



# 2017 Amended By-Laws of the Musselshell Valley Community Foundation

( A Public Benefit Nonprofit Corporation)

(Formed in Accordance with the Montana Nonprofit Corporation Act)

This Agreement is subject to the arbitration under the Montana Uniform Arbitration Act

## DEFINITIONS

The following definitions shall apply to these By-Laws:

1. “Articles of Incorporation” shall mean the Articles of Incorporation of Musselshell Valley Community Foundation.
2. “Board of Directors” shall mean the Board of Directors of Musselshell Valley Community Foundation.
3. “Bylaws” shall mean the Bylaws of the **Musselshell Valley Community Foundation.**
4. “Corporation” shall mean **Musselshell Valley Community Foundation.**
5. “Director” shall mean a member of the Board of Directors of **Musselshell Valley Community Foundation.**
6. “Member” shall mean an entity or person who on more than one occasion and pursuant to a provision of the Corporation’s Articles and Bylaws, has the right to vote for the election of a Director or Directors, and who is in good standing with the Corporation by paying annual dues.
7. “President” shall mean the President of **Musselshell Valley Community Foundation.**
8. “Vice President” shall mean the Vice President of **Musselshell Valley Community Foundation.**
9. “Secretary” shall mean the Secretary of **Musselshell Valley Community Foundation.**
10. “Treasurer” shall mean the Treasurer of **Musselshell Valley Community Foundation.**

## **ARTICLE I. CORPORATE OFFICES, TERM, PURPOSE**

### **Section 1.1 Name.**

The name of the Corporation is the Musselshell Valley Community Foundation.

### **Section 1.2 Business Office.**

The Corporation's initial principal office was 1202 2<sup>nd</sup> Street East, PO Box 713, Roundup, Montana. The Corporation's most current annual report, filed with the Montana Secretary of State, shall identify the location of the principal office hereafter.

The Board of Directors may change the location of the principal office. All records required to be kept by law or by these Bylaws shall be kept at the principal office by the Secretary. (The Corporation's current principal office is 404 ½ Main Street, PO Box 713, Roundup, Montana.)

### **Section 1.3 Registered Office.**

The Corporation's registered office shall be located within Montana, and the location of the initial registered office shall be 873 Highway 87 North, Roundup, Montana 59072. The Corporation's most current annual report, filed with the Montana Secretary of State, shall identify the location of the registered office hereafter. The Board of Directors may change the location of the initial registered office.

### **Section 1.4 Term.**

The Corporation begins on January 1, 1997, at the time of 12:00am and shall continue indefinitely and shall have perpetual duration until the Corporation ceases to exist by an act of law or an act specified in these Bylaws or in the Articles of Incorporation.

### **Section 1.5 Purpose.**

The Corporation may engage in any lawful business except for banking and insurance.

### **Section 1.6 Designation of Status.**

The Corporation shall be a Public Benefit Nonprofit Corporation.

### **Section 1.7 Prohibited Transactions.**

The Corporation shall not engage in activities (including but not limited to making prohibited investments, expenditures, distributions, and holdings) prohibited by a corporation exempt from Federal Income Tax under the Internal Revenue Code and its regulations or any corresponding future provision of the Revenue Code, and the Corporation shall not attempt to influence legislation by propaganda or otherwise, nor shall it intervene in, or participate in, any

political campaign on behalf of any candidate for public office. No part of the net earning of this Corporation shall inure to the benefit of any member or private individual and no Member, Director, or officer of the Corporation shall receive any pecuniary benefit from the Corporation, except such reasonable compensation as may be allowed for services actually rendered to the Corporation.

## **ARTICLE II. MEMBERS**

### **Section 2.1 Annual Member Meeting.**

The Members shall hold their annual meeting at the principal place of business in the month of June on the first business day that is not a legal holiday or a Sunday, beginning with the year 1997. A majority of the Board of Directors may set the meeting for a different time, date, and location as long as the meeting occurs in the month of June. The Members shall gather at the annual meeting to elect Directors and to transact any other business. The Secretary shall, at least twenty days before the annual meeting date, serve written notice to each Member of record stating the location, date, and time of the meeting.

