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BYLAWS

OF

BIGFORK MARINA ASSOCIATION, INC.

ARTICLE I

GENERAL

Section 1.01. Purpose. Bigfork Marina Association, Inc. (herein "BMA") is a nonprofit corporation organized for the purpose of acting as an owners' association for those having been granted certain rights to specified Boat Slips, and for related purposes, for that recreational marina known as Bigfork Marina located on property described below.

Section 1.02 Real Property Description. The real property in regard to which these Bylaws apply is located in Flathead County, Montana, and is more specifically described as follows:

> **Lot 2 of Bigfork Waterfront 2007, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Flathead County, Montana**

(herein the "Marina Property")

Section 1.03 Conflict with the Articles of Incorporation or with the Declaration and Acceptance of Covenants, Conditions, Restrictions, Easements, and Uses For Bigfork Marina. Should any provision of the BMA Articles of Incorporation (herein "Articles") or these Bylaws be inconsistent or conflict with any provision of the Declaration and Acceptance of Covenants, Conditions, Restrictions, Easements, and Uses For Bigfork Marina (herein "Declaration"), such provision of the Declaration shall supersede and take precedence over any such provision of the Articles and the Bylaws. In the event of a conflict between the Articles and these Bylaws, the Articles take precedence over the Bylaws.

Section 1.04 Application of Bylaws. All present and future Owners of a usage and possessory interest in and to, and Occupants of, Bigfork Marina, and their respective licensees, invitees, and employees shall be subject to and bound by all the provisions of the Bylaws. The act of accepting or having rights to, or mere occupancy of, a Boat Slip in Bigfork Marina will constitute ratification and acceptance of an agreement to comply with, and a conclusive presumption that the Bylaws are accepted, ratified, and will be complied with by such Owner or Occupant.

ARTICLE II

DEFINITIONS

The definitions as set forth in the Declaration, as amended from time to time and recorded in the office of the Clerk and Recorder, Flathead County, Montana, will apply to these Bylaws, and all defined terms used in these Bylaws will have the same meaning as the defined terms used in the Declaration, unless the defined terms in these Bylaws or the context of these Bylaws clearly indicate otherwise.

ARTICLE III

MEMBERS

Section 3.01. Eligibility. Every Owner of an interest in Boat Slip shall be a Member of BMA. Ownership of a Boat Slip is required in order to qualify for membership in BMA. Membership in BMA shall be mandatory and no Owner, during his or her ownership of a Boat Slip, shall have the right to relinquish or terminate his or her membership in BMA. When more than one person own a Boat Slip together all such persons will be Members.

Section 3.02. Classes of Membership. BMA will have one class of membership, composed of all Owners, including Declarant while Declarant (one or more of them) owns at least one (1) Boat Slip.

Section 3.03. Representation on Board of Directors. If title to a Boat Slip is held by a firm, corporation, partnership, association, trust, other legal entity or any combination thereof, or if any individual or entity holds title to more than one Boat Slip, then in either case that individual or entity may appoint, by a writing furnished to BMA, a delegate to represent each such Boat Slip, as a candidate for, and if elected, as a Member of, the Board of Directors. Such delegate will not vote as a Member of BMA unless such person is appointed by a proxy executed in conformance with these Bylaws to cast the voting interest of the Boat Slip which he represents.

Section 3.04. Proof of Membership. Any person or entity, on becoming an Owner, will furnish to the manager or the Secretary of BMA a photocopy or a certified copy of the

recorded instrument vesting that person or entity with an ownership interest, which instrument will remain in the files of BMA. An Owner will not be deemed a Member in good standing in BMA and thus will not be entitled to vote at annual or special meetings of BMA unless this requirement is first met. However, all Owners, irrespective of their standing in BMA, are bound by these Bylaws and all other Bigfork Marina Documents.

Section 3.05. Succession. The membership of each Owner will terminate without any formal BMA action whenever such person ceases to own any Boat Slip, and his or her membership in BMA shall automatically be transferred to the new Owner succeeding to such ownership interest. However, such termination will not relieve or release any such former Owner from any liability or obligation incurred under the Declaration or in any way connected with BMA during the period of such ownership, or impair any rights or remedies which the Board of Directors or others may have against such former Owner arising out of ownership of the Boat Slip and membership in BMA and the covenants and obligations incident thereto during the time the Owner was a Member.

