

Glastonbury Landowners Association, Inc.

~2025 Bylaw Changes~

In early 2024, a GLA Director asked her sister, who co-owned a parcel with her, to apply for a vacant seat on the board. Her sister considered and later declined the offer. Later in 2024, the same director asked her sister to run for the board in the GLA Annual Election. She accepted, her name was placed on the ballot, and she won a seat. The first meeting of the new board had both sisters serving as directors.

Many landowners felt that a membership interest, a parcel or tenants-in-common, should only be allowed to have one co-owner run for the board or ombudsman. We already allow husbands and wives to serve on the board if they represent distinctly different membership interests. The issue in 2024, was whether a single, undivided parcel, co-owned by two sisters, would allow multiple owners to serve on the GLA Board.

In 2024, a mother and daughter who co-owned a single parcel ran concurrently for a director's position and for ombudsman. Many landowners thought this was a problem, too. They requested that the Bylaws be changed so only one office or position in the GLA may be held at one time by a Membership Interest.

The GovDocs Committee analyzed the issues and sought a solution by adding language to our Bylaws that prohibited both. The law firm of Crowley Fleck studied our Bylaws and advised language changes. They also updated the Bylaws formatting, and dates. Prior to voting, you may study their work by clicking on the link below. Or you may request a paper copy of the Bylaw changes by mailing a request and a self-addressed stamped envelope to the GLA, PO Box 312, Emigrant, MT 59027. The Crowley Fleck language revisions are in blue.

THE RESTATED BYLAWS OF THE GLASTONBURY LANDOWNERS ASSOCIATION, INC.

Amended 2023

ARTICLE I NAME AND LOCATION

A. Name. The name of the Corporation is GLASTONBURY LANDOWNERS ASSOCIATION, INC. (hereinafter referred to as the “Association”).

[B.] Principal Office. The principal office of the Association in the State of Montana is the physical address of the GLA Association Secretary, Emigrant, Montana 59027, an office determined by the Board of Directors ~~elects each year~~. The Secretary files this location with the Montana Secretary of State annually. The mailing address is Post Office Box 312, Emigrant, Montana 59027. The Association may have such other offices, within or without the State of Montana, as its Board of Directors may designate or as the Association’s business may require.

B.[C.] Registered Office and Registered Agent. The address of the initial registered office and the name of the initial registered agent required by the laws of the State of Montana shall be as set forth in the Articles of Incorporation. The Board of Directors may change the registered agent and the address of the registered office.

ARTICLE II OBJECTS

A. Landowners Association. These Bylaws are adopted in order to establish a landowners association pursuant to the Declaration of Covenants for the Community of Glastonbury, recorded in the Office of the Park County Clerk and Recorder on December 16, 1982 in Roll 41, pages 1042-1078, as Document No. 173158, together with all additions and amendments thereto (hereinafter referred to as the “Covenants”), and pursuant to the nonprofit corporation statutes of the State of Montana.

[B.] Purposes. The purposes of the ~~corporation~~ Association are as set forth in the Articles of Incorporation, and more specifically as follows:

To provide for the management, administration, maintenance, preservation and control of the parcels, roads and common properties within the real estate development commonly known as the “Community of Glastonbury” in Park County, Montana, including property that is subject to and burdened by the Covenants (hereinafter referred to as the “Property”).

B.[C.] Incorporation of Covenants. The Covenants described above are incorporated herein by reference. The Association shall also have such purposes, and shall be limited in the carrying out of its purposes, as may be provided in the said Covenants.

ARTICLE III POWERS

To further its purposes and objectives, the Corporation Association shall have and exercise such powers as are enumerated in the Articles of Incorporation and any additional powers as may be set forth in these Bylaws. The Corporation Association's powers shall be limited as provided in the Covenants.

ARTICLE IV MEMBERS

A. Members. The Members of the Association and those Members who may be considered to be in good standing shall be as defined in the Covenants.

B. Membership and Membership Interest Run With the Land. The rights, privileges, duties, and responsibilities of membership in the Association (referred to herein as a "Membership Interest") shall be as defined herein and as in the Covenants and shall run with title to the Property and any qualifying portions thereof. Each Membership Interest shall be entitled to one (1) vote as defined in the Covenants. Each Membership Interest and each Member shall be entitled to hold only one (1) office or position at a time as a Director or Ombudsman. Multiple owners of a single or individual Membership Interest shall not be allowed to serve on the Board of Directors concurrently.

Each of the following separated units of property, whether held by one or more than one landowner, shall constitute a separate and distinct Membership Interest that is entitled to one vote and to all other rights, privileges, duties, and responsibilities as set forth in the Covenants and in these Bylaws except as otherwise provided:

- a. A parcel (as defined in Section 3.22 of the Covenants); and
- b. An undivided tenancy-in-common interest in a parcel existing as of the effective date of the Covenants, whether owned individually or in joint tenancy

One Member of the Association may hold and exercise the entitlements of multiple Membership Interests.