### **Section 2.2 Special Member Meetings.**

More than fifty percent (50%) of the Members may, in a written notice, call a special members meeting to be held at the principal office. In a written notice to the Secretary issued at least thirty days before the special meeting, the Member(s) shall state the time and date of the meeting and the purpose for the meeting. The Secretary shall, at least twenty days before the special meeting date, deliver by mail, written notice to each record Member stating the location, date and time of the meeting as well as the purpose for the meeting.

### **Section 2.3 Member Meetings by Conference Telephone.**

If the Corporation has fifty or fewer Members and the Board of Directors so authorizes, Members of the Corporation may participate in all annual and special Member meeting by means of a conference telephone or similar communications equipment, provided all persons entitled to participate in the meeting receive proper notice of the telephone meeting, and provided all persons participating in the meeting can hear each other at the same time. If a meeting is to be conducted using means of a conference telephone or similar communications, then the Secretary shall so state in the notice sent to the Members. A Member participating in a conference telephone meeting is deemed present in person at the meeting. The chairperson of the meeting may establish reasonable rules as to conducting business at any meeting by phone.

### **Section 2.4 Notice of Member Meeting.**

Notice shall be deemed to be effective when the Secretary deposits the written notice in the United States mail, postpaid, correctly addressed to the Member at the Member's address as it appears on the Corporation's membership list.

## **Section 2.5 Waiver of Notice.**

A Member may, in a writing signed by the Member and mailed to the Corporation at its principal office, waive notice of the meeting. If a Member attends a meeting, that Member waives the Member's right to object to lack of notice or defective notice of the meeting and waives the Member's right to object to consideration of a matter at the meeting, unless the Member objects to considering the matter when it is presented.

## **Section 2.6 Notice of the Purpose of the Meeting.**

Regardless of whether the notice is of an annual or special Member meeting, the notice must state the purpose if a purpose of the meeting is for the Members to consider any of the following:

- (1) a proposed amendment to the Articles of Incorporation (including any related articles requiring Member approval);
- (2) a plan of merger;
- (3) the sale, lease, exchange or other disposition of all, or substantially all of the Corporations' property;
- (4) the dissolution of the Corporation; or
- (5) the removal of a Director,

Furthermore, if applicable, the notice must include a copy or summary of the following:

- (1) articles of amendment;
- (2) plan of merger; and
- (3) transaction for disposition of all the Corporation's property.

If the proposed corporate action creates dissenters' rights, then the notice of the Member meeting must state that Members are, or may be entitled to assert dissenters' rights; in addition, the notice must be accompanied by a copy of the sections of the Montana Nonprofit Corporation Act governing dissenters' rights.

If the Corporation indemnifies or advances expenses to a Director, the Secretary shall report this information in writing to all the Members with or before notice of the next Member meeting.

## **Section 2.7 Conduct of Member Meetings.**

- (1) Conduct of Meeting. The President, or in the President's absence any person chosen by the Members present to act as chairperson shall call the meeting of the Members to order. The chairperson shall establish rules of the meeting that will freely facilitate debate and decision making. The chairperson will indicate who may speak when and when a vote will be taken. The Secretary shall act as the Secretary of all meetings of

the Members, but in the Secretary's absence, the chairperson may appoint any other person to act as the Secretary of the meeting.

- (2) Order of Business. The order of business at the Member meeting shall be as follows:
- (a) call to order,
  - (b) reading of prior minutes,
  - (c) report of officers,
  - (d) election of Directors, if that is the purpose of the meeting,
  - (e) unfinished business,
  - (f) new business,
  - (g) adjournment.

### **Section 2.8 Fixing of Record Date.**

Any person who has paid membership dues is entitled to vote at the annual Member meeting or at any other properly called meeting. In order to determine who is a Member entitled to notice of any meeting, the record date for determining who is a Member in good standing shall be at the close of business on one of the following:

- (1) With respect to an annual Member meeting or any special meeting properly called, the day before the Secretary serves written notice to Members.
- (2) With respect to a special Member meeting demanded by the members, the date the first Member signs the demand;
- (3) With respect to actions taken without a meeting, the date the first Member signs a consent;

### **Section 2.9 Member List.**

A person or entity becomes a Member upon payment of annual dues on or before the date of the Members' annual meeting; however, a Member is invested with the right to vote in the Members' annual meeting only if that Member has paid dues and has complied with the record date requirements of Section 2.8. The first year's annual dues shall be twenty dollars (\$20.00), and the Members shall set the dues for each year hereafter.

