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Page: 1 of 16
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Eric Senechal - Gallatin County, MT
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MISC

BYLAWS

OF

WEST WINDS MASTER HOMEOWNERS' ASSOCIATION, INC.

RECITALS

WHEREAS, the Bylaws, as referenced in the Declaration of Covenants, Conditions, and Restrictions for the West Winds Master Homeowners' Association executed on September 23, 2005, as filed in the real estate records of Gallatin County, Montana, as it may be amended (the "**Declaration**"), were never recorded by Cascade Development, Inc. (the "**Declarant**");

WHEREAS, the Declarant has since gone bankrupt and no longer owns any property, as described in Exhibit A for the Declaration as amended (hereafter referred to as the "**Property**"), therefore there are no "Class B" and the "Class B" control period has ended; and

WHEREAS, to date there has never been an election of Voting Members, therefore the Owners within the Subdivisions are entitled personally to cast the votes attributable to their respective Lots (as defined in the Declaration) on any issue requiring a vote of the Owners under the Governing Documents.

NOW THEREFORE, the Association is recording these Bylaws in accordance with MCA §35-2-217.

ARTICLE 1. NAME, PRINCIPAL OFFICE, AND DEFINITIONS

- 1.1. **Applicability.** These Bylaws ("**Bylaws**") apply to the West Winds Master Homeowners' Association, Inc., a Montana non-profit corporation (the "**Association**"), which governs the Property.
- 1.2. **Adoption.** These Bylaws are adopted by the Board of Directors of the Association (the "**Board**").
- 1.3. **Principal Office and Mailing Address.** The address of the principal office of the Association shall be P.O. Box 4240, Bozeman, MT 59772-4240, or as thereafter designated with the Montana Secretary of State.
- 1.4. **Definitions.** The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration, unless the context indicates otherwise.

ARTICLE 2. MEMBERSHIP

- 2.1. **Membership.** The Association shall have one class of membership, Class "A" pursuant to Section 5.4(a) of the Declaration. Every person, group of persons, partnership, corporation, or association who is a fee Owner of a Lot of the Property (hereafter referred to as

“Owner(s)”) shall be entitled to one membership interest in the Association pursuant to eligibility outlined in Section 5.3 of the Declaration.

An Owners’ membership interest shall run with the land so that said interest is an incident to membership beginning when membership rights are acquired and terminating when such rights are divested. Accordingly, no Owner shall be expelled, nor shall be permitted to withdraw or resign while possessing a membership interest.

- 2.2. **Evidence of Membership and Registration of Mailing Address.** Any Person, upon becoming an Owner, shall furnish to the Association its mailing address and contact information in accordance with the Declaration.

ARTICLE 3. MEMBERSHIP MEETINGS

- 3.1. **Annual Meetings.** There shall be an annual meeting of Members held on a day determined pursuant to Board resolution. The Board may hold regular membership meetings at their discretion. The date, hour, and place of such meeting shall be contained in the notice of meetings as hereinafter described. At each annual or regular meeting, Members shall transact any business that may legally come before the meeting, and the Members shall elect directors to fill vacancies on the Board of Directors at the annual meeting.
- 3.2. **Special Meetings.** Special meetings of the Members may be called at any time upon the initiative of the Board. A special meeting the Members must be called when a petition is presented to any director in accordance with § 35-2-527, MCA and signed by ten percent (10%) of the voting power that is eligible to vote. Notice of a special meeting shall be given as soon as practicable, but not more than thirty (30) days after such demand is presented, in accordance with § 35-2-527, MCA. Notice of any such special meeting shall state the hour, date, and place of the meeting and shall further precisely state the reason of such meeting. Said special meeting held shall be strictly confined to the matters set forth in the notice.
- 3.3. **Notice of Meetings.** Written or printed notice stating the place, date and time of any meeting of the Owners shall be given no less than ten (10) days before the meeting date, if delivered by electronic transmission, or, if notice is mailed, not less than thirty (30) days and not more than sixty (60) days before the date of the meeting. It shall be the duty of each Owner to advise the Association of his current address.
- 3.4. **Waiver of Notice.** Waiver of notice of a meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting or response to a notice by an Owner shall be deemed a waiver by such Owner of notice of the time, date and place thereof, unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed a waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.
- 3.5. **Adjournment of Meetings.** If any meeting of the Association cannot be held because a quorum is not present, a majority of the Owners who are present at such meeting may adjourn the meeting to a time no less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any

business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Owners in the manner prescribed for regular meetings.