Section 3.06. Membership Certificates. No certificates of stock will be issued by BMA, but the Board of Directors may, if it so elects, issue membership cards to Owners. Such membership card will be surrendered to the Secretary of BMA whenever ownership of the Boat Slip designated on the card terminates.

ARTICLE IV

MEMBER MEETINGS, QUORUM, VOTING, AND PROXIES

Section 4.01. Annual Meetings. The first annual meeting of the Members will be held within one year from the date of the incorporation of BMA at such hour and at such place as may be specified in a written notice of such meeting. Unless otherwise determined by the Board, each subsequent regular meeting of the Members will be held on the same day of the same month of each year thereafter at the same hour. In the event the Board chooses an alternative date for the regular annual meeting, it shall provide written notice to the Members of the alternative date. Such regular annual meetings shall be at such places as may be determined in a written notice of such meeting. If the date set for the annual meeting of the Members is a federal legal holiday, the meeting will be held at the same hour on the first day following such federal legal holiday.

Section 4.02. Special Meetings. Special Meetings of the Members may be called at any time by the President of BMA, or by a majority of the Board of Directors, or upon written request of Owners of at least two (2) Boat Slips, or upon written request of Declarant during the Period of Declarant Control.

Section 4.03. Notice of Meetings. Written notice of each annual, regular, or special meeting of the Members shall be given by, or at the direction of, the Secretary or person

authorized to call the meeting, by hand-delivering or by mailing a copy of such notice, postage prepaid, not fewer than ten (10) days prior to the meeting date, or if notice is mailed by Certified Mail, not less than thirty (30) days, nor more than sixty (60) days, prior to the date of such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of BMA. Such notice shall specify the date, place, and hour of the meeting, and, in the case of a special meeting, the purpose and agenda of such meeting. Any notice provided for herein with regard to annual or special meetings of the Members shall also be given by BMA to Bigfork Marina Condominium Association, Inc. in the same manner as BMA would notify its own BMA Members.

A Member may waive a notice required by Title 35, Chapter 2, M.C.A., the Articles, or the Bylaws before or after the date and time stated in the notice. The waiver must be in writing, be signed by the Member entitled to the notice, and be delivered to the corporation for inclusion in the minutes or filing with corporate records.

Section 4.04. Voting. All Members will be entitled to vote on BMA matters based upon one (1) vote per Boat Slip regardless of size. When more than one (1) person holds an interest in any Boat Slip, all such persons shall be Members. The one (1) vote of such Boat Slip shall be exercised as such persons among themselves determine, or, in the absence of such determination, as determined by the Board, but in no event shall more than one (1) vote be cast with respect to any Boat Slip. If any Owner or Owners cast a vote representing a certain Boat Slip, it will, in the absence of prompt protest from the other Owners of such Boat Slip during the meeting at which such vote is cast, thereafter be conclusively presumed for all purposes that such Owner or Owners were acting with the authority and consent of all other Owners of the same Boat Slip.

Any action that may be taken at any annual or special meeting of the Members may be taken without a meeting if the corporation delivers a written ballot to every Member entitled to vote on the matter. The written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot is valid when the number of votes cast by ballot equals or exceeds the quorum requirement to be present at a meeting authorizing the action and the number of approvals exceeds or equals the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the total number of votes cast by ballot. All solicitations for votes by written ballots must indicate the percentage of responses needed to meet the quorum requirements, state the percentage of approvals necessary to approve each matter other than election of directors, and shall provide that responses must be received by the Secretary of BMA, not less than five (5) days, nor more than twenty (20) days, before the ballot action is taken, unless the ballot provides otherwise. Responses received after or before the specified time shall not be counted. Delivery of a vote in writing to the Secretary of the Board shall be treated as the receipt of a vote by mail. Except as otherwise provided in the Articles or Bylaws, a written ballot may not be revoked.

Section 4.05. Quorum. The presence at a meeting (either in person or by proxy) of

Owners of at least thirty percent (30%) of the voting interests of BMA, shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or the Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present or represented.

Section 4.06. Actions Binding on Members. A majority of votes cast by Members constituting a quorum in person or by proxy will be sufficient to make decisions binding on all Owners, unless a different number or method of voting is expressly required by statute or by the Declaration, the Articles of Incorporation, or these Bylaws. When electing Directors a majority is more than fifty percent (50%) of the eligible votes at a meeting having a quorum in person or by proxy.