The Secretary shall be in charge of maintaining the membership list of the Corporation, and the Secretary shall maintain a complete record of the Members entitled to vote at each meeting. The record shall include the address of each Member. The Member list must be available during regular business hours for inspection and copying by any Member or Member's agent. The list shall be located for inspection at the Corporation's principal office. The Member shall be responsible for any reasonable inspection and copying expenses.

### **Section 2.10 Member Quorum and Voting Requirements.**

Members who attend, or are represented by proxy at the annual meeting constitute a quorum of the Members for action on any matter.

Once a Member is present or represented by proxy for any purpose at a meeting, he or she is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of the meeting unless a new record date is or must be set for that adjourned meeting.

If a quorum exists, action on a matter (other than the election of Directors) is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the Montana Nonprofit Corporation Act requires a greater number of affirmative votes.

### **Section 2.11 Proxies.**

At all Member meetings, a Member may vote in person, or by proxy. The Member or the Member's attorney shall make the proxy vote in writing and file it with the Secretary before or at the time of the meeting. No proxy shall be valid after 3 months from the date it was made, unless otherwise provided in the proxy.

### **Section 2.12 Voting of Shares.**

Except as otherwise provided by these Bylaws or the provisions of the Montana Nonprofit Corporation Act, each member entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Members.

### **Section 2.13 Corporation's Acceptance of Votes.**

The Corporation shall accept a vote, waiver, or proxy of the following: (1) a Member; or (2) the authorized officer or agent of an entity that is a Member.

The Corporation is entitled to reject a vote, consent, waiver, or proxy appointment if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the member.

The Corporation and its officer or agent who accepts or rejects a vote, consent, waiver, proxy, or appointment in good faith and in accordance with the standards of this section are not liable in damages to the Member for the consequences of this acceptance or rejection.

### **Section 2.14 Informal Action by Members.**

The Members may act on any matter at a Member meeting, without actually meeting, if all Members entitled to vote on the subject matter sign a written consent to the action, and the Members deliver the consent to the Corporation for inclusion in the minute book.

### **Section 2.15 Voting for Directors.**

- (1) General Provisions. In all elections of Directors, each member shall be entitled to one vote multiplied by the number of Directors to be elected, and a Member may cast only one vote per Director candidate.
- (2) Plurality. Directors are elected by a plurality of the votes cast by the Members entitled to vote in the election at a meeting at which quorum is present.

### **Section 2.16 Member's Rights to Inspect Corporate Records.**

The Secretary shall keep the Corporation's principal place of business the following documents:

- (1) The minutes of all Member and Board of Director meetings and the meeting of their committees as well as all actions taken by the Members and Board of Directors;
- (2) Appropriate accounting records;
- (3) The Member's list
- (4) The Corporation's Articles or related Articles of Incorporation and all amendments thereto;
- (5) The Corporation's Bylaws or restated Bylaws and all amendments thereto;
- (6) Any resolution fixing the rights, preferences, and limitations, of membership;
- (7) The past three years' financial statements required by the Montana Nonprofit Corporation Act to be available to Members'
- (8) A list of the names and business addresses of the Corporation's current officers; and
- (9) The Corporation's most recent annual report delivered to the Secretary of State.

At least five business days before the date on which the Member wishes to inspect and copy the above-referenced documents, the Member must give the Corporation written notice of the Member's demand to inspect. The request to inspect must be made in good faith and for a proper purpose, and notice shall describe with reasonable particularity the Member's purpose and the documents that the Member desires to inspect. If the Member gives a proper notice, the Member or the Member's agent has the right to inspect and copy documents during regular business hours. The Corporation may impose a reasonable charge, covering the costs of labor and materials for copies of documents provided.