- 3.6. **Conduct of Meetings.** The President of the Association or an appointed representative shall preside over all meetings of the Association, and the Secretary or an appointed representative shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings. In the absence of specific rules to the contrary, meetings are to be governed and conducted according to the latest edition of *Robert's Rules of Order Revised* however, failure to follow *Robert's Rules of Order Revised* shall not invalidate any actions taken. Meetings are not open to the general public, which includes the media; however, the Board may adopt a policy to regulate the attendance of the general public and the media and coverage of the media of such meetings. Participation of Owners in the annual, regular or special meetings shall either be in person or by proxy and not by conference telephone or remote communication, unless the Board determines otherwise. The Board has the discretion to determine the location of any annual or special meetings.

ARTICLE 4. Voting, Quorum, and Proxies

- 4.1. **Voting Rights of the Membership.** Owners in Good Standing (as defined below) within the Association shall have one vote per Lot for all voting issues of the Association as describe in Section 5.4(a) of the Declaration. The Association shall not have any obligation to confirm, as among such multiple interest Owners, which of the persons has the right to exercise a vote. If more than one lot, parcel, or tract is owned, the Owner or Owners thereof would have one membership or voting interest for each separate parcel of real property.
- 4.2. **Written advice.** Co-owners or Owners that are not natural persons shall advise the Secretary and/or Treasurer of the Association in writing prior to any meeting or vote who among them shall have the authority to vote on behalf of the Lot. Such written advice shall include the designated Person's name, mailing and physical address, telephone number, and email address.
- 4.3. **No Duty to Investigate.** The Association shall not have any obligation to confirm, as among such multiple interest Owners or with respect to an Owner which is not a natural person, which of the Persons associated with the Lot has the right to vote. The Association may rely on the written advice provided under Section 4.2 until such notice is updated by an Owner.
- 4.4. **Suspension of Voting Right.** In a multiple-interest Owner situation or in the situation of an Owner that is not a natural person, absent written advice to the Secretary and/or Treasurer of the Association, if more than one person seeks to exercise the vote, the voting privilege with respect to the relevant Lot shall be suspended.
- 4.5. **Good Standing.** Except as otherwise expressly required by law, only Owners in good standing (not delinquent in the payment of dues or other fees owed to the Association and not in violation of any provision of these Bylaws, the Declaration, or any other Governing

Documents) are entitled to vote ("**Good Standing**").

- 4.6. **Proxies.** At all meetings of Owners, each Owner may vote in person or by proxy. On any matter as to which an Owner is entitled to personally cast the vote for his or her Lot, such vote may be cast in person or by proxy, subject to the limitations of Montana law relating to use of proxies and subject to any specific provision to the contrary in the Declaration or these Bylaws. Every proxy shall be in writing specifying the Lot for which it is given, signed by the Owner or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective.

Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Owner giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any lot for which it was given, upon receipt by the Secretary of written notice of revocation of the proxy or upon the death or judicially declared incompetence of an Owner who is a natural person, eleven (11) months from the date the proxy is granted, or such shorter period as is specified in the proxy or the Owner appointing the proxy being present at any meeting and voting.

- 4.7. **Record Date.** The Board shall have the power to fix in advance a date as a "**Record Date**" for the purpose of determining which Owners are entitled to notice of meetings and votes or other information or material, against whom Assessments should be levied, or in order to make a determination of membership. The Owners existing on any such Record Date shall be deemed Owners for such notice, vote, meeting, furnishing of information or material, Assessment, or other purpose, any supplementary notice, information, or material with respect to the same matter, and for any adjournment of the same meeting. A Record Date shall not be more than seventy (70) days prior to the date on which the particular action requiring determination of membership is proposed or expected to be taken or to occur. If no date is set by the Board, then such date will be determined by statute under § 35-2-532, MCA.

- 4.8. **Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, the presence of Owners representing five percent (5%) of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association.

- 4.9. **Voting.** At any meeting of the Owners at which a Quorum is present as determined in Section 4.8 above, the affirmative vote of over seventy-five percent (75%) of the votes represented at the meeting, in person, or by proxy shall be the act of the Owners, unless the vote of a greater number is required by law or the Governing Documents of the Association. At each election of directors, the number of candidates equaling the number of such directors to be elected, having the highest number of votes cast in favor of their election, shall be elected as the directors.