C. Nonliability of Members. The Members shall not be individually or collectively liable for the actions, debts, liabilities, or other obligations of the Association.

ARTICLE V MEETINGS OF MEMBERS

A. Place of Meeting. Meetings of the Members may be held at a suitable place convenient to the Members as designated by the Board of Directors. Members may participate in a physical meeting by or conduct the meeting through the use of any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in a meeting by this means is considered to be present in person at the meeting. Meetings may also be held entirely virtually.

B. Annual Meetings. The first Annual Meeting of the Members of the Association shall be held within one year of the date of incorporation of the Association, such date to be set by the initial Board of Directors. Thereafter, the Annual Meeting of the Association shall be held on the same day

of each succeeding year or, if a legal holiday, on the next business day following, or at a date specified by resolution of the Board of Directors. At such meetings, the President and Treasurer shall report on the activities and financial condition of the Association. The Members may also transact such other business of the Association as may properly come before them.

C. Special Meeting. It shall be the duty of the President to call a Special Meeting of the Members as directed by resolution of the Board of Directors. Special Meetings may be called at any time upon the initiative of the Board of Directors. A Special Meeting must be called when a petition signed by five percent (5%) of the Membership Interests outstanding and eligible to vote at the time has been presented to any member of the Board of Directors. Notice of a Special Meeting shall be given as soon as practicable and not more than thirty (30) days after receipt of said petition. Notice of any such Special Meeting shall state the hour, date, and place of the meeting and shall further precisely state the reason for such meeting, and said Special Meeting held shall be strictly confined to the matters set forth in the notice.

D. Notice of Meetings. The Secretary shall by U. S. mail, postage prepaid, personal delivery, or, if the Owner has given the Owner's written consent to be notified by e-mail, by the Owner's e-mail address on record with the Association, give a notice for each Annual Meeting or Special Meeting of the Members at least thirty (30) days, but not more than sixty (60) days prior to such meeting. The notice shall state the purpose thereof, the mode (virtual or both virtual and in-person), and if in-person, the time and place where it is to be held. Said notice shall be mailed or e-mailed to each Member at his address or e-mail address of record with the Association or at such other address or e-mail address as the Member shall have designated by notice in writing to the Secretary. The mailing of notice of a meeting in the manner herein shall be considered service of notice.

E. Quorum. Except as otherwise provided herein, the presence in person or by proxy of Members having twenty-five percent (25%) of the total authorized votes of all Members of record of the Association shall constitute a quorum at all meetings of the Members. Meetings of the Association or action taken by written mail ballot shall be proper only if a quorum of the Members is established either in person or by written mail ballot or any combination of the foregoing.

F. Voting. Each Member in good standing shall be entitled to cast the vote(s) appurtenant to the Member's Membership Interest(s) in all meetings where Members vote and in all written-ballot-only votes. Members are in good standing if they are not in violation of any Covenant and have paid in full all association assessments, interest and penalties. Members with multiple Membership Interests must be in good standing on all Membership Interests they own in North and South Glastonbury in order to be eligible to vote. In votes that are held during an in-person meeting, Members in good standing can appoint any person (who need not be a Member) to attend in person and vote as proxy on their behalf.

For a Member to be considered paid in full, payments for current quarterly assessment installments and any interest and penalties must be postmarked on or before the due date specified in Covenant 11.03, that immediately precedes a meeting where voting occurs or the initial voting deadline for a written-ballot-only vote, as defined below. Payments for past due quarterly assessment installments and any accrued interest or penalty, must be received by the due date specified in Covenant 11.03. Delinquent landowners may ask the GLA Treasurer for their full amount due on that quarterly date. Payments made after that due date will be accepted, but these payments will not make the Member eligible to vote in the election or on the ballot where the payment due date has passed.

For purposes of tabulating the vote and consent of the Members of the Association, it is hereby provided that:

1. Each Membership Interest is entitled to one vote;
2. A Member may hold more than one Membership Interest and shall have a separate vote for each such interest;
3. The Association shall be entitled to rely on the acts of one joint owner of a Membership Interest, which shall be conclusive as to that Membership Interest and binding upon the other joint owners. In the event the Association is made aware by written notice that the joint owners of a Membership Interest cannot agree as to how the vote of the Membership Interest should be cast, the Association may, in its discretion, grant each joint owner a fractional voting interest in proportion to his or her ownership interest, or may disregard the vote of such Membership Interest entirely;
4. On questions submitted to the Membership for votes, if the total number of qualifying votes to approve the question equals or exceeds fifty-one percent (51%) of the total Membership Interests of the Members in good standing who cast ballots, the vote shall be effective and shall have passed. This criterion does not apply to election of Directors where candidates are elected by receiving more votes than other candidates or to amendments of the Covenants or Master Plan, which require approval by at least fifty-one percent (51%) of ALL Membership Interests of Members in good standing.
5. Voting on amendments to the Covenants or Master Plan is by written-ballot-only, administered by a neutral third party. If by the end of the original voting period, the number of required votes for amending the Covenants or Master Plan has not been met, the Board may provide a grace period of up to 90 additional days to allow the votes to reach the required threshold and may authorize the neutral third-party administrator to contact landowners who had not yet voted to encourage their participation.

