

Cape Horn Estates Homeowners Association, Inc. Amended By-Laws

An Idaho Non-Profit Corporation: Title 30 Chapter 30 Idaho Code

These Amended By-Laws of the Cape Horn Estates Homeowners Association, Inc. have been adopted this 1st day of November, 2024, pursuant to the Corporation's governing documents and shall supersede and control over any and all prior By-Laws and amendments thereto of the Corporation. These Amended By-Laws (hereinafter "By-Laws") shall be the By-Laws of the Corporation and shall amend and supersede the Corporation's Amended By-Laws recorded on October 19, 2021, as instrument No. 993885 in the records of Bonner County.

The purpose for these By-Laws is, in part, to enforce those "Covenants for Cape Horn Estates Development" adopted by the Corporation and recorded in the records of Bonner County, Idaho on June 27, 2017, as Instrument no. 907334, which are incorporated herein by reference.

1 MEMBERSHIP

- 1.1 The Corporation is a membership corporation comprised of 107 lots in Bonner County, Idaho, which are identified in the plat for Cape Horn Estates, recorded in the records of Bonner County, Idaho on June 30, 1971, as Instrument No. 134192, and as thereafter amended, altered or changed, which are incorporated by reference, with each its owner(s) and thereby member(s), to one vote per lot. There is a maximum of one vote allowed per lot regardless of the number of owners of a lot and membership interests created by the ownership. Two lots are owned by the corporation and do not have rights or privileges of membership.
- 1.2 No person shall become a member of this corporation unless they have purchased or otherwise acquired a lot in Cape Horn Estates, and their membership shall terminate upon disposal of their real property within Cape Horn Estates.
- 1.3 Except as otherwise provided in these By-Laws, all persons shall become members of this corporation and entitled to any of the rights or privileges of membership herein solely by reason of ownership of at least one lot in Cape Horn Estates.

2 MEETINGS OF THE MEMBERS

- 2.1 The annual meeting of the members shall be held each year at the Bayview Community Center or other designated place in Bayview, Idaho on or near the first Saturday in July for the election of the Directors and for the transaction of such other business as may properly be brought before the meeting. Notice of the date, time and place of the annual meeting will be given via postal and/or digital communication no less than 30 days prior to the meeting.
- 2.2 The President shall appoint up to three members, which shall on or before fifteen (15) days prior to the annual meeting nominate at least one member for each vacancy on the Board of Directors to be voted upon at the annual meeting. The Secretary shall prepare appropriate ballots containing said names, with provision for write-in names pursuant to nominations from the floor for use at the annual meeting.
- 2.3 Special meetings of the members may be called by the President and shall be called by the President or Secretary by resolution of the Board of Directors or at the request in writing of members holding a

majority of lot ownerships and entitled to vote. Such resolution or request shall state the purpose or purposes of the proposed meeting. Notice via digital communication, such as email, of a special meeting of the members, stating the time, the object and the place thereof shall be given at least ten (10) days before the date of the meeting to each lot owner entitled to vote. Business transacted at any special meeting of members shall be limited to the purposes stated in the notice.

- 2.4 Representation of thirty percent (30%) of the lot ownerships and entitled to vote, present in person or by proxy, shall constitute a quorum at all meetings of the members. If such quorum be not present, the members present shall have the power to adjourn the meeting without further notice, until a quorum shall be present. When a quorum is present at any meeting, the vote of sixty percent (60%) of the lot ownerships entitled to vote present or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by statute, the Articles of Incorporation, these By-Laws, or other express limitation, a different vote is required, in which case the latter shall govern.
- 2.5 Each member shall at every meeting of members be entitled to one vote in person, whether physically or by digital presence, or by proxy for each lot ownership held by them which is entitled to vote.
- 2.6 No member shall be entitled to vote unless all valid dues or assessments applicable due more than thirty (30) days prior to the meeting have been paid.
- 2.7 Whenever the vote of the members at a meeting thereof is required or permitted in connection with any corporate action by statute, the Articles of Incorporation, the By-Laws or otherwise, the meeting and vote may be dispensed with if all the members who would have been entitled to vote upon the action at such a meeting shall vote on the question by written signed ballot.
- 2.8 The meeting minutes for all regular meetings of the members and special meetings of members shall be taken and preserved.