- 4.10. **Action by Written Consent.** Any action that may be approved by the Owners may be approved without a meeting of Owners if the action is approved by Owners holding at least eighty percent (80%) of the voting power. The action must be evidenced by one or more written consents that describe the action taken, be signed by those Owners representing at least eighty percent (80%) of the voting power, and be delivered to the Association for

inclusion in the minutes or filing with the Association's records. A consent signed under this Section 4.10 has the effect of a meeting vote and may be described as a vote in any document filed with the Secretary of State. Written notice of Owner approval pursuant to this Section 4.10 must be given to all Owners who have not signed the written consent. If written notice is required, Owner approval pursuant to this Section 4.10 is effective ten (10) days after written notice is given.

- 4.11. **Action Without a Meeting by Written Ballot.** Any action required or permitted by law to be taken at a meeting of the Owners may be taken without a meeting, pursuant to the requirements of **MCA §35-2-533**. A written ballot may be revoked, at the discretion of the Board.
- 4.12. **Cumulative Voting.** Cumulative voting shall not be allowed for any matter to come before the Board or Members, including but not limited to the election or removal of the directors.

ARTICLE 5. BOARD OF DIRECTORS. NUMBER, POWERS, MEETINGS

- 5.1. **Governing Body Composition.** The affairs of the Association shall be governed by the Board, each of whom shall have one equal vote. The directors shall be Owners or residents; provided, however, no two Owners and residents representing the same Lot may serve on the Board at the same time. A "resident" shall be any natural person eighteen (18) years of age or older whose principal residence is a Lot located within the Property annexed by the Association. In the case of an Owner which is not a natural person, any officer, director, partner or trust officer, such Owner shall not be eligible to serve as a director.
- 5.2. **Number of Directors.** The Board shall consist of three (3) to five (5) directors. The initial Board shall consist of three (3) directors as identified in the Articles of Incorporation. The Board shall have the discretion to increase the number of directors.
- 5.3. **Election of Directors.** Directors of the Board shall be elected or appointed as set forth below.
- 5.3.1. **Term.** All Board of Director terms shall be three (3) years. There is no limit as to the number of consecutive terms to which a director may be elected. The terms should be staggered at the beginning in the following manner, the one candidate receiving the most votes will have a three-year term. The candidate who receives the next most votes will have a two-year term. The candidate receiving the least number of votes will receive a one-year term. After the initial period of staggering terms, all terms shall be three years in length.
- 5.3.2. **Election Procedures.** Owners may cast all votes assigned to the Lot which it owns for each position to be filled from the list of candidates on which such Owner is entitled to vote. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected.
- 5.4. **Removal of Directors and Vacancies.** Any director elected by the Owners may be removed, with or without cause, by vote of the Owners equal to the same percentage of votes as director received in the election. Any director whose removal is sought shall be given

notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Owners entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the voting Owners who has three (3) consecutive unexcused absences from Board meetings, or who is not in Good Standing, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Owners are entitled to fill such the vacancy and may elect a successor for the remainder of the term.

- 5.5. **Annual Meetings.** The annual meeting of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place the Board shall fix.
- 5.6. **Regular Meetings.** Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of a regular meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.
- 5.7. **Special Meetings.** Special meetings of the Board shall be held when called by written notice signed by the President or Vice President or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director and at the discretion of the president, vice president, or directors calling the meeting to the Owners by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by electronic means of notification, such as e-mail or fax. All such notices shall be given at the director's or Owner's telephone number or sent to the director's or Owner's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) business days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission, shall be delivered, transmitted, or telephoned at least seventy-two (72) hours before the time set for the meeting.
- 5.8. **Waiver of Notice.** The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