## **ARTICLE III. BOARD OF DIRECTORS**

### **Section 3.1 General Powers.**

The Board of Directors shall manage and direct the business and affairs of the Corporation, and all corporate powers shall be exercised under the authority of the Board of Directors.

### **Section 3.2 Number, Tenure, and Qualifications of Directors.**

The number of Directors of the Corporation shall be nine (9). Each Director shall hold office until the annual meeting when his or her term expires, or until the Director dies, resigns or is

removed. In the first election in 1997, four Directors shall be elected to three-year terms, four shall be elected to two year terms, and three shall be elected to one-year terms. From the 1998 annual meeting onward, all directors shall be elected for terms of three years. However, if the Director's term expires, the Director shall continue to serve until the Members have elected and qualified a successor or until there is a decrease in the number of Directors. Directors need to be residents of Montana.

### **Section 3.3 Regular Meetings of the Board of Directors.**

The Board of Directors shall hold a regular meeting immediately after, and at the same place as, the annual Member meeting. No notice of the meeting other than this Bylaw is required. The Board of Directors may provide, by resolution, the date, time, and place (which shall be within the county where the company's principal office is located) of additional regular meetings. Regular Board of Director meetings may be held by conference telephone, if convened in accordance section 3.5.

### **Section 3.4 Special Meetings of the Board of Directors.**

The President or any Director may call or request special meetings of the Board of Directors. The person authorized to call special Board meetings may fix any place within the county where the Corporation has its principal office as the special meeting place. Special Board of Directors meetings may be held by conference telephone, if convened in accordance with section 3.5.

### **Section 3.5 Board of Director Meetings by Conference Telephone.**

The Board of Directors or any designated committee of the Corporation may participate in a Board or committee meeting by means of a conference telephone or similar communications equipment, provided all persons entitled to participate in the meeting received proper notice of the telephone meeting, and provided all persons participating in the meeting can hear each other at the same time. A Director participating in a conference telephone meeting is deemed present in person at the meeting. The chairperson of the meeting may establish reasonable rules as to conducting the meeting by phone.

### **Section 3.6 Notice of, and waiver of Notice for, Special Director Meetings.**

- (1) Notice. Generally no notice is required for the regular Director Meeting. The Secretary shall give written notice of any special Director meeting at least six (6) days before the meeting. The notice shall include the meeting place, day and hour. If the meeting is to be held by conference telephone, (regardless of whether it is regular or special), the Secretary must provide instructions for participating in the telephone meeting. If mailed, notice of any Director meeting shall be deemed to be effective at the earlier of: (1) when received; (2) five days after deposited in the United States mail, addressed to the Director's business office, with postage prepaid; or (3) the date shown on the return receipt (if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the Director).



- (2) Waiver of Notice. Any Director may waive notice of any meeting. The waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records.

A Director's attendance at a meeting waives the Director's right to object to lack of notice or defective notice of the meeting; this shall be true unless the Director, at the beginning of the meeting (or promptly upon arrival), objects to holding the meeting or transacting business at the meeting, and does not vote for or assent to action taken at the meeting.

Neither the Secretary nor Director needs to specify in the notice or waiver of notice the business to be transacted at, or the purpose of, any special Board meeting.

### **Section 3.7 Director Quorum.**

A majority of the number of Directors shall constitute a quorum for the transaction of business at any Board of Director meeting, unless the Articles require a greater number.

### **Section 3.8 Director, Manner of Acting.**

The act of a majority of the Directors present at a meeting at which a quorum is present (when the vote is taken) shall be the act of the Board of Directors.

The Corporation shall deem a Director to have assented to the action taken if the Director is present at a meeting of the Board or a committee of the board unless: (1) the Director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting; or (2) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) the Director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

### **Section 3.9 Conduct of Board of Director Meetings.**

The President or in the President's absence any person chosen by the Directors present to act as chairperson shall call the meeting of the Directors to order. The chairperson shall establish rules of the meeting that will freely facilitate debate and decision making. The chairperson will indicate who may speak when and when a vote will be taken. The Secretary shall act as the Secretary of all meetings of the Members, but in the Secretary's absence, the presiding officer may appoint any other person to act as the Secretary of the meeting.