Section 4.7. Action Without a Meeting. Any action which may be taken by the vote of the Members at a regular or special meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members.

Section 4.08. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, executed by the Owner or Owner's duly authorized attorney-in-fact, dated and filed with the Secretary before the time of the meeting. Every proxy shall automatically terminate eleven (11) months after its date unless a different term is expressly provided in the proxy. In no event shall a proxy be valid for more than three (3) years from its date of execution, and in any case, regardless of its terms, a proxy shall automatically terminate upon the grant and conveyance by the Member of such Member's Boat Slip. The proxy is voided if it is undated or purports to be revocable without notice.

The Board shall have the power and authority to approve the form of proxy used and, at a minimum, such form shall include the following: (i) identification of the Boat Slip to what the proxy relates; (ii) the name of the holder of the proxy (which must be only one individual); (iii) the scope of the power granted by the proxy; and (iv) the signature of all Owners of record of the Boat Slip.

ARTICLE V

BOARD OF DIRECTORS

Section 5.01. Number. The affairs of BMA shall be managed by a Board of three (3) Directors. The number of Directors may be increased to a number permitted by amendment of the Bylaws, but must remain an odd number. However, no decrease in the number of Directors shall become effective or operate to shorten the term of office of any incumbent Director.

Section 5.02. Term of Office. The initial Board shall hold office until the first annual meeting of Members and until their successors are elected and qualified. At the first annual

meeting of the Members, the term of office for the initial Directors to be elected by the Members will be fixed at the time of their election as determined by the Members in order to establish a system of three (3) year terms in which one-third (1/3) of the Board is elected each year. On the initial Board elected by the Members, one Director will serve for a one (1) year term, one director will serve for a two (2) year term, and one director will serve for a three (3) year term. At the expiration of the initial term of office of each respective Director, a successor will be elected to serve three (3) years, or until a successor is elected and qualified. However, if the Board is increased in size larger than three (3), additional positions beyond three shall be elected to an initial term so that the terms of at least one-third (1/3) of the Directors shall expire annually. Any Director may serve successive terms.

Section 5.03 Qualifications. Each Director shall be a Member or a spouse of a Member (or if a Member is a legal entity such as a corporation, partnership, limited liability company, limited liability partnership, trust, or other entity, a Director may be an officer, authorized agent, partner, beneficiary or trustee of such Member) and shall be current in the payments of any BMA assessment attributable to such Member. If a Director shall cease to meet such qualifications during such Director's term, such Director will thereupon cease to be a Director, and such Director's place on the Board shall be deemed vacant. The requirements of this Section shall not apply to Directors appointed by Declarant, as hereinafter provided.

Section 5.04. Removal; Resignation. At any meeting of Members, the notice of which indicates such purpose, Directors may be removed, with or without cause, by a vote of a majority of the votes entitled to be cast at an election of Directors. Any director may resign by submitting a written notice to the Board stating the effective date of the Director's resignation, and acceptance of the resignation shall not be necessary to make the resignation effective.

Section 5.05. Vacancies. If a vacancy occurs on the Board, the vacancy shall be filled by an appointee(s) to be selected by a majority of the remaining members of the Board at the next scheduled Board meeting or at a special meeting called for that purpose. The appointee(s) shall serve until the next annual election. Any directorship to be filled by reason of an increase in the number of Directors may be filled by the Board for a term of office continuing until the next election of Directors.

Section 5.06. Compensation. No Director shall receive compensation for any service such Director may render to BMA. However, any Director may be reimbursed for such Director's actual expenses incurred in the performance of such Director's duties as a Director excluding expenses incurred for travel to and from Board meetings and lodging.

Section 5.07. Action Taken Without a 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 written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.08 Notices; Waivers. Three (3) days' notice of special meetings shall be given to each Director by the Secretary. Such notice may be given in person, orally, or in writing to each Director. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Written waiver of notice signed by a Director, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE VI

ELECTION OF DIRECTORS

Section 6.01. Election. Election to the Board shall be made by the Members by secret written ballot or oral vote. Those candidates for election to the Board receiving the greatest percentage of votes cast either in person or by proxy at the meeting shall be elected. Except as provided for in Article V, Sections 5.04 and 5.05 of the Bylaws, the Board shall not act to elect members of the Board or determine the qualifications, powers, and duties or terms of office of the Board Members.