- 5.9. **Telephonic or Electronic Participation in Meetings.** Owners of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone, electronic, or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.
- 5.10. **Quorum of Board of Directors.** A majority of the directors present at a board meeting shall constitute a quorum for the transaction of business. The affirmative votes of a majority of the directors shall be required for a decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.
- 5.11. **Compensation.** Directors shall not receive any compensation from the Association for acting as such unless approved by Owners representing a majority of the total votes in the Association at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.
- 5.12. **Conduct of Meetings.** The President or his representative shall preside over all meetings of the Board, and the Secretary or his representative shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. In the absence of specific rules to the contrary, meetings are to be governed and conducted according to the latest edition of Robert's Rules of Order Revised however failure to follow Robert's Rules of Order Revised shall not invalidate any action taken.
- 5.13. **Open Meetings.** All meetings of the Board shall be open to all Owners, and the Board shall permit any Owner to speak at any meeting of the Board, except for meetings of the Board held in executive session. The Board shall establish a reasonable time limit for all Owners to speak before a meeting of the Board. Meetings are not open to the general public, which includes the media; however, the Board may adopt a policy to regulate the attendance of the general public and the media and coverage of the media of such meetings.
- 5.14. **Executive Session.** The Board may meet and convene in a closed executive session to discuss and vote upon (i) personnel matters, (ii) litigation in which the Association is or may become involved, (iii) matters subject to privileges and confidentiality obligations, and (iv) matters relating to the formation of contracts with third parties. Matters involving Owner discipline or delinquent Assessments as to which remedies are to be exerted shall be held in executive session and the Owners involved are entitled to attend, subject to such matters involving litigation in which the Association is or may become involved, or matters subject

to privileges and confidentiality obligations. Any matter discussed in executive session shall be generally noted in the minutes of the immediately following open meeting.

- 5.15. **Action Without a Formal Meeting.** Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.
- 5.16. **Powers and Duties.** The Board manages the affairs of the Association. The Board has all the powers and duties necessary for the administration of the Association and may do all acts and things that are not prohibited by law, the Declaration, Articles, or these Bylaws or directed to be done and exercised exclusively by the Owners.

ARTICLE 6. OFFICERS

- 6.1. **Officers.** The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.
- 6.2. **Election and Term of Office.** The Board shall elect the officers of the Association.
- 6.3. **Removal and Vacancies.** The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.
- 6.4. **Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board.
- 6.4.1. **President.** The President shall preside over all meetings of the Members and over all meetings of the Board. The President shall be the general administrative and executive officer of the Association, and shall perform such duties as may be specified, and exercise such powers as may be delegated by the Board.
- 6.4.2. **Secretary.** The Secretary shall maintain a record of the membership. In order to make a determination of membership for any purpose stated in these Bylaws or the laws of the State of Montana, the Board may order the record closed for a stated period of time.
- 6.4.3. **Treasurer.** The Treasurer shall: (i) have charge and custody of and be responsible for all funds and securities of the Association; (ii) receive and give receipts for moneys due and payable to the Association from any source, and deposit all moneys in the Association's name in banks, trust companies, or other depositories that the Board shall select; (iii) work with the bookkeeper and/or accountant in the preparation and presentation of any financial documents and submit

those necessary documents to the Secretary for inclusion in the corporate records; and (iv) in general, perform all of the duties incident to the office of Treasurer and any other duties that the Chairman or Board may assign to the Treasurer. However, nothing in this provision prohibits the Treasurer from delegating the above duties to the Association's agents (*i.e.*, including, but not limited to, accountants, bookkeepers, and auditors) or employees.

- 6.5. **Resignation.** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 6.6. **Compensation.** Compensation of officers shall be subject to the same limitation as compensation of directors under Section 5.11.

ARTICLE 7. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES

- 7.1. **Indemnification of Directors.** An individual made a party to a proceeding because the individual is or was a director of the Association may be indemnified against liability incurred in the proceeding, but only if the indemnification is both: (i) determined permissible; (ii) authorized, as defined in Section 7.1.1 below; and (iii) not prohibited by Section 7.1.3 below.

7.1.1. **Determination and Authorization.** The Association shall not indemnify a director under this Section 7.1 unless: (i) determination has been made in accordance with procedures set forth in the Act that the director met the standard of conduct set forth in Section 7.1.2 below; and (ii) payment has been authorized in accordance with procedures listed in the Act, based on a conclusion that the expenses are reasonable, the Association has the financial ability to make the payment, and the financial resources of the Association should be devoted to this use rather than some other use by the Association.

7.1.2. **Standard of Conduct.** The individual shall demonstrate that: (i) he or she acted in good faith; and (ii) if acting in an official capacity for the Association, his or her conduct was in the Association's best interests; if not acting in an official capacity for the Association, his or her conduct was at least not opposed to the Association's best interests. In the case of any criminal proceeding, the individual shall demonstrate that he or she had no reasonable cause to believe that the conduct was unlawful.

