

**BYLAWS OF  
WOODS BAY HOMEOWNERS' ASSOCIATION, INC**

**ARTICLE I**

**OFFICE**

The Corporation shall maintain a principal office, which shall be the corporation's registered address unless changed by the Board of Directors. The corporation may also have offices in such other places as the Board may from time to time designate.

**ARTICLE II**

**MEMBERS MEETING**

Section 1. Annual Meetings. The annual meeting of the members of the Corporation shall be held at such place within or without the State of Montana as shall be set forth in compliance with these bylaws. The meeting shall be held in the month of August each year at such time designated by the Board of Directors. There will be written 30 day notice of such meeting which is provided to the members of the Corporation. This meeting shall be for the election of Directors, the establishment of member assessments and for the transaction of such other business as may properly come before it.

Section 2. Special Meetings. Special meetings of members, other than those regulated by the statute, may be called at any time by the Board of Directors, and must be called upon written request of the holders of twenty percent (20%) of all members.

Written notice of such meeting stating the place, the date and time and hour of the meeting, the purpose or purposes for which it is called, and the name of the person by whom or at whose direction the meeting is called shall be given. The notice shall be given to each member of record in the same manner as notice of the annual meeting. No business other than that specified in the notice of the meeting shall be transacted at any such special meeting, unless all members are present or otherwise consent to or ratify such other transaction of business.

Section 3. Notice of Members Meetings.

The Board of Directors shall give written notice stating the place, day and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, which shall be delivered 30 days before the next meeting, by mail to each member of record entitled to vote at such meeting. Such notice may be waived in writing by any member.

Section 4. Place of Meeting. The Board of Directors may designate any place as the place of meeting for the annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all members entitled to vote at a meeting may designate any place as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of the meeting shall be the principal office of the Corporation.

Section 5 Quorum. Ten percent (10%) of the members of the Corporation, represented in person or by proxy, shall constitute a quorum at a meeting of the members. For the purposes of a quorum, co-owner's lot shall be treated as one member. If less than a quorum of members are represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At a meeting resumed after any such adjournment at which quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally noticed. The members may present at a duly organized meeting may continue to transact business until adjournment; notwithstanding the withdrawal of members in such number that less than a quorum remain.

Section 6 Voting. A member entitled to vote at a meeting may vote at such meeting in person or by written proxy, filed with the Board of Directors of the Corporation. Every lot of Woods Bay Homesites shall entitle the owner(s) thereof to cast (1) vote. If a lot has two or more co-owners, such co-owners shall collectively have one (1) vote for each lot they own. Such vote of co-owners shall be exercised as they themselves determine. However, in no event shall more than one (1) vote be cast with respect to any lot. The Corporation shall assume that any ballot that any ballot tendered was the result of agreement by all co-owners of a lot. If conflicting ballots are cast by co-owners, none shall be counted. If a quorum is present, member action shall be taken by the affirmative vote of the majority of the members represented at the meeting and entitled to vote on the subject matter and such shall be the act of the Corporation.

Section 7. Proxies. At all meetings of members, a member may vote in person or by proxy executed in writing by the member or by his/her duly authorized person. Such proxy and credentials or other authority shall be filed with the Board of Directors before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Proxies are revocable, in writing or in person at a meeting, unless specifically made irrevocable pursuant to and subject to Montana law. Proxies will be sent out with notice and treasurer's report.

Section 8, Informal Action by Members. Any action required to be taken at a meeting of the members, or any action which may be taken at the meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of all of the members entitled to vote with respect to the subject matter thereof.

## ARTICLE III

### BOARD OF DIRECTORS

Section 1. General Powers. All corporate powers shall be exercised by or under the authority of and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors may adopt such rules and regulations for the conduct of their meeting and the management of the Corporation as they deem proper and as comply with Montana law.

Section 2. Number, Tenure and Qualifications. Initially there shall not be less than three (3) members of the Board of Directors of the Corporation. The initial Board of Directors shall serve until the first annual meeting of the members of the Association. From and after the first annual meeting of the members the number of members of the Board of Directors shall be five (5), which number may be changed from time to time by the members of the Association: provided that in no event shall the number of Directors ever be less than three. At the first annual meeting of the members of the Association, five (5) member shall be elected to the Board of Directors. Three of these five Directors shall be elected for a two (2) year term and the other two Directors shall be elected for a one (1) year term. The length of each Director's term shall be designated at the time of the election. Thereafter, all Directors shall be elected for a two year term. Each Director shall hold the office until his or her successor has been elected and qualified. Directors need not be residents of the state of Montana, but must be a member of the Corporation.

Section 3 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than by this bylaw, immediately following after and at the same place as the annual meeting of members. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than this resolution

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by any Director. The Director(s) calling said meeting shall give notice of the time, place and purposes of each special meeting by mailing the same at least two days or by telephoning or telegraphing the same at least one day before the meeting to each Director.

Section 5. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of any business, but less than a quorum may adjourn any meeting from time to time until a quorum shall be present, whereupon the meeting may be held, as adjourned, without further notice. At any meeting at which every Director shall be present, even though without any notice, any business may be transacted. A Director may be present by telephonic or other electronic communication as allowed by Montana law.