Section 6.02. Declarant Appointments. Notwithstanding anything contained herein to the contrary, during the Period of Declarant Control, Declarant shall have the sole and exclusive right to appoint Directors.

ARTICLE VII

MEETINGS OF DIRECTORS; POWERS AND DUTIES

Section 7.01. Regular Meetings. Regular meetings of the Board shall be held from time to time without notice, at such place and hour as may be affixed from time to time by resolution of the Board. Should the date of any meeting fall upon a federal legal holiday, then that meting shall be held at the same time on the next day which is not a federal legal holiday. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Regular Board meetings may be held by telephone conference or similar communications equipment.

Section 7.02. Special Meetings. Special meetings of the Board shall be held and called by the President of BMA, by any Director, or by Declarant during the Period of Declarant Control, after not less than three (3) days' notice to each Director, or within a reasonable time after the presentation to the President of BMA of a petition signed by Owners of at least thirty

percent (30%) of the voting interests of BMA. Special Board meetings may be held by telephone conference or similar communication.

Section 7.03. Notice to Members. Board meetings may be held without notice to the Members. However, notices of meetings of the Board may be given to Members by newsletter or conspicuous posting within Bigfork Marina, or any other reasonable means as determined by the Board. If notice of a meeting is given to Members, an affidavit of notice by an officer of the Board shall be prima facie evidence that notice was given to the Members. Any notice of a Board meeting shall state the time and place of the meeting. If the Board does give notice of a meeting to Members, the failure of any Member to receive actual notice of the meeting of the Board does not affect the validity of any action taken at the meeting of the Board. Meetings of the Board shall be open to Members, except as to matters for which the Board is entitled to exclude Members pursuant to Montana law.

Section 7.04. Quorum. Except as otherwise provided in the Articles, the Bylaws, or the Declaration, a majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 7.05. Powers. The Board shall have the power to:

A. Elect and remove officers of BMA;

B. By a vote of a majority of the Board, adopt Rules and Regulations governing the uses of the Marina Property and related facilities, and the personal conduct of the Members and Occupants, and to establish penalties for the infraction thereof;

C. Suspend the right of a Member to vote and use the recreational facilities which are part of or appurtenant to the Marina Property during any period when such Member shall be default in the payment of any assessment levied by BMA. Such right may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published Rules and Regulations promulgated by the Board, or for infraction of other rules and regulations imposed by Bigfork Marina Condominium Association, Inc., and with which BMA is obligated to comply;

D. Engage the services of a management company(ies) or agent(s) to maintain, repair, replace, administer and operate the Marina Property, or any part thereof, or act on behalf of BMA for any such matters as the Board decides in its discretion, for all of the Members, upon such terms and for such compensation as the Board may approve;

E. Make repairs within the individual Boat Slip areas where such repairs are required for the welfare or safety of other Owners or for the preservation or protection of the Marina Property;

F. Grant, create, reserve, locate, relocate, or accept easements in, on, over, across, under or through the Marina Property. Such easements may include, but are not limited to easements for utilities; encroachments; easements for development, modification, construction, maintenance, repair, sales, and exhibition; and the use, occupancy and enjoyment of the Marina Property; and easements for other reasons and purposes as the Board may determine to be beneficial to the Members;

G. To enter into contracts within the scope of the Board's duties and powers, including, without limitation, contracts with any governmental district or other entity to provide amenities and services for the benefit of Members and their families, guests, tenants, and/or invitees;

H. After notice and an opportunity to be heard, impose reasonable monetary penalties on Owners and Occupants for violations of the Declaration, the Bylaws or BMA Rules and Regulations;

I. Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board; and,

J. Exercise for BMA all powers, duties and authority vested in or delegated to BMA and not reserved to the Members by other provisions of the Bylaws, the Articles, or the Declaration.