7.1.2.1. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent is, of itself, a determination that the director met the standard of conduct described in Section 7.1.2 above.

7.1.3. **No Indemnification Permitted in Certain Circumstances.** The Association shall not indemnify a director under this Section 7.1 if: (i) the director was adjudged liable to the Association in a proceeding by or in the right of the Association; or (ii) the director was adjudged liable in any other proceeding charging that the director

improperly received personal benefit, whether or not the individual acted in an official capacity.

7.2. Advance Expenses for Directors. The Association shall reimburse or pay for in advance of final disposition of the proceeding, the reasonable expenses incurred by a director who is a party to a proceeding if, by following the procedures of the Act, the Board determined that the director met requirements of Sections 7.2.1-7.2.4 listed below:

7.2.1. the Board authorized an advance payment to a director;

7.2.2. the director has furnished the Association with a written affirmation of the director's good faith belief that the director has met the standard of conduct described in Section 7.1.2 above;

7.2.3. the director has provided the Association with a written undertaking, executed standard of conduct; the director's undertaking must be an unlimited general obligation and may be secured, but is not required to be secured, and the Association may accept the undertaking without reference to financial ability to make repayment; and

7.2.4. the Board determines that the facts then known to it would not preclude indemnification under Section 7.1.3 above or the Act.

7.3. Indemnification of Officers, Agents and Employees. The Board may choose to indemnify and advance expenses to any officer, employee, or agent of the Association by applying those standards described in Sections 7.1 and 7.2 above.

7.4. Mandatory Indemnification. Notwithstanding any other provisions of these Bylaws, the Association 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 or officer was a party because the individual was a director or officer of the Association. Such indemnification shall cover reasonable expenses actually incurred by the director or officer in connection with the proceeding.

ARTICLE 8. COMMITTEES

8.1. Formation and Termination. There shall be a Architectural Control Committee as provided in the Declaration. All other committees may be formed by a majority vote of the directors, and may consist of any combination of directors and Members of the Association. The Board will adopt a charter for each committee and the charter shall state how the committee chair is designated, the makeup of the committee, the powers of the committee, and the specific action items to be carried out by the committee, all as determined by the Board unless specifically stated in these Bylaws or the Declaration. Committees formed by a majority vote of the Board may be dissolved at any time by a majority vote of the Board.

8.2. Authority. Committees will provide recommendations to the Board, but will not have the authority to make decisions on behalf of the Board. All decision-making authority rests with the Board, unless (i) the specific committee has been chartered so that it has authority to act on the Board's behalf, and (ii) the committee has two (2) or more directors who serve at the pleasure of the Board. However, such authority does not authorize the committee to

authorize distributions; elect, appoint, or remove directors or fill vacancies on the Board or any of its committees; adopt, amend, or repeal the Articles or these Bylaws; and any other limitations on authority as imposed by Montana law. In addition, the designation of a committee with authority to act on behalf of the Board does not operate to relieve the Board, or any individual director, of any responsibility placed on the Board the directors by law.

- 8.3. **Meetings.** Any such committees will meet as needed to effectively carry out their objectives. No meeting may be audio taped, video recorded, streamed over the Internet, or broadcast live. Meetings are not open to the general public, which includes the media; however, the committee may adopt a policy to regulate the attendance of the general public and the media and coverage of the media of such meetings.
- 8.4. **Remote Communication.** If authorized by the respective committee charter, a committee Owner may participate in a 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 meeting, and provided all persons participating in the meeting can hear each other at the same time. A committee Owner participating in a meeting by conference telephone or similar communications equipment is deemed present in person at the meeting. The chairperson of the meeting may establish reasonable rules as to conducting the meeting by telephone or similar communications equipment.
- 8.5. **Covenants Committee.** In addition to any other committees which the Board may establish pursuant to Section 8.1, the Board may appoint a Covenants Committee consisting of at least three (3) and no more than seven (7) Owners. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article 12 of these Bylaws.

ARTICLE 9. MANAGEMENT.