- (1) General. If the Directors are equally divided on any aspect of the management of the property, business and affairs of the Corporation, or Corporation transactions, or if the Directors are equally divided on any question, dispute, or controversy, and the deadlock is preventing action or non-action by the Directors, then the Directors shall submit the

deadlock to mediations. If the Directors are unable to resolve the deadlock through mediation upon the written request of any one Director, the Directors shall submit the dispute to binding arbitration.

- (2) Mediation. The Directors shall agree to have the dispute mediated by a person or organization unanimously selected by the Directors. The Directors shall follow the mediation procedure selected by the mediator. Mediation shall terminate upon the written request of the mediator or thirty percent (30%) of the Directors.
- (3) Arbitration. If the Board of Directors are unable to resolve the deadlock through mediation, upon written request of thirty percent of the Directors, the Directors shall agree to submit the deadlock to binding arbitration in the following manner:
  - (a) At a duly held Board meeting, Directors shall submit written requests for an arbitrator; and the Board shall then vote on which arbitrator to select. If a majority of board members agree on a single arbitrator, then the Board shall contact that individual with a request for arbitration. If a majority of the Board members cannot agree on a single arbitrator, then the Board shall select two arbitrators, each Director having, in the selection, a number of votes equal to the number of Directors under a system of cumulative voting; after the members appoint two arbitrators, those two arbitrators shall select a third arbitrator to be the actual arbitrator. If the initial two arbitrators are unable to agree within 15 days upon the final arbitrator, the Panels of Arbitrators of the American Arbitration Association shall appoint the third arbitrator and do so in accordance with its rules then in effect.
  - (b) The Arbitrator shall resolve the deadlock, if the Arbitrator determines resolution of the deadlock in the best interests of the Corporation. The Arbitrator may decide whether matters have been properly submitted to the Arbitrator for decision, whether there exists a deadlock, and whether this section and the arbitration provisions proved there were properly invoked by the Corporation or applicable. The Arbitrator may act until all questions, disputes, and controversies are determined, adjudged, and resolved.
  - (c) The Arbitrator shall conduct the arbitration proceedings in accordance with the rules of the American Arbitration Association then in effect, except where these Bylaws make a special provision.
  - (d) The Arbitrator's decision shall be conclusive and binding upon the Board of the Directors, the Corporation and the parties on all matters that the Board submits to the Arbitrator. The Arbitrator's decision shall be the equivalent of a resolution unanimously passed by the full Board at an organized meeting. The Board of Directors or the Members may not revoke, amend, or overrule the decision, except by a majority action of either body. The Arbitrator's decision shall be filed with the Secretary of the Corporation; and the arbitrator may enter judgment on the decision in the highest court of the forum having jurisdiction.

### **Section 3.11 Director Action Without a Meeting.**

The Directors may act on any matter generally required or permitted at a Board meeting, without actually meeting, if' all the Directors take action, each one signs a written consent

describing the action taken, and the Directors file all the consents with the records of the Corporation. Action taken by consents is effective when the last Director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be referred to as a meeting vote in any document.

### **Section 3.12 Removal of Directors.**

The Members may remove one or more Directors at a meeting called for that purpose if the Secretary has given proper notice to Members in the same way that the Secretary notifies Members about the annual meeting. The removal may be with or without cause. If less than the entire Board is to be removed, a Director may not be removed if (a) the number of votes sufficient to elect him or her under cumulative voting is voted against his or her removal, or (b) the number of votes cast for removal is less than two-thirds of the number of Members who attend a properly called meeting. The entire Board of Directors may be removed only by a vote of a majority of Members entitled to vote. Notwithstanding the previous sentence, if the Corporation has 100 or more Members, the entire Board of Directors of a Corporation may be removed only by a vote of two-thirds of Members entitled to vote.

### **Section 3.13 Board of Directors Vacancies.**

If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors, the Board may fill the vacancy until the next annual meeting (see Section 3.2), at which time Members may vote to retain the person chosen by the Board to fill that vacancy or may nominate and elect another person to serve in that position.