Section 7.06. Duties. It shall be the duty of the Board to:

A. Cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by the Owners of at least three (3) Boat Slips;

B. As more fully provided in the Declaration, to:

(1) Administer, operate, maintain, and repair the Marina Property;

(2) Determine the Common Expenses of the BMA at least thirty (30) days in advance of each annual assessment period;

(3) Within thirty (30) days after adoption of any proposed budget for BMA, provide a summary of such budget to all Members and send written notice of each Member's proportionate share of the Common Expenses to every Member subject thereto;

(4) Levy, collect and enforce payment of Assessments in accordance with the provisions of the Declaration, or any easement agreement or other agreement requiring BMA contributions;

C. As more fully has been, or will be, provided for in a separate instrument, participate with Bigfork Marina Condominium Association, Inc. in those costs associated with the routine inspection, maintenance, cleaning, and repair of storm water improvements, which include detention ponds, underground storage chambers, and affiliated cleanouts, located on the adjacent Condominium Property;

D. Comply with, and require BMA Members to comply with, obligations undertaken in any easement agreement or other agreements entered into with Bigfork Marina Condominium Association, Inc.;

E. Issue, or cause an appropriate officer to issue, upon written request by any person having any interest in any Boat Slip, a statement setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such a statement. If the statement provides that an assessment has been paid, such statement shall be conclusive evidence of such payments;

F. Procure and maintain casualty and liability insurance as more fully provided in the Declaration or any easement agreement or other agreement to which BMA is a party; and,

G. Cause all Directors, officers or employees having fiscal responsibilities to be bonded or obtain fidelity insurance coverage as more fully set forth in the Declaration.

H. Notify Bigfork Marina Condominium Association, Inc. of regular and special meetings of Members of BMA in the same manner it would notify BMA's Members.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 8.01. Enumeration of Officers. The officers of BMA shall be a President, Vice-President, Secretary and Treasurer, who may be members of the Board, and such other officers as the Board may from time to time create by resolution.

Section 8.02. Election of Officers. The election of officers will take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 8.03. Term. The officers of BMA will be elected annually by the Board, and each will hold office for one year or until a successor is duly elected, unless the officer sooner

resigns, or is removed, or is otherwise disqualified to serve.

Section 8.04. Special Appointments. The Board may elect such other officers as the affairs of BMA may require, each of whom will hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 8.05. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation will take effect on the date of receipt of such notice or at any later time specified in the notice, and unless otherwise specified in the notice, the acceptance of such resignation will not be necessary to make it effective.

Section 8.06. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy will serve for the remainder of the term of the officer replaced.

Section 8.07. Multiple Offices. Any two or more offices may be held by the same person except the offices of President and Secretary.

Section 8.08. Duties. The duties of the officers are as follows:

A. **President**. The President shall be the chief execute officer of BMA and shall supervise and control all of the business and affairs of BMA. The President shall, when present, preside at all meetings of the Members and at all meetings of the Board. The President may sign, with or without any other officer of BMA as authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except where the signing and execution thereof shall be expressly delegated by the Board or by the Bylaws to some other officer or agent of the corporation or shall be required by law to be otherwise signed or executed. The President shall have the power to appoint and remove one or more administrative vice presidents (who are not members of the Board) of BMA and such other assistants to the various elected officers of BMA as is necessary for the accomplishment of their duties. In general, the President shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board.

B. **Vice-President**. The Vice-President may act in place of the President in case of his death, absence, inability or failure to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or the President.

C. **Secretary**. The Secretary shall keep the minutes of the meetings of the Members and the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of the Bylaws, or as required by law, including notices of special and annual meetings of BMA which must be given to Bigfork Marina Condominium Association, Inc.; be custodian of the records and seal of BMA, and see that the

seal of BMA is affixed to all documents, when such is duly authorized, keep or cause to be kept under the Secretary's general supervision by a registrar or transfer agent appointed by the Board, a register of the name and post office address of each Member as furnished by such Member; have general charge of the transfer books of the corporation; and in general perform all duties incident to the office of Secretary and such other duties as may be assigned to the Secretary by the President or by the Board.

D. **Treasurer**. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of BMA; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all monies in the name of BMA in such banks, trust companies or other depositories as shall be directed by the Board; shall sign all checks and promissory notes of BMA except in those instances where the Board has delegated the authority to sign checks to a managing agent employed by BMA; shall keep proper books of account; shall cause a certified public accountant, as selected by the Board, who shall conduct audits on alternating years and who shall conduct reviews in opposite years of the books of BMA to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement or income and expenditures to be presented to the Members at the regular annual meeting of the Members, and shall deliver a copy of such to the Members.

Section 8.09. Committees. Subject to other provisions of the Bylaws, the Board shall appoint committees as the Board may deem appropriate to carry out the purposes of BMA.