G. Designation of Representatives. The Association recognizes two types of representatives, legal fiduciary representatives, and proxies.

1. **Legal Fiduciary Representatives.** If a Membership Interest is held by a firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, a "Designation of Legal Fiduciary Representative" form must be executed and filed with the Association appointing and authorizing one person to speak for the legal entity in all matters while they function as such, including voting in-person or by proxy, submitting complaints or questions to the Board, or running for election to the Board or to the Ombudsman Office. Per Montana Law (MCA 35-2-242), a Legal Representative must hold fiduciary responsibility for the property (e.g., trustee of a trust, owner, officer or administrator of a corporation, legal guardian), or have full power of attorney for the landowner's affairs. This authority must be documented by a notarized legal instrument that is filed with the GLA. The Legal Fiduciary Representative appointment will remain in effect until revoked or reassigned. The legal entity can revoke that appointment any time by notifying the Association and filing a new Legal Fiduciary Representative designation form.
2. **Proxy.** Any Member can appoint a proxy representative to vote for their Membership Interest(s) at any or all in-person votes. Proxies are not permitted to vote on any absentee

ballot or in any vote conducted by written-ballot only. Any Member may designate any person to vote as proxy on his or her behalf, except that proxy appointees who are also landowners themselves must be in good standing on their own Membership Interests in order to vote as proxies. Directors are not permitted to act as proxy appointees. A Member may appoint a proxy on the "Proxy Designation Form" or by using another format that fulfills the validity requirements. To be valid, a proxy must be in writing, naming the designated proxy, dated, executed with a valid signature by the Member of record or legal fiduciary representative of such Member and filed with the authorized Association staff by the appointed time for a meeting where in-person voting will occur. Such proxy shall be effective and remain in force until voluntarily revoked, amended or terminated by operation of law, or until the expiration of one year after its execution . A proxy is revocable by the Member appearing in person and voting before his or her proxy representative votes. The Association shall continue to recognize a proxy that has not expired until it receives notice of such revocation, amendment or termination.

H. Order of Business. The order of business of all meetings of the Members shall include the following, as applicable:

1. Roll call and certification of proxies and verification of quorum;
2. Proof of notice of meeting and collection of waivers of notice;
3. Approval of Minutes of preceding meeting;
4. Reports of directors and officers;
5. Reports of committees;
6. Election of directors, if necessary;
7. Unfinished business;
8. New business;
9. Forum for Members' questions/comments; and
10. Adjournment.

ARTICLE VI BOARD OF DIRECTORS

A. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors. The Initial Directors shall be those Members of the Association appointed by the Incorporator identified in the Articles of Incorporation. Thereafter, the Board shall have an even number of positions available to be filled at election. Initially, this number shall be twelve (12). The actual number of Directors shall be those who have been nominated and elected to office as provided herein; however, the number of Directors shall not be reduced to fewer than four (4), nor increased to more than twelve (12). Of the twelve positions available on the Board of Directors, up to six positions shall be elected from Glastonbury North and up to six positions shall be elected from Glastonbury South, respectively, on separate ballots from among two separate groups of qualifying candidates.

B. General Powers and Duties. The business and affairs of the Association shall be managed by the Board of Directors. Such Directors shall in all cases act as a Board, which shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts or things as are not by law or by the Covenants, Bylaws or Articles of Incorporation directed to be exercised and done by the Members. The Board shall be regularly

convened and shall act by majority vote of those members present at a meeting, unless provided otherwise herein or in the Articles of Incorporation. Such powers and duties of the Board shall include, but not be limited to, the following:

1. Conduct, manage, and control the affairs and business of the Association;
2. Make capital expenditures, enter into contracts and agreements, and provide the services and functions as are necessary to operate and maintain the Property and carry out the business of the Association, provided, however, that the following capital expenditures, contracts, and agreements shall be approved by the Members as provided in Article V, paragraph F, of these Bylaws:
 - a. Individual contracts and agreements with a term in excess of five (5) years;
 - b. The sum of all capital expenditures in any given fiscal year totaling more than thirty percent (30%) of the Associations' average annual operating budget for the preceding three (3) years; and
 - c. Mortgaging, encumbering or otherwise disposing of any real property of the Association;
3. Fix, levy, collect, and enforce the payment of common charges and assessments to Members required to carry out the duties and obligations of the Association, including, without limitation, the operation and maintenance of the community common property and roads;
4. Issue quarterly statements of account on the assessments and take necessary and appropriate action to collect assessments from Members and common charges from the Members, including the filing of liens and prosecuting foreclosures as provided in the Covenants or by law;
5. Obtain necessary insurance for the Association, the Association's property, the Board, officers and employees of the Association and provide for the use and disposition of the insurance proceeds in the event of loss or damage;
6. Appoint and remove, employ, and discharge, and, except as otherwise provided in these Bylaws, supervise and prescribe the duties and fix compensation, if any, as necessary, of all officers, agents, employees, or committee members of the Association;
7. Register the mailing addresses, physical addresses, email addresses, and phone numbers of the Members with the Secretary of the Association. Notices of meetings mailed or emailed to them at such addresses shall be valid notice thereof;
8. Have the right to delegate such powers as may be necessary to carry out the function of the Board to committees as the Board of Directors designates by resolution as provided in these Bylaws;
9. Enforce obligations of the Members to the Association as provided in the Covenants;
10. Adopt Rules and Regulations for the conduct of the affairs of the Association and the enjoyment of the Members, provided that no Rule or Regulation so adopted shall be in conflict with Montana law, the Covenants, the Articles of Incorporation or these Bylaws, and provided further that no Rule or Regulation shall be so construed so as to impair in any manner the lien of any mortgage or deed of trust with respect to any of the property if such Rule or Regulation is promulgated after the recordation of said mortgage or deed of trust;

11. Establish reasonable reserve funds for emergencies and unforeseen contingencies and for the repair and replacement of community property;
12. Pay the expenses of the Association, including all taxes or assessments;
13. Keep records in a businesslike manner of all assessments made, all expenditures and the status of each Member's accounts;
14. Do any and all things necessary to carry into effect these Bylaws and to implement the purposes and exercise the powers as stated in the Articles of Incorporation, Covenants, Bylaws, Rules and any Land Use Master Plan adopted pursuant to the Covenants;
15. Negotiate and enter into agreements with public agencies, officers, boards, commissions, departments and bureaus of federal, state, and local governments to carry out the above powers, duties, and responsibilities; and
16. Adopt Rules for the conduct of any meeting, election or vote in a manner that is not inconsistent with any provisions of the Covenants, Articles of Incorporation or these Bylaws.

C. Nomination of Directors. Prior to each Annual Election, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which every Member in good standing who has an interest in serving as a Director may file as a candidate for any Board or Ombudsman position up for election. The Secretary will send a nomination packet to all Members, by postal mail or email, at least 30 days before nominations will be due. The packet will include a nomination letter (explaining eligibility criteria for voting and for running as a candidate), the nomination form, instructions on completing the nomination form, guidelines for candidate biographies, and for legal entities, the Legal Fiduciary Representative Form and cover letter if none is on file. Candidates whose nominations are received after the closing date and time will not be listed on the ballot mailed to all Members. Any voting landowner may write-in their vote for unlisted candidates. A Member who wishes to be considered for the Board after the nomination period deadline is solely responsible to inform Membership of their candidacy and request Members' write-in votes.

A Nominating Committee may also make nominations for election to the Board. The Nominating Committee shall consist of two Members of the Board, one of whom shall be chairman, and three or more Members in good standing. The Nominating Committee shall be appointed by the Board to serve a term of one year or until their successors are appointed, and such appointment shall be announced at each Annual Meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

To be accepted as candidates, nominees must be in good standing; that is, paid in full on all Membership Interests as of the last quarterly assessment due date and not in violation of any Covenant, which they declare by signing the nomination form. The Board of Directors reserves the right to determine, with a majority vote at any time prior to the close of the election, that a candidate is ineligible due to a Covenant violation or nonpayment of amounts due. A candidate who is later discovered to have been ineligible as of the nomination form filing date or who later becomes ineligible prior to the election due to a discovery of a covenant violation, or due to

delinquency of assessment debts prior to the election, forfeits their candidacy. The Board will immediately attempt to notify the candidate that they will not be listed on the ballot, or if listed on the ballot, votes for them will not be counted. Likewise, if a candidate decides to rescind their nomination and not run, the Board will no longer consider them a ballot candidate, and they will not be listed on the ballot, or if listed, votes for them will not be counted.

To be distributed in the election packet, candidate biographies cannot exceed 200 words. They should state the candidate's qualifications, experience, and goals in serving on the Board or as Ombudsman, describing how they will contribute to the Association. Personal attacks or any statements naming other persons or entities are not allowed and such biographies will not be distributed in the election mailing

The Board shall also establish such other Rules as it deems appropriate to conduct the nomination of Directors in a fair, efficient, and cost-effective manner.

D. Election Process, Directors' Term of Office, and Voting on Other Matters.

1. Board members normally serve for 2-year terms, with one half of the Board elected each year. At each Annual Election, the Members shall elect representatives to fill positions on the Board of Directors: three seats in North Glastonbury and three in South Glastonbury.

Only Membership Interests arising from ownership in Glastonbury North may vote for Directors representing Glastonbury North and only Membership Interests arising from ownership in Glastonbury South may vote for Directors representing Glastonbury South. Glastonbury North and South shall be as defined in the Covenants. Each Membership Interest in the respective area has one vote per vacancy. The three North Glastonbury nominees receiving the most votes and the three South Glastonbury nominees receiving the most votes shall be elected for two-year terms. The members of the Board shall hold office until their respective successors have been officially seated.