### **Section 3.14 Director Committees.**

- (1) Creation of Committees. The Board of Directors may create one or more committees and appoint members of the Board to serve on them. Each committee must have two or more members, who serve at the pleasure of the Board of Directors.
- (2) Selection of Members. To create a committee and appoint members to it, the Board must acquire approval by the greater of (1) a majority of all the Directors in office when the action is taken or (2) the number of Directors required by the Articles of Incorporation to take action.
- (3) Required Procedures. The sections of Article III which govern meetings, action without meetings, notice and waiver of notice, quorum and voting requirements, and conduct of the Board of Directors, apply to committees and their members. The committees are subject to all the procedural rules governing the operation of the Board itself.
- (4) Authority. Unless limited by the Articles of Incorporation, each committee may exercise the specific Board authority (including appointment of officers) which the Board of Directors confers upon the committee in the resolution creating the committee. However, a committee may not: (1) authorize distributions; (2) approve or propose to Members action that the Montana Nonprofit Corporation Act requires be approved by Members; (3) fill vacancies on the Board of Directors or on any of its

committees; (4) amend the Articles of Incorporation pursuant to the authority of the Directors, as provided in the Montana Nonprofit Corporation Act; (5) adopt, amend, or repeal Bylaws; (6) approve a plan of merger not requiring Members approval.

### **Section 3.15 Director Compensation.**

The Board of Directors may agree by resolution to pay each Director expenses, if any, of attendance at each Board meeting. As well, the Corporation may pay Directors a stated salary or a fixed sum for attendance at each Board meeting or both. No payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation.

### **Section 3.16 Advisory Committee.**

The Board of Directors may select an Advisory Board which shall advise the Directors on matters involving donations, gifts, and use of funds for the benefit of the Community. The Advisory Board should represent the various local community's businesses, agencies, and groups. The number of members of the Advisory Board and the interests they represent shall be determined by the Board of Directors. Members of the Advisory Board need not be either Members of the Corporation or residents of Montana. The Advisory Board shall serve in an advising capacity only, and the Board shall retain complete and final authority in determining all donations, gifts, and use of funds for the benefit of the Community.

## **ARTICLE IV. OFFICERS**

### **Section 4.1 Number of Officers.**

The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors shall elect each of these officers from the members of the Board of Directors. The Board may appoint other officers if it deems it necessary. If the Board of Directors specifically authorizes an officer to appoint one or more officers or assistant officers, the officer may do so. The same individual may simultaneously hold more than one office in the Corporation.

### **Section 4.2 Appointment and Term of Office.**

The officers of the Corporation shall be elected by the Board of Directors for a one-year term. Officers may be removed from office by resignation, death, a vote of the majority of Directors, or in any other manner provided by these Bylaws.

The designation of the specified term does not grant to the officer any contract rights, and the Board can remove the officer at any time prior to the termination of such term.

### **Section 4.3 Removal of Officers.**

The Board of Directors may remove any officer or agent any time, with or without cause. The removal shall be without prejudice of the contract rights, if any, of the persons removed. A Board's appointment of an officer or agent shall not of itself create contract rights.

#### **Section 4.4 President.**

In addition to the duties set forth elsewhere in these Bylaws, the President shall be the principal executive officer of the Corporation. The President shall be subject to the control of the Board of Directors, and shall in general supervise and control all of the business and affairs of the Corporation. The President shall, when present, preside at all meeting of the members and of the Board of Directors. The President may sign and issue, with the Secretary or any other Officer of the Corporation that the Board has authorized, deeds, mortgages, bonds, contracts, or other Board authorized instruments; an exception will exist when the Board or these Bylaws expressly delegate the signing and execution to some other officer or agent of the Corporation; another exception to the President's signing will exist if the laws requires a certain signature other than that of the President. In general, the President shall perform all duties incident to the office of President and any other duties that the Board prescribes.

#### **Section 4.5 The Vice-President.**

In addition to the duties set forth elsewhere in these Bylaws, the Vice President shall perform, in good faith, the President's duties if the President is absent, dies, is unable to or refuses to act. If the Vice –President acts in the absence of the President, the Vice-President shall have all Presidential powers and be subject to all the restrictions upon the President. The Vice-President shall perform any other duties that the President or Board may assign to the Vice-President.

