

LAKE CAMBELL IMPROVEMENT ASSOCIATION, INC.

BY-LAWS

ARTICLE I.

General Purposes

This association shall be known as "Lake Campbell Improvement Association, Inc.", incorporated under the laws of the state of South Dakota. The purposes for which the Corporation is formed and the powers which it may exercise are set forth in the Articles of Incorporation of the Corporation.

ARTICLE II

Name and Location

Section I. The name of the Corporation is Lake Campbell Improvement Association, Inc.

Section II. The principal office and place of business of this Corporation shall be located in the City of Brookings, South Dakota, but the Corporation may maintain offices and places of business at other places within or outside the State as the Board of Directors may determine from time to time.

ARTICLE III

Fiscal Year

The fiscal year of the Corporation shall begin on the 1st day January in each year and end on the 31st day December in each year.

ARTICLE IV

Governing Body

This Corporation shall be governed by a Board of Directors consisting of twelve (12) Directors to be elected by the members of the Corporation from time to time and in such manner as hereinafter provided. Such Board shall meet immediately after the membership meeting and organize by the election of a President, Vice-President, Secretary and Treasurer from their own members.

ARTICLE V

Membership

Section I. Any individual, partnership or corporation who is interested in the promotion, development and improvement of Lake Campbell, which lake is located in Brookings County and Moody County, South Dakota, and who makes application for membership in the Corporation, shall be eligible for membership therein.

Section II. There shall be one (1) class of membership in the corporation. A husband and wife may hold a joint membership in the corporation.

Section III. A person may become a member of the Lake Campbell Improvement Association by:

- (a) Making a written or oral application for membership therein;
- (b) Paying the membership fee as established by the Board of Directors from time to time;
- (c) Agreeing to comply with and be bound by the Articles of Incorporation and the By-Laws of the Corporation and any rules and regulations adopted by the Board of Directors.

ARTICLE VI

Meetings of Members

Section I. Annual Meeting. The annual meeting of the members of the Corporation shall be held during the month of March, April, May or June of each year on such date and at such place as shall be selected by the Board of Directors. The date, time and place shall be designated in the Notice of the Meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Corporation.

Section II. Special Meetings. Special meetings of the members may be called by Resolution of the Board of Directors or upon a written request signed by any two (2) Directors, by the President or by ten (10%) percent or more of all of the members and it shall thereupon be the duty of the Secretary to cause Notice of such meeting to be given as hereinafter provided. Special meetings of the members must be held within thirty (30) days from the date of receipt of the special request therefore and shall be held at such time and at such place as shall be determined by the Board of Directors.

Section III. Notice. Notice of the meetings of members of the Corporation shall be given by Notice mailed, e-mailed, or announced through the Lake Campbell website, to each member of record, directed to the address shown on the books of the Corporation, at least ten (10) days prior to the meeting. Such Notice shall state the nature, time, place and purpose of the meeting, but failure or irregularity of notice of any annual meeting, regularly held, shall not affect any proceedings taken thereat.

Section IV. Quorum. Ten (10%) percent of the members shall constitute a quorum to any meeting of the members.

Section V. Vote. Each member shall be entitled to one (1) vote on all issues submitted to the membership. In the case of joint members, either one or the other may cast the vote. The vote may not be split between them. Except as otherwise provided in the By-Laws, all questions shall be decided by a vote of the majority of the members voting thereon in person. Except as otherwise provided in the By-Laws or the Articles of Incorporation, voting by proxy shall not be permitted.

ARTICLE VII

Directors

Section I. General Powers. The business and affairs of the Corporation shall be managed by a Board of Directors which shall exercise all the powers of the Corporation except such as are by law, the Articles of Incorporation or these By-Laws conferred upon or reserved to any committee or member.

Section II. Execution and Tenure of Office. Directors shall hold office for a period of three (3) years, except that at the first annual meeting of the members, two (2) Directors shall be elected for a term of three (3) years. At each election thereafter, the Directors shall be elected for a term of three (3) years. The Directors shall hold office until their successors have been elected and qualified.