The Board may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

ARTICLE 10. OBLIGATIONS OF THE MEMBERS

Each Owner shall comply with all provisions of the Governing Documents. The membership rights and privileges, including, but not limited to, the right to vote and the right to use any Common Areas, may be suspended by action of the Board. Any suspension of such voting rights and or the right to use the Common Areas shall be made by the Board at a meeting upon giving written notice to the Owner whose rights the Board seeks to suspend at least fifteen (15) days prior to the holding of such meeting. The meeting shall provide an opportunity for the Owner to be heard either in person, via telephone, or in writing prior to the Board making its decision at said meeting. Such written notice from the Association shall state the reasons for the proposed suspension and shall be given either by personal delivery, or deposited in the

United States mail, certified or registered, postage and fees prepaid, return receipt requested, and addressed to such Owner at the address given to the Association pursuant to Section 2.2 above. Such notice, if mailed, shall be deemed given and received four (4) days after being so deposited in the United States mail in the manner aforesaid.

ARTICLE 11. FINANCES AND RECORDS

- 11.1. **Fiscal Year.** The Association's fiscal year shall commence on January 1st and end on December 31st, unless the Board establishes a different fiscal year by resolution.
- 11.2. **Budget.** The Board shall, prior to the beginning of each fiscal year, propose and tentatively adopt a budget pursuant to the Declaration, which shall also include all long-term or continuing commitments of the Association made in connection with or contemplated under any previously approved budget. However, the tentative budget for each subsequent fiscal year shall not be finally established until after an opportunity for discussion of such budget by the Owners, at a meeting of the Owners, which may be the same meeting as the annual meeting of the Owners.
- 11.3. **Owners' Right to Be Heard.** Before any budget is adopted, supplemented, revised, or amended by the Board, the members shall have the right to be heard on such budget of the Owners, which may be the same meeting as the annual meeting of the Owners. The Board shall give notice of the time and place of the meeting for review of the tentative budget to all Owners pursuant to Section 6.6(c) of the Declaration. At such meeting, Owners shall have a right to be heard concerning the budget; however, the Board shall retain the sole power to establish and approve the budget. Special meetings may be held in like manner upon like notice to consider supplementation or revision of any budget, provided, however, that such special meetings as to supplementation or revision of any budget shall not be required to be at a meeting of the Owners, and, with the exception of Special Assessments as described in Section 6.9 of the Declaration, the Board has the sole discretion to modify, supplement, or revise any annual budget that has been adopted.
- 11.4. **Checks, Drafts, Etc.** All checks, drafts or orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer(s) or agent(s) of the Association and in such manner as shall be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be jointly signed by the President of the Association and countersigned by the Vice President, Secretary, or Treasurer of the Association, so long as the person holding the said office is not the same person as the President.
- 11.5. **Contracts.** The Board may authorize any officer(s), agent(s), or employee(s) of the Association, in addition to the officers so authorized by these Bylaws, 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.
- 11.6. **Deposits.** All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.
- 11.7. **Audits.** The Association shall maintain financial records. An audit or review shall be done as determined by the Board. The cost of any audit or review shall be an Association

Expense.

- 11.8. **Records.** The Association shall keep detailed records of the actions of the Board, including minutes of the meetings of the Board and of the Association. The Association shall also maintain an Assessment roll in which there shall be an account for each Owner. Such account shall designate the name and address of the Owner, the amount of each Assessment, the date on which the Assessment becomes due, the amounts paid upon the account, and the balance due on the Assessment. The Association shall keep these records and provide for their inspection as required pursuant to § 35-2-906, MCA. The Association shall make available for inspection and copying, during normal business hours, all minutes, contracts, resolutions, and financial records of the Association to any Owner, or his agent or attorney, for any proper purpose, and may impose a reasonable charge, covering the costs for labor and material, for copies of documents provided to the Owner. The Board may adopt a resolution to govern the policy and procedure with regard to Owner access to Association records, as well as document retention and destruction of Association records.
- 11.9. **Borrowing.** Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Owner approval in the same manner provided in the Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed one hundred percent (100%) of the budgeted gross expenses of the Association for that fiscal year.

ARTICLE 12. ENFORCEMENT.