#### **Section 4.6 The Secretary.**

In addition to the duties set forth elsewhere in these Bylaws, the Secretary shall: (a) create and maintain the minutes of the proceedings of the Members and of the Board of Directors; (b) send all notices to be given in accordance with these Bylaws or as required by law; (c) be custodian of the corporate records and of any seal of the Corporation, and if there is a seal of the Corporation, see that it is affixed to all authorized and executed documents; (d) when requested or required, authenticate any records of the Corporation; (e) keep a current register of the post office address of each record Member; (f) have general charge of the membership list of the Corporation; and (g) in general perform all duties incident to the office of Secretary and any other duties that the President or the Board may assign to the Secretary.

#### **Section 4.7 The Treasurer.**

In addition to the duties set forth elsewhere in these Bylaws, the Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source, and deposit all moneys in the Corporation's name in banks, trust companies, or other depositories

that the Board shall select; and (c) in general perform all of the duties incident to the office of Treasurer and any other duties that the President or Board may assign to the Treasurer.

#### **Section 4.8 Salaries.**

The Corporation's officers shall serve without a salary for their offices unless the Members vote to compensate officers for their duties.

### **ARTICLE V. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES**

#### **Section 5.1 Indemnification of Directors.**

This Article is subject to the processes provided for in the Montana Business Corporation Act, the Montana nonprofit Corporation Act and the Montana Code Annotated.

The Corporation shall indemnify a Director against liability incurred in the course of that Director's duties if such indemnification is (i) determined permissible; (ii) authorized and defined in the Bylaws; (iii) not otherwise limited by the Bylaws. Indemnification is limited to the reasonable expenses incurred in connection with a proceeding.

#### **Section 5.2 Determination and Authorization of Indemnification.**

The Corporation shall not indemnify a Director unless the Directors determine that the Director met the standard of conduct set forth below; and the Directors authorize payment for the indemnification based on a conclusion that the expenses are reasonable, the Corporation has the financial ability to make the payment, and the financial resources of the Corporation should be devoted to this use rather than some other use by the Corporation.

#### **Section 5.3 Standard of Conduct.**

The Director seeking indemnification shall demonstrate that: (1) he or she acted in good faith; and he or she reasonably believed he or she was acting in an official capacity with the Corporation for benefiting the Corporation's best interests; (2) in all other cases, that the Director's conduct was at least not opposed to the Corporation's best interests; and (3) in the case of a criminal proceeding, that the Director had no reasonable cause to believe that the conduct was unlawful.

#### **Section 5.4 Refusal of Indemnification.**

In addition to refusing indemnification under other provisions of these Bylaws, the Corporation shall not indemnify a Director if: (1) the Directors was adjudged liable to the Corporation in a

proceeding by or in the right of the Corporation; or (2) the Director was adjudged liable in any other proceeding charging that the Director improperly received personal benefit, whether or not the Director acted in an official capacity.

#### **Section 5.5 Advance Expenses for Directors.**

The Corporation shall pay for or reimburse, in advance of final disposition of the proceeding, the reasonable expenses incurred by a Director who is a party to a proceeding if, following the procedures and standards set forth in the Montana Code Annotated: (1) the Directors authorize an advance payment to the Director; (2) the Director has furnished the Corporation with a written affirmation of that Director's good faith and that the Director has met the required standard of conduct; (3) the Director has provided the Corporation with a written unlimited undertaking, executed personally or on the Director's behalf, to repay the advance if it is ultimately determined that the Director did not meet the standard of conduct regardless of the Director's financial ability to make payment'; and (4) the Directors determine that the facts known to them would not preclude indemnification under the Articles of Incorporation, these a Bylaws, the Montana Business Corporation Act, or the Montana Nonprofit Corporation Act.

#### **Section 5.6 Indemnification of Officers, Agents and Employees.**

The Board of Directors, by Board resolution, may elect to indemnify and advance expenses to any Member, officer, employee, or agent of the Corporation, who is not a Director of the Corporation, to any extent consistent with public policy.