2. No Director may serve more than two consecutive elected 2-year terms. Directors who have served two consecutive elected 2-year terms are not eligible for re-election until they are off the Board for one annual cycle. A partial term served for any reason shall not count as a full term unless the Director's time in office during the term exceeds 12 months.

3. Annual Elections of Directors are by written-ballot only, administered by a neutral third party. (Votes on other matters may be held at a special voting meeting or by written-ballot only.) At least 30 days before the Annual Election of Directors voting deadline, the GLA will distribute election packets to all Membership Interests, including the Election Ballot for the appropriate division (North Glastonbury or South Glastonbury), the corresponding candidate biographies, instructions for voting, election procedures, the Legal Fiduciary Representative Form for legal entities, if needed, and cover letter. Members can submit their Ballots by mail, email, or hand-delivery).

4. When voting is by written-ballot only, without any in-person voting, a ballot is defined as "voted" when it is duly received at the designated office by the defined deadline. No ballots cast during a written-ballot only vote can be revoked.

During in-person voting, a ballot is defined as “voted” once it is deposited into the sealed Ballot Box.

5. The Board of Directors will determine the specific procedures for implementing the Annual Election, consistent with the provisions here, and will send these to Members in the election packet. The Board has the discretion to determine the timing, duration, and administration of the Election.

6. In the event that the open Board positions cannot be filled due to a tie vote between or among candidates, the Board may approve breaking the tie with a coin toss. If that approach is not acceptable to the candidates or fails for any reason, there shall be a run-off election between the tied candidates. Notice of the run-off election shall be mailed, delivered personally, or e-mailed by the Secretary, or other person designated by the President, to each Member within the affected area (Glastonbury North or Glastonbury South) within fifteen (15) days of the election. The notice shall specify the date and time at which voting shall close (not less than thirty (30) days from the date of the notice). Voting in the run-off shall be by written-ballot only (mail-in hand delivery, or email).

E. Vacancies. Notice of vacancies in the Board of Directors between Annual Elections shall be mailed, delivered personally, or e-mailed by the Secretary, or other person designated by the President, to each Member within the affected area (Glastonbury North or Glastonbury South) within thirty (30) days of the occurrence of the vacancy. Thereafter, the Members in the affected area will have thirty (30) days to contact the Board to express interest in filling the vacancy and to provide qualifications. The Board shall fill such vacancies by a vote of a majority of the remaining members of the Board at a Special Meeting of the Board held for that purpose. Each person so elected shall be a member of the Board of Directors until the next Annual Election. If the vacated term does not expire at that time, then the Annual Election will include a modified ballot for Members to decide who will serve the remainder of the vacated term. If such vacancy occurs less than four months before the next Annual Election, the replacement should be elected in that Election.

F. Directors’ Meetings. All Board meetings, other than about confidential matters, shall be conducted in meetings open to Members and invitees. A meeting of the Board may be called at any time by the President or a quorum of Directors and may be held at any time and place upon the giving of reasonable notice. Any or all Directors may participate in a meeting by or conduct the meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

G. Notice. Notice of meetings shall be mailed, delivered personally, or e-mailed by the Secretary, or other person designated by the President, to each Director to be received not less than three (3) days before any such meeting. Notice of a Special Meeting shall state the purpose thereof, place, date and time. If sent by mail, the notice shall be deemed to be delivered on its deposit in the U. S. mail. If the notice is e-mailed, it is deemed delivered when the e-mail is sent to the e-mail address last given in writing to the Secretary by the Director. Any Director may waive the notice by signing a written waiver to be filed with the Minutes of the meeting. If all of the Directors attend

a meeting or if all of the Directors sign a written waiver, the requirement of notice shall be deemed thereby waived, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

H. Quorum. A quorum of the Directors at any meeting of the Board shall consist of a majority of the Directors in office immediately before the beginning of a meeting and may never be fewer than three (3). The act of a majority of such a quorum of the Directors present shall be the act of the Board of Directors. In the absence of a quorum, the majority of the Directors present may adjourn any meeting until a quorum is present. Notice of any adjourned meeting need not be given. The Directors shall act only as a Board and the individual Directors shall have no authority as such. The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting as long as no fewer than the greater of one-third of the entire Board or three (3) of the Directors are present.

I. Committees. The Board may appoint such committees from among the Board of Directors, the Members of the Association, or others as it may, in its discretion, determine is appropriate to assist in the conduct of the affairs of the Association.