Section III. Qualifications. No person shall be eligible or remain a Director who is not a member of the Corporation. In the case of a joint membership, either party may qualify to become a Director but not both. In the case of a corporate membership, the Corporation may designate a member of said Corporation to represent said Corporation at all membership meetings. Such person so designated by the Corporation shall also be eligible to become a Director so long as he/she remains the designated representative of said Corporation. Upon establishing the fact that a Director is holding office in violation of any these provisions, the Board of Directors shall remove such Director from office by a majority vote. Nothing contained in the Section shall affect any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

Section IV. Nomination and Election of Director. Election of Directors takes place by written ballot at the annual meeting of the membership. Members can volunteer to have their name placed on the ballot prior to the annual meeting or by nomination at the annual meeting. Only members of the Corporation shall be entitled to nominate a candidate for Director. Nominations will not require a second. All members of the Corporation present at said meeting shall be entitled to vote on the Director candidates.

Section V. Vacancies. Any vacancy on the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors. The Director so selected shall serve for the unexpired term of the Director he or she has been appointed to replace.

Section VI. Election. Directors shall be elected by plurality vote of the members voting.

Section VII. Acting Without a Meeting. Any action to be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action to be taken, shall be signed before such action by all of the Directors.

Section VIII. Compensation. Directors shall not receive any salary for their services as Directors and for attendance at each meeting of the Board of Directors and for attendance at any other meeting on behalf of the Corporation which is authorized by the Board of Directors. No Director shall receive compensation for serving the Corporation in any other capacity, nor shall any close relative of a Director receive compensation for serving the corporation unless the payment and amount of compensation shall be specifically authorized by a vote of the members.

ARTICLE VIII

Meetings of Directors

Section I. The regular meeting of the Board of Directors shall be held without notice immediately after and at the same place as the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly at such time and place as the Board of Directors may provide by Resolution. Such regular monthly meeting may be held without Notice other than such Resolution fixing the time and place thereof.

Section II. Special Meetings of the Board of Directors may be called by the President or by any two (2) Directors and it shall thereupon be the duty of the Secretary to cause Notice of such meeting to be given as hereinafter provided. The President of the directors calling the meeting shall fix the time and place for holding the meeting.

Section III. Notice of Special Meetings. Written notice of the time and place and purpose of any special meeting shall be delivered to each Director not less than five (5) days previous thereto, either personally, by mail or e-mail, at the direction of the Secretary or upon a default in duty by the Secretary, by the President, or the Directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the Director, at this address, as it appears on the records of the corporation, with postage thereon fully prepaid.

Section IV. Quorum. 2/3 of the members of the Board of Directors shall constitute a quorum for conducting business. However, if less than 2/3 of the Directors are present at such meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of the majority of the Directors present at a meeting which a quorum is present shall be the act of the Board of Directors.

ARTICLE IX

Committees

Section I. There is hereby established an Executive Committee which shall consist of the President, the Vice-President, the Secretary, and the Treasurer. Said Committee shall have such powers and authorities as may be delegated to it from time to time by the Board of Directors.

Section II. The Board of Directors shall have authority and power to appoint such other committees for such purposes as they shall deem necessary from time to time and said committees shall be responsible directly to the Board of Directors for all actions taken.

ARTICLE X

Officers

Section I. The officers of the corporation shall be a President, Vice- President, Secretary, and Treasurer and such other officers as may be determined from time to time.

Section II. The officers shall be elected annually by and from the Board of Directors at the Board meeting held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his/her successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

Section III. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interest of the Corporation will be served thereby.

ARTICLE XI

Duties of the Officers

Section I. The President shall:

- (a) Be the principal executive officer of the Corporation and unless otherwise determined by the Board of Directors, shall preside at all meetings of the Board of Directors;

- (b) Sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed.
- (c) In general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section II. Vice-President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice-President shall perform the duties of the President and when so action shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section III. Secretary. The Secretary shall be responsible for:

- (a) Keeping the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose;
- (b) Arranging for all notices to be given in accordance with the By-laws or as is required by law;
- (c) The safekeeping of the corporate records.
- (d) Arranging for a complete copy of the Articles of Incorporation and By-Laws of the Corporation contain all amendments thereto to be maintained at the Corporation's principal office.
- (e) Signing with the President legal documents authorize by the Board of Directors, unless the signing of such documents has been delegated to other officers, agents or employed personnel.
- (f) Keeping an up to date register of the names and post office address of all members who have paid their dues.
- (g) Performing such other duties as are assigned to him/her by the Board of Directors.

