully prevents the Company's access to water facilities or equipment;
- (2) The Subscriber violates the Policies and Procedures or Bylaws of the Company concerning water use;
- (3) The Subscriber fails to repair leaks for which the Subscriber is responsible in a timely manner;
- (4) The Subscriber disposes or sells the Subscriber's interest in the Lot;

- (5) The Subscriber defaults in payment of any dues or other obligations as required by these Bylaws;
- (6) The Board of Directors deems it necessary to prevent a violation of local, state or federal health codes; or
- (7) The Subscriber bypasses or steals water from the System.

ARTICLE VII Dissolution

Section 7.1 Dissolution. The Company may be dissolved with the approval of 75% of the Subscribers present in person or by proxy at an Annual or Special Meeting of Subscribers at which a quorum is present.

Section 7.2 Effect of Dissolution. Upon dissolution, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until winding up and distribution is completed and Articles of Dissolution shall be issued by the Secretary of State.

Section 7.3 Distribution upon Dissolution. Upon dissolution of the Company, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Company, distribute the assets of the Company to the Subscribers in proportion to their respective voting rights.

ARTICLE VIII General Provisions

Section 8.1 Amendment of the Articles of Incorporation. The Articles of Incorporation may be amended with the approval of 75% of the Subscribers present in person or by proxy at an Annual or Special Meeting of Subscribers at which a quorum is present. Amendments to the Articles must be filed with the Secretary of State in accordance with the requirements detailed in Idaho Code section 30-3-93.

Section 8.2 Amendment of the Bylaws. The Subscribers may amend the Bylaws with the approval of 75% of the Subscribers present in person or by proxy at an Annual or Special Meeting of Subscribers at which a quorum is present.

Section 8.3 Books and Records. The Company will keep correct and complete books and records of account and will also keep minutes of the proceedings of its Subscribers, Board of Directors, and Executive Committee, if any. The Company will keep at its registered office a Subscriber register of each Subscriber's name, address, and other details of the deemed necessary by the Board of the Company, and the original or a copy of its Bylaws, including

amendments to date. Absent consent of the Board of Directors, the Subscriber list shall not be obtained or used by any person for any purpose unrelated to a Subscriber's interest in a Lot.

Section 8.4 Inspection of Books and Records. All books and records of the Company may be inspected by a Subscriber, Director, or Officer, or his or her agent or attorney, for any proper purpose at any reasonable time on written demand stating such purpose.

Section 8.5 Nonprofit Operations. The Company will not have or issue shares of stock. No dividend will be paid, and no part of the income or assets of the Company will be distributed to its Subscribers, Directors, or Officers. However, the Company may contract in due course of business with Subscribers, Officers, or Directors for services rendered.

Section 8.6 No Loans. The Company will loan no money to any of its Subscribers, Directors, or Officers.

Section 8.7 Interpretation; Severability. These Bylaws may contain any provision for managing the business and regulating the affairs of the Company that is not inconsistent with law or the Articles. In the event any provision of these Bylaws is inconsistent with law or the Articles, such law or Articles shall govern. If any one or more of the provisions contained in these Bylaws, or any application thereof, shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

The foregoing Bylaws of Terrace Lake Water Company, an Idaho nonprofit corporation, were adopted by its Board of Directors effective as of the 26th day of Jan., 2010.

Ilene Johnson
Ilene Johnson, President

ATTESTED TO BY:

Lonnie E. Bramon
Secretary

STATE OF IDAHO
COUNTY OF: BOISE

On this 26th day of JAN, ²⁰¹⁰~~2004~~, before me, a Notary Public in and for the State, personally appeared ILENE JOHNSON & LONNIE E. BRAMON, known to me to be the PRESIDENT AND

Corporate Secretary of the corporation that executed this instrument or persons who executed the instrument on behalf of said corporation and acknowledged to me that such corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

M. S. Clifton Notary Public
Residing at Boise, Idaho
Comm. Expires: 1.31.11