1. **Committees of Directors.** The Board forms Committees of Directors by appointing Board Members to serve on them. Each Committee of Directors must have at least two (2) members who are Directors and who serve at the pleasure of the Board. Only Committees of Directors constituted pursuant to the Montana Nonprofit Corporation Act may exercise the authority or powers of the Board of Directors and they may do so only to the extent authorized by the Board. A Committee of Directors may not authorize distributions; approve or recommend to members dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets; elect, appoint or remove Directors or fill vacancies on the Board or on any of its committees; or adopt, amend or repeal the Articles of Incorporation or Bylaws.
2. **Advisory Committees.** The Board may also appoint any advisory committees it wishes, each of which shall have at least one Director. The Board will vote to approve the appointment of Members to committees.
3. The quorum of a committee is at least 50 percent of the committee members. Without a quorum, the committee cannot make motions and vote on the committee's recommendations to the Board.
4. The majority of all Board members must approve the creation of a committee, the appointment of its members, and its chair. The chair of the Legal Committee must be the President; the chair of the Finance Committee must be the Treasurer. Other committees can be chaired by any committee member.

All committees shall keep Minutes reflecting the committee members attending and the actions taken. The Board may create guidelines for committees on meeting notifications and procedures consistent with MCA 35-2-433.

J. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board are contacted and a two-thirds majority of the Board members shall individually or collectively affirmatively consent in writing to the proposed action. Such written consent or consents shall include electronic communications and shall be filed with the Minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a majority vote of the Directors. Any certificates or any other document filed by the officers under any provision of law which relates to action so taken shall state that the action was taken by two-thirds majority written consent of the Board without a meeting and that the Articles of Incorporation and Bylaws of this Association authorize the Directors to so act, and such statement shall be *prima facie* evidence of such authority.

K. Compensation. Directors shall not be compensated for attending meetings and for serving as Directors. By resolution of the Board, the Directors may be reimbursed for actual expenses incurred in attending a meeting. The Directors may not be paid either a fixed sum for attendance at meetings nor a stated salary. Nothing herein contained shall be construed to preclude any Director from rendering service to the Association in any other capacity and receiving reasonable compensation therefor. Compensation to be paid to any member of the Board of Directors for such services rendered must be approved by the Board of Directors.

L. Removal of Directors. Removal of Directors shall be pursuant to the Montana Nonprofit Corporation Act and the following:

1. The Members may remove one or more Directors elected by them without cause only if the number of votes cast to remove the Director is equal to or greater than the number that elected the Director.
2. A Director elected by Members may be removed by the Members only at a Special Meeting called for the purpose of removing the Director. The meeting notice must state that the purpose or one of the purposes of the meeting is removal of the Director.
3. The entire Board of Directors may be removed under Subparagraphs 1 and 2 above.
4. A Director elected by the Board may be removed without cause by the vote of two-thirds of the Directors then in office. A Director elected by the Board to fill the vacancy of a Director elected by the Members may be removed without cause by the Members, but not the Board (MCA 35-2-421).
5. The Board may remove a Director for failing to attend four consecutive duly noticed Annual or Special Meetings. The Director may be removed only if a two-thirds majority of the Directors then in office vote for the removal, with due notice to the Membership of the meeting agenda where the vote will occur.
6. Any Director whose removal has been proposed by the Members or by the Board of Directors shall be given reasonable notice and an opportunity to be heard at the meeting where the removal is to be considered.
7. A successor may, then or thereafter, be elected to fill any vacancy created by such a removal in the manner provided herein.

8. The Members can also remove Directors by judicial proceeding (MCA 35-2-423).

M. Voting. At all meetings of the Board of Directors, each Director is to have one vote.

N. Nonliability of Directors. The Directors shall not be personally or collectively liable for the debts, liabilities or other obligations of the Association.

O. Authority to Indemnify. The Association shall indemnify, to the full extent permitted by the Montana Nonprofit Corporation Act, any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association or in which such person is adjudged liable for receiving improper personal benefit) by reason of the fact that he is or was a Director, officer, fiduciary, agent or Member of the Association.

P. Meeting Agenda. The order of business at any regular or Special Meeting of the Board of Directors shall include the following, as applicable:

1. Reading and disposition of any unapproved Minutes;
2. Reports of officers and committees;
3. Ombudsman report(s);
4. Unfinished business;
5. New business;
6. Open floor comment period; and
7. Adjournment.

ARTICLE VII OFFICERS

A. Number. The officers of the Association shall be: President, Vice President, Secretary and Treasurer, and such other or subordinated officers as the Board of Directors may elect. Each officer shall be elected for one year and hold office until his successor is elected and qualified. One person may hold one or more offices provided that their duties are not incompatible, except the President, who shall not hold any other office. All officers except the Secretary must be members of the Board of Directors.

B. Election. The officers of the Association shall be chosen by the Board of Directors and elected annually at the first meeting of the Board of Directors following each Annual Election, except as hereinafter otherwise provided for the filling of vacancies. Each officer shall hold his office until his successor has been chosen, until he resigns or is removed in the manner herein provided.

C. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors at any time, with or without cause, whenever in its judgment the best interest of the Association would be served thereby, by the affirmative vote of a majority of the entire Board.