Section IV. Treasurer. The Treasurer shall be responsible for:

- (a) Custody of all funds of the corporation;
- (b) The receipt of an issuance of receipts for all monies due and payable to the Corporation and the deposit of all such monies in the name of the Corporation in such bank or banks as are selected by the Board of Directors;
- (c) Reviewing the annual financial audit of the Corporation's financial and accounting records and make any necessary recommendations to the Board of Directors;
- (d) The general performance of all duties incident to the office of Treasurer and such other duties as are assigned to him/her by the Board of Directors.

Section V. The Treasure and any other officer or agent of the Corporation charged with the responsibility for the custody of any of its funds or property shall give bond in such sum with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may require any other office, agent or employee of the Corporation to give bond in such amount and with such surety as it shall determine. The expenses of such bond shall be a legal obligation of the corporation.

ARTICLE XII

Board of Directors – Duties

Section I. The Board of Directors subject to the restrictions of the law, the Articles of Incorporation, and By-Laws, shall exercise all of the power of the Corporation; and without prejudice to or limitation upon their general powers, it is

hereby expressly provided that the Board of Directors shall have, and are given full power and authority to perform the duties and functions hereinafter set forth, to-wit:

- (a) To pass upon the qualification of a member;
- (b) To select and appoint all officers, agents or employees of the Corporation or remove such agents or employees of the Corporation for just cause, describe such duties and designate such powers as may be consistent with these By-Laws, fix their compensation and pay for faithful services;
- (c) To borrow from any source monies, goods or services and to make and issue notes and other negotiable and transferrable instruments, mortgages, deeds of trust and trust agreements and to do every act and thing necessary to effectuate the same;
- (d) To prescribe, adopt and amend from time to time such equitable uniform rules and regulations as they, in their discretion, may deem essential or convenient for the conduct of the business and affairs of the Corporation and the guidance and control of its officers and employees and to prescribe adequate penalties for the breach thereof;
- (e) To order, at least once each year, an audit of the books and accounts of the Corporation by an accountant. The report prepared by such accountant shall be submitted to the members of the Corporation at their annual meeting;
- (f) To fix the charges to be paid by each member for services rendered by the Corporation to him/her, the time of payment and the manner of collection;
- (g) To select one or more banks to act as depositories of the funds of the Corporation and to determine the manner of receiving, depositing and disbursing the funds of the Corporation in the form of checks and the person or persons by whom the same shall be signed with the power to change such bank and the person or persons signing such check and the form thereof at will.

ARTICLE XIII

Non-Profit Operation

The corporation shall at all times be operated on a non-profit basis for the mutual benefit of its members and the surrounding community. No interest or dividends shall be paid or payable by the Corporation on any capital furnished by its members. The Corporation shall at all times be operated to effect the purposes set forth in the Articles of Incorporation and shall be strictly ruled and governed by the qualifications and restrictions contained therein.

ARTICLE XIV

Miscellaneous

Section I. Membership and Other Organization. The Corporation shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchased; provided, however, that the Corporation may, upon authorization of the Board of Directors purchase stock in or become a member of any Corporation of organization organized on a non-profit basis having like or similar purpose of this Corporation when, in the opinion of the Board of Directors, such membership will promote the interest of the Corporation.

Section II. Waiver of Notice. Any member or Director may waive, in writing, any notice of a meeting required to be given by these By-Laws, either before or after such meeting. The attendance of a member or Director at any meeting shall constitute a Waiver of Notice of such meeting by such member or Director, except in case a member or Director

shall attend a meeting for the expressed purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called or convened.

Section III. Policies, Rules and Regulations. The Board of Directors shall have the power to make and adopt such policies, rules and regulations, not inconsistent with the law, the Articles of Incorporation, or these By-Laws, as it may deem advisable for the management of the business and affairs of the Corporation.

Section IV. Unless otherwise provided in these By-Laws, the rules of parliamentary procedure as provided in “Robert’s Rules of Order” shall govern the conduct of all meetings of the Board of Directors and the meetings of the Corporation.

Section V. These By-Laws may be repealed or amended from time to time by the members present at any regular or special meeting of the membership, provided, that notice of said proposed amendments or repeal contain the proposed amendment or repeal or a summary thereof, is mailed or e-mailed to each member at least ten (10) days prior to the meeting at which said amendment or repeal is to be considered. The Notice shall designate the general nature, purpose and effect of the proposed amendment or repeal.

Approved at the LCIA Annual Meeting—May 2015

Jim Booher, President