- 12.1. **Enforcement.** In addition to such other rights as are specifically granted under the Declaration, the Board shall have the power to impose reasonably monetary fines, which shall constitute a lien upon the Lot of the violator, and to suspend an Owner's right to vote for violation of any duty imposed under the Governing Documents. In addition, the Board may suspend any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than thirty (30) days delinquent in paying any assessment or other charges owed to the Association. In the event that any occupant, tenant, employee, guest or invitee of a Lot violates the Governing Documents and a fine is imposed, the fine shall be imposed against the lot Owner, who shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, Bylaws or any rule shall not be deemed a waiver of the right of the board to do so thereafter.
- 12.2. **Notice.** Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than ten (10) days within which the alleged violator may present a written request for a hearing to the Board or the Covenants Committee, if one has been appointed pursuant to Section 8.5; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within fifteen (15) days of the Notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the fifteen (15) day period. Such suspension shall not constitute a waiver of

the right to sanction future violations of the same or other provisions and rules by any Person.

- 12.3. **Hearing** (Note: referenced as Section 3.23 in Section 6.11(b) of the Declaration). If a hearing is requested within the allotted fifteen (15) day period, the hearing shall be held before the Covenants Committee, or if none has been appointed, then before the Board in Executive Session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.
- 12.4. **Appeal**. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, a written notice of appeal must be received by the Manager, President, or Secretary of the Association within fifteen (15) days after the hearing date. Otherwise, a decision of the Board is final.
- 12.5. **Additional Enforcement Rights**. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Declaration, these Bylaws, or the rules of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules) or, following compliance with the dispute resolution procedures set forth in Article XIX of the Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry onto a lot for purposes of exercising this power of self-help shall not be deemed as trespass.

ARTICLE 13. MISCELLANEOUS

- 13.1. **Parliamentary Rules**. Except as may be modified by Board resolution, *Robert's Rules of Order Revised* shall govern the conduct of Association proceedings when not in conflict with Montana law, the Articles of Incorporation, the Declaration, or these Bylaws. However, failure to follow *Robert's Rules of Order Revised* shall not invalidate any action taken.
- 13.2. **Conflicts**. If there are conflicts between the provisions of Montana law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Montana law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.
- 13.3. **Notices**. Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements, or other communications under the declaration or these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid or by electronic communication.

13.3.1. if to an Owner or Owners, at the postal or electronic address which the Owner or Owners has designated in writing and filed with the Secretary or, if no such address has been designated, at the postal or electronic address of the Lot of such Owner or Owners;

13.3.2. if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section; or

13.3.3. to any committee at (i) the principal office (or mailing address) of the Association as designated in these Bylaws, (ii) the Montana Secretary of State, or (iii) such other address, fax, or email address as shall be designated by notice in writing to the Members pursuant to this Section.

13.4. Amendment.

13.4.1. **By Owners Generally.** Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing more than fifty percent (50%) of the total Class "A" votes in the Association, and the consent of the Class "B" Owner, if such exists (unless expressly made subject to a higher voting requirement by law, the Articles, the Declaration, or these Bylaws). Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

13.4.2. **Validity and Effective Date of Amendments.** Amendments to these Bylaws shall become effective upon filing, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

13.5. **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.

13.6. **Captions.** The captions and headings in these Bylaws are for convenience only and shall not be considered in construing any provisions of these Bylaws.

13.7. **Interpretation of the Bylaws.** The Association, by and through its Board, shall have the exclusive right to construe and interpret the provisions of these Bylaws. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Board's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all Persons and property benefitted or bound by the provisions hereof.

IN WITNESS WHEREOF, the undersigned Vice-President/Secretary has signed this document for the purpose of authenticating it as the Bylaws of West Winds Master Owners' Association, Inc., a Montana non-profit corporation, as adopted by its Board of Directors this 15 day of November, 2022.

David Gianforte Vice-President/Secretary

Vice-President/Secretary, West Winds Master

Homeowners'

Association

STATE OF MONTANA)

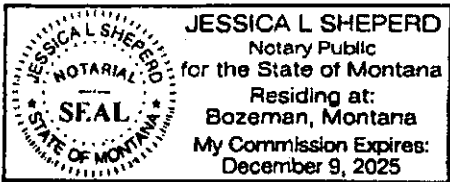
) ss.

COUNTY OF GALLATIN)

On the 15 day of November, 2022, before me, a Notary Public for the State of Montana, personally appeared David Gianforte known to me to be the Vice-President/Secretary of the Board of Directors for the West Winds Master Homeowners' Association, Inc., and who executed this instrument on behalf of the corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year first above written.

J. Sheperd



Notary Public for the State of Montana

Jessica Sheperd

Printed Name

12/09/2025

My Commission Expires