D. Vacancies. The Board of Directors shall fill all vacancies in any office without undue

delay at any regular meeting or at a meeting specially called for that purpose.

E. President. The President shall preside at all meetings of the Board of Directors and Members. The President shall sign all certificates, notes, negotiable instruments, deeds, contracts, mortgages, agreements and other instruments of the Association as authorized by the Board of Directors.

F. Vice President. The Vice President shall preside in the absence or inability of the President and shall perform in the absence of the President all of the duties and functions of the President or such other duties or functions as may be given to the Vice President by the Board of Directors.

G. Secretary. The Secretary shall issue notices of all meetings of the Board of Directors and Members, shall keep Minutes of the meetings, shall have charge of the seal and the corporate minutes book, shall sign, with the President, such instruments as require such signature and shall make reports and perform such other duties as are incident to the office or are properly required of him or her by the Board or President.

H. Treasurer. The Treasurer shall be the chief financial officer of the Association and have the custody of all the monies and securities of the Association and deposit the same in the name of the Association in such bank or other depository as the Board of Directors may designate and shall keep regular books of account and balance the same each month. The Treasurer shall render to the President and the Board of Directors, whenever requested, an account of transactions and of the financial condition of the Association. The President and/or the Treasurer shall sign or countersign such instruments as require their signatures. The Treasurer shall perform all duties incident to the office or that are properly required by the Board.

I. Nonliability of Officers. The officers shall not be personally or collectively liable for the debts, liabilities or other obligations of the Association.

ARTICLE VIII

CONTRACTS, FINANCE, AND COMMON EXPENSES

A. Contracts. The Board of Directors may authorize any officer(s) and agent(s) to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances, except as limited in Article VI, paragraph B.2. of these Bylaws. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Association by any contract, engagement, promissory note, bond, debenture, deed of trust, mortgage, or to pledge its credit or render it liable monetarily or in any manner for any purpose or in any amount.

B. Deposits. The monies of the Association shall be deposited in the name of the Association in such banks, trusts or other depositories as the Board of Directors deems advisable and shall so designate.

C. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. This authority may be general or confined to specific instances.

D. Payment of Money. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the Association's name shall be signed by the President, Treasurer and/or other officer(s) or agent(s) of the Association in such manner as shall be authorized by resolution of the Board of Directors.

E. Common Expenses. Common expenses, in general, shall include expenses of administration and management and expenses for maintenance, repair, or replacement of community property. They include, but are not limited to:

1. Management and employees' salaries, service contracts;
2. Casualty and liability insurance;
3. Charges for landscaping, snow removal, and maintenance of walks, roads and parking areas;
4. Audit fees, attorney's fees, and other administration costs;
5. Real estate taxes on community property, common land and any parcels owned by the Association.

F. Budget. The estimated budget of capital and operating expenses for the forthcoming fiscal year prepared by or on behalf of the Board of Directors shall be presented to Members at a Special Meeting in January. The Board may not increase the annual operating expense budget by more than twenty percent (20%) over the preceding year without the approval of the Members. The Board shall cause a copy of a statement to simultaneously be prepared showing receipts and expenditures for the preceding fiscal year. This statement shall be mailed to each Member within thirty (30) days after the end of the fiscal year.

G. Fiscal Year. The fiscal year of this Association shall begin on the first day of January and end on the last day of December of each year, at which time the business shall, for that fiscal year, terminate and a report thereof be made to the Board of Directors.

H. Auditing. At the closing of each fiscal year, if deemed necessary by the Board of Directors, the books and records of the Association may be audited by a certified public accountant or other qualified person, whose report will be prepared and certified. In any event, the Association will furnish the Members with a statement of the receipts and expenditures of the Association for each fiscal year.

[I.] Inspection of Books. The Membership Records of the Association shall be available at the principal office of the Association for inspection at reasonable times by any Member in accordance with the Montana Non-Profit Corporation Act under Title 35, Chapter 2 (~~2019~~2023) and as amended. "Membership Records" means those records that a non-profit is specifically required to keep for inspection pursuant to the Montana Non-Profit Corporation Act under Title 35, Chapter 2 (~~2019~~2023) and as amended.

[J.] Fidelity Bonds. The Board of Directors may require that any or all officers and

employees of the Association who handle or are responsible for the Association's funds furnish adequate fidelity bonds. The Association shall pay the premiums for such bonds.

ARTICLE IX ASSESSMENTS

A. Assessments. The Association, acting through the Board of Directors, shall have the power to fix, levy, collect and enforce the payment of common charges and assessments to Members as provided herein and in the Covenants.

ARTICLE X OMBUDSMAN

A. Number and Qualification. There shall be an office of Ombudsman, one for Glastonbury South and one for Glastonbury North, to be filled by the Members in any Annual Election.

B. General Responsibilities. The Ombudsman's role is to communicate with the Members and residents in Glastonbury North and Glastonbury South, respectively, and to convey the concerns of the residents and Members, not otherwise addressed by the Board of Directors, to the Board. They may attend the Board meetings and convey such concerns at the appropriate time on the agenda. The Ombudsman's role is advisory in nature and they shall otherwise have no official powers or authority.