Section 8.10. Amendment to the Declaration. Any amendment to the Declaration by BMA shall not be effective unless approved by the Owners of seventy-five percent (75%) of the voting interests of BMA and by Bigfork Marina Condominium Association, Inc., except that any amendment to the Declaration must be approved by Declarant during the Period of Declarant Control, before it can become effective. Following approval of any amendment to the Declaration, such amendment shall be executed by the President and Secretary of BMA and by the President and Secretary of Bigfork Marina Condominium Association, Inc. certifying that such amendment has been so approved, which Certification shall then be recorded in the office of the Flathead Clerk and Recorder. The provisions of this Section shall not apply to any amendment to the Declaration by Declarant pursuant to the exercise of its Special Declarant Rights reserved in the Declaration.

Section 8.11. Declarant Appointment. Notwithstanding anything contained herein to the contrary, during the Period of Declarant Control, Declarant shall have the sole and exclusive right to appoint officers of BMA.

ARTICLE IX

CONTRACTS, CONVEYANCES, CHECKS AND MISCELLANEOUS

Section 9.01 Contracts. The Board may authorize any officer or agent of BMA to enter

into any contract or execute and deliver any instrument in the name of the corporation, except as otherwise specifically required by the Articles and the Bylaws.

Section 9.02 Conveyances and Encumbrances. Corporate property may be conveyed or encumbered by authority of the Board or such other person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the President or Vice-President and the Secretary, or executed by such other person or persons to whom such authority may be delegated by resolution of the Board.

Section 9.03 Checks. All checks, drafts, notes and orders for the payment of money shall be signed by two (2) persons which shall be the President or Vice-President and the Treasurer, or such persons as shall be duly authorized by resolution of the Board.

Section 9.04 Fiscal Year. BMA's fiscal year shall be January 1 to December 31.

Section 9.05 Seal. The Board may adopt a corporate seal of such design as it may deem appropriate.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of BMA shall at all times, during reasonable business hours, be subjected to inspection by any Member, with the exception of those records which BMA is entitled to withhold from disclosure pursuant to Montana law. The Declaration, the Articles, and the Bylaws, and Rules and Regulations shall be available for inspection by any Member at the principal office of BMA, and copies thereof may be purchased at a reasonable cost from BMA.

ARTICLE XI

COMMON EXPENSES

Section 11.01. Annual Budget. The Board shall cause an estimated annual budget of the Common Expenses to be prepared for each fiscal year of BMA and shall, as provided in the Declaration, have the authority to adopt and amend such budgets without ratification by the Members. Such estimated annual budget shall take into account the estimated expenses and cash requirements that will be required for the operation, maintenance, repair and restoration of the Marina Property for the year including, but not limited to, the applicable of, management fees, salaries, wages, payroll taxes, attorneys' and accountants' fees, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power and adequate reserves as may be necessary for such, and other BMA or other fees as required. Within thirty (30) days after adoption of such budget, the Board shall provide a summary of the budget to all

Members. To the extent that Assessments received from Members during the immediately preceding year shall be more or less than the Common Expenses incurred by BMA for the current year, the surplus or deficiency, as the case may be, shall also be taken into account. The annual budget shall also provide for a reserve of contingencies for the year and a reserve for restoration and replacements, in reasonable amounts as determined by the Board. In addition, with respect to each Boat Slip fully admitted to the BMA membership, BMA shall maintain a working capital fund equal to at least two (2) months' estimated Common Expenses, the establishment of which shall be as provided in the Declaration.

Section 11.02. Assessments. As more fully provided in the Declaration, or any easement agreement or other agreement to which BMA is a party, each Member is obligated to pay BMA Assessments and, as may be applicable, easement and easement area assessments assessed against BMA by Bigfork Marina Condominium Association, Inc. for costs related to easements located upon the adjacent condominium property. All such Assessments are secured by a continuing lien upon any Boat Slip against which the Assessment is made, as more fully provided in the Declaration or other easement agreement to which BMA is a party.

Section 11.03. Partial Years and Months for the First Fiscal Year. The annual budget for the Common Expenses for the first fiscal year shall be as approved by the first Board. If the first fiscal year, or any succeeding fiscal year, shall be less than a full calendar year, the annual assessment for the Common Expenses shall be prorated in accordance with the number of months and days in such period covered by such budget for the purposes of determining the amount of the monthly installments.