3 DIRECTORS

- 3.1 The business and affairs of this corporation shall be managed by a Board of Directors. The number of Directors comprising the Board of Directors shall be not less than five or more than nine. The term of office of the Directors elected shall be until the day of the annual meeting in the third year after their election.
- 3.2 All Directors must be members of this corporation or, with the consent of a member, their spouse or an adult member of their household.
- 3.3 Vacancies may be filled through the action by the majority vote of the Directors then in office, and Directors so chosen shall hold office until the next annual meeting to fill the unexpired term.
- 3.4 As soon as practical after the annual meeting of the members, preferably immediately following the adjournment of the annual meeting, the Board of Directors shall meet for organization, election of officers and the transaction of any other business. No notice of such meeting need be given if a quorum be present.
- 3.5 Regular meetings of the Board of Directors are open to all members and will be held at such time and place as may from time to time be determined by the Board. Special meetings of the Board of Directors may be called by the President and shall be called by the Secretary on the written request of two Directors. Notice of special meeting of the Board of Directors shall be given to each Director at least three days before the meeting if given in person, or by telephone, or via digital communication. The notice need not specify the business to be transacted. Emergency meetings of the Board of Directors may be called by any Director, whereby time is of the essence that will affect the welfare or safety of the community, and a quorum of Directors is present. Business transacted at any emergency meeting of the Directors shall be limited to the purpose of the expressed emergency and all Directors

shall be notified within 24 hours of the emergency meeting what business was discussed and the results of any votes taken.

- 3.6 At all meetings of the Board of Directors a majority of the Directors then in office shall constitute a quorum and the act of a majority of the Directors present at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting, the Directors present shall adjourn the meeting without further notice until a quorum shall be present.
- 3.7 Any meeting of the Board of Directors may be conducted by digital (such as Zoom) or telephone conference whereby all Directors participating are in voice contact with each other throughout the meeting, without the necessity of gathering physically in each other's presence, subject to all requirements of quorum, notice and waiver of notice generally applicable to meetings of the Board.
- 3.8 Individual business items may be discussed via digital communication, such as email, whereby all Directors are included in all discussions of said business. Should a Director fail to respond within seven (7) days to request input and there is a quorum established, the remaining Directors may act on said business items. Votes may be conducted via digital communication allowing reasonable time for discussion of said items by all participants. After discussion the President or Secretary shall call for final input, at which time all Directors will have 24 hours to cast their vote or change their previously submitted vote if they so desire.
- 3.9 To the fullest extent allowable by law, the Corporation shall indemnify, defend and hold the Directors harmless from any act or omission taken on behalf of or in any way concerning the Corporation.
- 3.10 No salaries shall be paid to the Directors of the Corporation. The one exception to foregoing being that each Director of the Corporation shall not be required to pay the annual dues for one lot. This exception does not apply to any and all special levies as may be assessed.

4 OFFICERS

- 4.1 The officers of the corporation shall be chosen by the Board of Directors at its first meeting after each annual meeting of the members and shall appoint a President, Vice-President, Secretary and Treasurer. The office of Secretary-Treasurer may be combined in one person. All officers shall be members of the Board of Directors.
- 4.2 The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.
- 4.3 No salaries shall be paid to the President, Vice-President, Secretary or Treasurer as such, but if the Board of Directors employs an individual holding one or more offices for additional duties of a nature which would otherwise require compensation, such person may be given reasonable compensation therefor. The one exception to foregoing being that each Officer of the Corporation shall not be required to pay the annual dues for one lot. This exception does not apply to any and all special levies as may be assessed.
- 4.4 Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the majority vote of the Board of Directors. Any vacancy occurring in any office shall be filled by the majority vote of the Board of Directors.
- 4.5 The President shall be the Chief Executive Officer of the Corporation, shall preside at meetings of the members and of the Board of Directors. They shall have general management of the business of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect.

- 4.6 The Vice-President shall, in the absence of the President, perform the duties and exercise the powers of the President. They shall perform such other duties and have such other powers as the President of the Board of Directors may from time to time prescribe.
- 4.7 The Secretary shall act under the direction of the President. They shall attend meetings of the Board of Directors and of the members and record the proceedings. They shall give notice of all special meetings of the members and of the Board of Directors and shall perform such other duties as may be prescribed by the President or the Board of Directors.
- 4.8 The Treasurer shall have custody of the corporate funds, shall keep full and accurate accounts of receipts and disbursements and shall deposit all monies in such depositories as may be directed by the Board of Directors. They shall disburse the funds of the corporation as may be ordered by the Board of Directors, making proper vouchers for such disbursements, and shall render to the President and the Board of Directors, when the Board so requires, an account of all transactions and of the financial condition of the corporation. They shall, at intervals as required by the Board of Directors, prepare and submit to the Board a budget for the ensuing period, estimating receipts and disbursements, together with their recommendations as to the amount of dues to be charged, or assessments to be levied. If required by the Board of Directors, the Treasurer shall give bond for the faithful performance of their duties.
- 4.9 To the fullest extent allowable by law, the Corporation shall indemnify, defend and hold the Officers harmless from any act or omission taken on behalf of or in any way concerning the Corporation.