C. Nomination of Ombudsman. Concurrent with the opening date and the closing date of the filing period for election to the Board of Director any Member in good standing may file as a candidate for the Ombudsman position. Candidates for the Ombudsman position in Glastonbury North must be a landowner in Glastonbury North and candidates for the Ombudsman position in Glastonbury South must be a landowner in Glastonbury South at the time of their election. Ballots for the office of Ombudsman shall be mailed with the ballots for Board of Directors to the Members. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

D. Election and Term of Office. At the first Annual Election and at every subsequent Annual Election, the Members of Glastonbury North and Glastonbury South shall elect their respective Ombudsman. Each Ombudsman shall be elected for a one-year term and may hold office until his or her respective successor has been elected by the Members and has duly qualified.

E. Vacancies. The Board may fill vacancies in the office of Ombudsman in the manner specified in Article VI. E. for filling Director vacancies. If such vacancy occurs less than four months before the next Annual Election, the election may be held at its regularly scheduled time. Any person elected to fill a vacancy shall be an Ombudsman for the remainder of the term of the Member whose term he is filling and until his successor shall be elected and shall qualify.

F. Removal of Ombudsman. Members may remove an Ombudsman elected by Members without cause at any meeting of the Membership by majority vote. An Ombudsman elected by the Board to fill a vacancy per E. above can be removed by a two-thirds vote of the Board.

G. Nonliability of Ombudsman. An Ombudsman shall not be personally or collectively liable for the debts, liabilities or other obligations of the Association.

ARTICLE XI ENFORCEMENT POWERS AND PROCEDURES

A. Rule Making. The Association, acting through the Board of Directors, may make and enforce Rules and Regulations as provided in the Covenants or as may be further provided herein, provided they are not inconsistent with any provisions of the Covenants, Articles of Incorporation or these Bylaws.

B. Enforcement Rights and Sanctions. The Association, acting through the Board of Directors and Officers, may take such actions and impose such sanctions for violations of the Covenants, Bylaws, Rules and Regulations as may be provided in the Covenants or as may be further provided herein. The Association shall not be obligated to take action to enforce any provision of the Covenants, Bylaws, Rules or Regulations that the Board reasonably determines is or is likely to be construed as inconsistent with applicable law, or in any case the Board reasonably determines may be unenforceable. Any such determination shall not be construed as a waiver of the right to enforce such provision under other circumstances or to prevent the Association from enforcing any other such provision.

C. Due Process. Prior to making any new Rules or Regulations, or taking any action to enforce any of the Covenants, Bylaws, Rules or Regulations, the Association, acting through the Board of Directors and officers, shall provide reasonable written notice in accordance with Article V, paragraph D, to all of the Members (in the case of rule-making) or to all directly- affected Members (in the case of a proposed enforcement action) and a reasonable opportunity for any such Member to be heard and to give written or oral comment to the Board of Directors or its designee(s). Enforcement actions shall also include a reasonable fact-finding process whereby relevant information related to all sides of the issue will be gathered and evaluated. Any member of the Board of Directors whose personal involvement in the matter at issue might, in the majority opinion of the other Board members, detrimentally affect his or her ability to be impartial, shall abstain from participation or voting in such proceedings.

ARTICLE XII AMENDMENTS

A. Interpretation and Amendments. The Board shall have the power to interpret all the provisions of these Bylaws and such interpretation shall be binding on all persons. These Bylaws and the Articles of Incorporation may be amended, repealed or altered, in whole or in part, whenever at least fifty-one percent (51%) of the Membership Interests of the Association in good standing at the time and participating in a vote on any Bylaws amendment, where such proposed action has been set forth in the ballot materials, shall have voted in favor of such amendment. Any such amendments may be proposed by the Board of Directors or by a petition signed by at least twenty percent (20%) of the Members. Once made, any such amendments, alterations, changes or

new Articles or Bylaws, or the repeal of any provision thereof, shall apply to all Members as fully and to the same extent as if originally included herein or in the Articles of Incorporation.

B. Limitation on Amendments. No amendment of these Bylaws shall be contrary to or inconsistent with any provision of the Articles of Incorporation, and no amendment of the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Covenants.

C. Severability. A determination of invalidity of any one or more of the provisions or conditions hereof by judgment, order or decree of a court shall not affect in any manner the other provisions hereof which shall remain in full force and effect and shall be interpreted to give effect to the original intent of the entire document, including said invalid provisions or conditions as fully as legally possible.

D. Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Covenants and these Bylaws, the Covenants shall control.

THESE RESTATED BYLAWS were amended by the membership of the Glastonbury Landowners Association, Inc., a Montana nonprofit corporation, on ~~August 25,~~ 2023, and we, the undersigned Directors, do hereby certify that the same do now constitute the Bylaws of said Association.