#### **Section 5.7 Mandatory Indemnification.**

Notwithstanding any other provision of these Bylaws, the Corporation shall indemnify a Director or Officer who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the Director was a party because he or she is or was a Director or Officer of the Corporation, against reasonable expenses incurred by the Directors or Officers in connection with the proceeding.

### **ARTICLE VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS**

#### **Section 6.1 Contracts.**

The Board of Directors may authorize any officer(s) or agents (s) to enter into any contract or to execute or deliver any instrument in the name of and on behalf of the Corporation. The authorization may be general or specific. In the absence of another designation, the President and the Secretary shall make all corporate deeds, mortgages and instruments of assignment or pledge.

#### **Section 6.2 Loans.**

The Corporation shall not allow anyone to contract on behalf of it for indebtedness for borrowed money unless the Board of Directors authorizes such a contract by resolution. The Corporation shall not allow anyone to issue evidence of the Corporation's indebtedness unless the Board of Directors authorized the issuance by resolution. The authorization may be general or specific.

### **Section 6.3 Checks, Drafts, etc.**

The Board of Directors shall authorize by resolution which officer(s) or agent(s) may sign and issue all Corporation checks, drafts or other orders for payment of money, and notes or other evidence of indebtedness. The Board of Directors shall also determine by resolution the manner in which these documents will be signed and issued.

### **Section 6.4 Deposits.**

The Treasurer of the Corporation shall deposit all funds of the Corporation, that are not being used, in banks and other depositories; the Board of Directors shall authorize by Board resolution the exact location of the banks and depositories.

## **ARTICLE VII. CORPORATE SEAL**

### **Section 7.1 Corporate Seal.**

The Board of Directors may provide a corporate seal. The seal may be circular in form and be inscribed with any designation including the Corporation's name, Montana as the state of Incorporation, and the words, "Corporate Seal."

## **ARTICLE VIII. EMERGENCY BY-LAWS**

### **Section 8.1 Emergency Bylaws.**

Unless the Articles of Incorporation provide otherwise, the following provisions of this Article shall be effective during an emergency which is defined as when a quorum of the Corporation's Directors cannot be readily assembled because of some catastrophic event:

- (1) Any Corporate officer, Director, or Member may call a meeting of the Members, and a notice of such meeting need be given only to those officers, Directors, and Members whom it is practicable to reach by any practical manner.
- (2) In the event that less than a quorum of the Members or Directors are present, those Members and Directors present shall constitute a quorum.



- (3) In the event of an emergency, the Members and Directors may take any action helpful or necessary to carry on the business of the Corporation including but not limited to:
- (a) prescribing emergency powers;
  - (b) delegating power to an officer, Director or Member;
  - and (c) relocating the principal place of business.

## **ARTICLE IX. REORGANIZATION AND DISSOLUTION**

### **Section 9.1 Dissolution.**

At least 51% of the Members may dissolve the Corporation at will. The Member or Members exercising this authority shall give written notice of the intent to dissolve to all the other Members. Thirty-one days after the effective date of the notice, the Corporation shall begin to wind up and liquidate its business and affairs in accordance with the provisions of the Montana Nonprofit Corporation Act and the applicable regulations of the Internal Revenue Service.

### **Section 9.2 Merger and Sale of Assets.**

The provisions of the Montana Nonprofit Corporation Act shall govern a merger or sale of assets.

### **Section 9.3 Termination, Dissolution, and Liquidation of the Corporation.**

The provisions of the Montana Nonprofit Corporation Act shall govern the termination of the Corporation and the effect of termination, dissolution, and liquidation upon the Corporation.

## **ARTICLE X. AMENDMENTS**

### **Section 10.1 Amendments.**

The Bylaws of this Corporation may be amended and repealed only by a majority vote of members who attend a properly called meeting, to which the Secretary has served written notice to all Members twenty days before the meeting.

Executed January 9, 2017

Nicole Borner

Darcy Dutton

Kelly Gebhardt

Roberta Hagstrom

Bill Milton

Mike Morgan

Jay Newell

Linda Picchioni

Mark Rosebush

Monty Sealey

Amended as provided for in Section 10.1 at the January 9, 2017 Members Meeting.

**MVCF Bylaws 2017**