5 NOTICE

- 5.1 Notice to Directors and to members mailed or emailed to the addresses appearing in the Secretary's records for the corporation, shall be deemed to be given at the time when posted or transmitted digitally.

6 COMMITTEES

- 6.1 The President may from time to time appoint from the members such committees for such purposes as they shall deem desirable. Such committees shall report to the President, or the Board of Directors as the President may direct.
- 6.2 The Board of Directors may from time to time appoint from their number or from the members, such committees for such purposes as the Board may deem desirable. Such committees shall report to the President or to the Board of Directors as the President may direct.

7 OWNERSHIP, CONTROL AND USE OF CORPORATION'S PROPERTY

- 7.1 The ownership of the roads in Cape Horn Estates will be vested in this Corporation. Such roads, areas, and any other facilities will be for the use and enjoyment of members, their families and their social and business guests and invitees. Except as otherwise expressly provided herein or in the Articles of Incorporation of the Corporation, or by contractual provision, no persons other than those listed above shall have the right to the use thereof.
- 7.2 It shall be the responsibility of this Corporation to pay taxes and assessments on the roads, areas and other facilities and to maintain the same and pay all costs of maintenance.

- 7.3 This Corporation, acting through its Board of Directors shall have the right and the duty to establish, promulgate and enforce reasonable rules and regulations for the use of its roads, areas and any other facilities and for the conduct of members and their guests and invitees with respect thereto, and to provide for liens upon the property of a member for any assessment duly levied by the Corporation for the purposes of the undertakings herein, which lien shall be enforceable pursuant to the laws of the State of Idaho as provided by Title 45 Chapter 1 Idaho Code, Title 45 Chapter 8 and/or other law, rule, or statute, as existing or as hereafter amended, which are incorporated by reference.
- 7.4 As of 2002, Bayview Water and Sewer District owns the water system including the water tanks, pumps, pipes and other infrastructure, and is responsible for its operation, repair and maintenance. BWSO Resolution 2007-001, Description of Services Section 5, Subsection C.

8 RESTRICTIONS AND PROTECTIVE COVENANTS

- 8.1 Certain restrictions and protective covenants running with the land have been and from time to time may be established for the protection and enjoyment of owners of lots at Cape Horn Estates. This Corporation shall have the right and responsibility to act on behalf of its members or any of them in enforcing such restrictions and protective covenants and in seeking and obtaining any available remedies for violation thereof.

9 EXECUTION OF CONTRACTS CONVEYANCES AD OTHER DOCUMENTS

- 9.1 Contracts, conveyances, mortgages and other security instrument on behalf of the corporation shall be signed by the President or the Vice- President, and the Treasurer or by such other person or persons as may be specifically authorized by the Board of Directors, when authorized by the Board of Directors, and when so signed shall be binding upon the corporation according to their tenure. Checks, drafts and notes of the corporation and demands for money shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.
- 9.2 The Board of Directors may, at its discretion, adopt a corporate seal in such form as it may designate.

10 ASSESSMENTS

- 10.1 The Board of Directors shall determine from time to time the amount of annual dues and special levies payable to the Association by members. These annual dues and special levies shall be based on a budget submitted by the Treasurer with their recommendation as to the amount of such annual dues and/or special levies required by the Association's operations.
- 10.2 Annual dues shall be payable in advance on the first of August in each year. Special levies shall become due and payable as prescribed by the Board of Directors at the time such special levies are made.
- 10.3 When any member shall be in default in the payment of annual dues for a period of ninety (90) days after August first, or in the payment of special levies for ninety (90) days after their assessment, they will no longer be entitled to any rights or privileges of membership, including but not limited to having voting privileges or use of community property. A member's rights or privileges shall be reinstated upon the member paying all dues and/or assessments in arrears.
- 10.4 Any member may resign by filing their resignation with the Secretary of the Association, but such resignation shall not relieve them of their obligation to pay any dues, assessments or other charges

therefore accruing and unpaid. Upon such resignation, the resigning member shall no longer be entitled to any of the rights or privileges of membership.

10.5 Upon written request filed by a former member with the Secretary of the Association, the Board of Directors, by the affirmative vote of two-thirds of the members of the Board, may reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

11 AMENDMENT OF BY-LAWS

11.1 The By-Laws of this Corporation may be altered, amended or repealed by written vote of the majority of member votes as provided by Title 30 Chapter 30 Idaho Non-Profit Corporation Act.

Adopted the date first written above by the undersigned acting on behalf of the Corporation.

Sarah Zabel, President

Date

Helen Dane, Secretary

Date