ARTICLE XII

INDEMNIFICATION

Subject to the provisions of Title 35, Chapter 2, as amended from time to time, BMA shall, to the fullest extent authorized by applicable law, indemnify and hold harmless (through appropriate insurance or such other means as decided by the Board) each of its directors and officers, each member of any committee appointed by the Board, the Board, and Declarant, against any and all liability arising out of any acts of the directors, officers, committee members, Board membership, or Declarant (including any and all partners, officers, directors, employees, or authorized agents of Declarant or its partners, affiliates, or parent company or its subsidiaries or affiliated companies), or arising out of their status as directors, officers, committee membership, Board membership or Declarant (including any and all partners, officers, directors, employees, or authorized agents of Declarant or its partners, affiliates, or parent company or its subsidiaries or affiliated companies). Subject to applicable law as may be amended from time to time, it is intended that the foregoing indemnification shall include indemnification against all costs and expenses including, but not limited to, attorneys' fees and costs reasonably incurred in connection with the defense of any claim, action or proceeding, whether civil, criminal, administrative or other, in which any such director, officer, committee member, Board member,

or Declarant (including any and all partners, officers, directors, employees, or authorized agents of Declarant or its partners, affiliates, or parent company or its subsidiaries or affiliated companies), may be involved by virtue of such person having the status of a director, officer, committee member, Board member, or Declarant (including any and all partners, officers, directors, employees, or authorized agents of Declarant or its partners, affiliates, or parent company or its subsidiaries or affiliated companies).

ARTICLE XIII

NONPROFIT STATUS

BMA is not intended to generate a profit; rather it intends to be a nonprofit corporation under Montana corporate laws and shall be operated in accordance with provisions applicable to nonprofit Montana corporations. All assessments levied by BMA or for which BMA may be obligated shall be used exclusively to enhance, maintain and protect the desirability, attractiveness and safety of Bigfork Marina, for the improvement and maintenance of the Marina Property, and to satisfy those obligations undertaken with others, including Bigfork Marina Condominium Association, Inc., for the benefit of Members, and to reimburse BMA for the costs incurred in bringing an Owner into compliance with the Articles, Bylaws, Declaration, and the Rules and Regulations adopted by the Board of BMA or other rules and regulations with which BMA is obligated to comply.

ARTICLE XIV

AMENDMENTS

Subject to provisions of the Declaration and the Articles to the contrary, the Bylaws may be amended, altered or repealed by (a) the written consent of the Declarant until such time Declarant has conveyed a Boat Slip to an Owner, other than one or more of the Declarants; or (b) at a regular or special meeting of the Members, by a vote of the Owners of seventy-five percent (75%) of the voting interests of BMA entitled to cast votes and whether present in person or by proxy after such time as Declarant has conveyed at least one (1) Boat Slip to an Owner, other than one or more of the Declarants, so long as notice of such meeting states that such amendment, alteration or repeal is to be considered; provided, however, that as to particular matters set forth in the Declaration, the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision. However, in no event shall an amendment of the Articles or Bylaws be contrary to or inconsistent with any provision of the Declaration. Nothing to the contrary withstanding, no amendment of the Bylaws shall be effective unless approved by Declarant during the Period of Declarant Control. Within ten (10) days of such action to amend, alter or repeal the Bylaws, written notice shall be given to the Membership of BMA of such action.

ARTICLE XV

SEVERABILITY

If any provision of the Bylaws, or any paragraph, sentence, clause, phrase or word, or application thereof to any person or circumstance is invalidated by a court of competent jurisdiction, such invalidity does not affect the validity of the remainder of the Bylaws, and the application of any provision, paragraph, sentence, clause, phrase or word to any person or other circumstance shall not be affected thereby and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the President and Secretary of BMA, pursuant to authority from the Board of Directors, have hereunto set their hands this 10th day of July, 2007.

BIGFORK MARINA ASSOCIATION, INC.

Reto Barrington
President

ATTEST:

Randall L. Gembala
Secretary

STATE OF MONTANA)
: ss
County of Flathead)

This instrument was acknowledged before me on the 10th day of July, 2007, by Reto Barrington as President and Randall L. Gembala as Secretary of Bigfork Marina Association, Inc.

JO GRAY (Seal) NOTARIAL SEAL STATE OF MONTANA

NOTARY PUBLIC for the State of Montana
Printed Name: JO Gray
Residing at Whitefish
My Commission Expires: Sept. 8, 2007