Section 6. Manner of Acting. At all meetings of the Board or Directors, each Director shall have one vote. The act of a majority present at the meeting shall be the act of the Board of Directors, provided a quorum is present. Any action required or permitted to be taken at a meeting of the Directors, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Directors entitled to vote thereon, and such consent shall have the same effect as a unanimous vote.

Section 7 Vacancies. A vacancy in the Board Of Directors shall be deemed to exist in case of death, resignation, or removal of any Director, or if the authorized number of Directors be increased or if the members fail at any meeting of members at which any Director is to be elected, to elect the full authorized number to be elected at that meeting. Any vacancy may be filled by the Directors then in office, though less than a quorum, the replacement to hold office for the balance of the term of the Director who resigned or was removed and until his/her successor is duly elected and qualified. Notwithstanding the foregoing, any directorship to be filled by reason of removal by member action may be filled also by member action at the same time as removal. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his/her term of office.

Section 8. Removals. Any Director may be removed by the members as set forth in S35-2-421, M.C.A.

Section 9 Resignation. A Director may resign at any time by delivering written notification thereof to the Board of Directors. Resignation shall become effective upon its acceptance by the Board of Directors; provided, however, that if the Board has not acted thereon within ten days from the date of its delivery, the resignation shall upon the tenth day be deemed accepted.

Section 10. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/hers dissent shall be entered in the minutes of the meeting or unless s/he shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the Board of Directors immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 11. Compensation. No Director shall be paid compensation for service on the Board of Directors. This prohibition shall not preclude any Director from serving the Corporation in any other capacity and receiving compensation thereof.

Section 12 Emergency Power. When due to a natural disaster or death, a majority of the Directors are incapacitated or otherwise unable to attend the meeting and function as Directors,

the remaining members of the Board of Directors shall have all the powers necessary to function as a complete Board, and for the purpose of doing business and filling vacancies shall constitute a quorum, until such time as all Directors can attend or vacancies can be filled pursuant to these bylaws.

Section 13. Chairman. The Board of Directors may elect from its own number a Chairman of the Board, who shall preside at all meetings of the Board of Directors, and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

## **ARTICLE IV**

### **OFFICERS**

The Corporation may operate without officers. However, the Board of Directors may authorize or empower one or more persons to act on behalf of the Board or the Corporation with respect to certain matters.

## **ARTICLE V**

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

Section 1. Contracts. The Board of Directors may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loan or advances shall be contracted on behalf of the Corporation, no negotiable paper or other evidence of its obligation under any loan or advance shall be issued in its name, and no property of the Corporation shall be mortgaged, pledged, hypothecated or transferred as security for the payment of any loan, advance, indebtedness or liability of the Corporation.

Section 3 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select, or as may be selected by the Board of Directors.

Section 4. Checks and Drafts. All notes, drafts, acceptances, checks, endorsements and evidences of indebtedness of the Corporation shall be signed by account manager if the amount of check is less than \$500. If over \$500, account manager and a member of the Board of Directors is required.

## **ARTICLE VI**

### **WAIVER OF NOTICE**

Whenever any notice is required to be given to any member of Director of the Corporation under the provisions of these bylaws, or under the provisions of the Articles of Incorporation under the provisions of the Montana Nonprofit Corporation Act, a waiver thereof in writing signed by the person or person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice and shall constitute a release of any claim based upon or arising out of the failure to give or receive such notice. Attendance at any meeting shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objecting to the legality of that meeting.

## **ARTICLE VII**

### **AMENDMENTS**

These bylaws may be altered, amended, repealed, or new bylaws adopted by a majority of the entire Board of Directors at any regular or special meeting. Any bylaw adopted by the Board may be repealed or changed by due action of the action of the members and notice thereof to the Board of Directors.

## **ARTICLE VIII**

### **PROHIBITING AGAINST SHARING IN CORPORATION EARNING**

No member or director connected with the corporation shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided that this shall not prevent the payment to any person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board of Directors.

## **ARTICLE IX**

### **QUALIFICATION FOR SECTION 528,IRC**

Notwithstanding any other provision of these Bylaws, the Corporation shall conduct its affairs to ensure compliance with and eligibility for Section 528 of the Internal Revenue Code, the benefits of which may or may not be elected by the Corporation for any given tax year.

KNOW ALL DIRECTORS BY THESE PRESENT, that we, the undersigned a majority of the Board of Directors of **WOODS BAY HOMEOWNERS' ASSOCIATION, INC.**, do hereby certify that the attached bylaws were unanimously adopted at the organization meeting of the Directors of said Corporation held on the \_\_\_\_ day \_\_\_\_\_, 2016

\_\_\_\_\_  
DENISE HAMILTON, CHAIRPERSON

\_\_\_\_\_  
MARY QUINN, VICE CHAIRPERSON

\_\_\_\_\_  
LORI HENES, SECRETARY

AMENDMENT 414067