

14
15

**BYLAWS OF
DOUBLE ARROW RANCH LANDOWNERS ASSOCIATION
(AS AMENDED)**

Phases IA, III, IV, V, VI, VII & VIII

A Montana Non-Profit Corporation

ARTICLE I.

Meetings of Members and General Voting Rights

Section 1. Time and Place of Meetings. The annual meeting of members (landowners) shall be held at the registered office of the Association at Seeley Lake, Montana, or at such other place within the State of Montana as the Board of Directors may from time to time designate, on the Saturday of Labor Day Weekend of each year, or at such other time as the Board of Directors may fix prior to the notice of such meeting.

Special meetings of the members may be held at the same place or places as the annual meeting and shall be called by the President or Secretary upon direction of the Board of Directors or upon written application of 5% of the members, said application to be directed to and certified by the Secretary or a member of the Board of Directors within 5 business days. These special meetings shall be called within 30 days of the certification of the receipt of this application.

Section 2. Notice of Meetings. Notice of each meeting of members shall be given to each member entitled to vote at such meeting, not less than ten (10) or more than thirty (30) days before the day on which the meeting is to be held, unless some other period of time is required by statute for any particular corporation action that may necessitate members' approval. Notice shall be given by mailing to each member, postage prepaid, a written or printed notice thereof, addressed to the member at the member's last known address appearing on the books of the Association, or if approved in writing by the member, via electronic mail. Deposit of the notice in the United States Post Office official depository, or transmission of electronic mail shall constitute giving timely notice of mailing, if deposited or transmitted not less than ten (10) or more than thirty (30) days before the day on which the meeting is to be held. Such notice shall include a description of the matter or matters for the meeting. The notice shall also state a matter a member intends to raise at the meeting if:

- (a) requested in writing to do so; and
- (b) the request is received by the secretary or president at least 10 days before the notice of the meeting.

Unless otherwise required by statute, notice of any adjourned meeting of members need not be given, provided, however, in the event such meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 3. Quorum. At each meeting of members, those members of the Association present, either represented in person or by proxy, entitled to vote at such meeting, shall constitute a quorum for the transaction of business, unless by statutory requirement a greater majority is necessary.

Section 4. Qualifications for Membership. Every owner of property in the Double Arrow Subdivision in Missoula County, Montana, shall be a member of the Association, provided that any person or entity who is merely holding a lot as security for the performance of an obligation shall not be a member.



ARTICLE III. Election Commission

The Double Arrow Association shall establish an Election Commission each year for the specific purpose of election coordination and oversight. The Election Commission shall be made up of three members with a term of one year. The chair of the commission shall be a member of the Board, not up for re-election, and appointed by the Board. The other two members and an alternate shall be elected from the general membership each election cycle. Nomination processes and ballot processes for this election shall be the same as, and shall be in concert with, the election of the Board of Directors. The Election Commission shall follow the guidelines as recommended by the Commission and approved by the Board of Directors.

ARTICLE IV. Committees

Section 1. Creation, Control & Dissolution The Board of Directors may appoint committees consisting of landowners in good standing to exercise delegated powers of the Board. These committees can be either permanent, function oriented or special, task oriented committees. The Board shall:

- a) Define the title, purpose and authority of each committee
- b) Specify the start date and the intended duration of each committee
- c) Select committee members
- d) Appoint the chairperson who may or may not be a member of the board of directors.
- e) Dissolve committees but not the Roads, Architectural Control, or Fire Safety Committees.
- f) Remove members or chairpersons.

It shall be the responsibility of the Committee Chairs to:

- a) Define committee operating procedures and number of members
- b) Keep the Board of Directors advised on work progress
- c) Make recommendations for the addition and/or removal of members. The Committee Chair shall present all nominations for committee members to the Board of Directors
- d) Become and act as the authority in the assigned areas of responsibility, making recommendation to and advising the Board in these areas
- e) Responsible for providing committee minutes to the Secretary prior to the next scheduled meeting for review.

Section 2. Architectural Control Committee. This permanent committee shall have the power and the duty to review all plans and specifications for site development or buildings which are required to be submitted by virtue of the Declaration of Protective Property Rights affecting the lands of Double Arrow (Article VII Architectural Control Guidelines).

Section 3. Road Committee. This permanent committee shall have the power and the duty to maintain, or cause to be maintained, all roads within the purview of

as provided in Article II. Qualifications for office shall be the same as those pursuant to Article I, Section 4, except that an officer must also be a director. The Board of Directors may remove any officer at any time with or without cause.

Section 3. Resignations. Any officer may resign at any time by giving written notice of such resignation to the Board of Directors or the Secretary of the Association. Unless otherwise specified in said written notice, such resignation shall take effect upon acceptance thereof by the Board of Directors.

Section 4. President. The President shall be the chief executive officer of the Association. Subject to the direction of the Board of Directors, the President shall have general charge of the business affairs and property of the Association and general supervision over its officers, employees, agents and contractors. If present, he or she shall preside at all meetings of the members and of the Board of Directors. In the absence of the President, the Vice-President shall execute said duties. The President may sign with any other officer hereunto duly authorized, in the name of the Association, such agreements and other instruments as shall be duly authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent. The President shall report monthly to the Board of Directors all matters within his or her knowledge which the interests of the Association may require to be brought to their attention. The President shall also perform such other duties as are given to him or her by these Bylaws or as from time to time may be assigned to him or her by the Board of Directors. The president is authorized to expend up to \$250 (two hundred and fifty dollars) at his discretion per item without prior approval by the Board of Directors. Expenditures of this nature will be itemized in the subsequent monthly President's report at the Board of Directors meeting.

Section 5. Vice-President. The Vice President shall be the chief executive officer of the Association, in the absence of the President. Further, in the event the President is absent or is unable to serve, the Vice President shall execute the duties of the President as set forth in Section 4 herein, and shall further perform those tasks and duties designated by the Board of Directors.

Section 6. Secretary. The Secretary shall:

- (a) Cause all notices to be duly given in accordance with the provisions of these Bylaws and as required by statute;
- (b) Whenever any committee shall be appointed in pursuance of a resolution/motion of the Board of Directors, furnish the Chairman of such committee with a copy of such resolution/motion;
- (c) Safeguard, or cause to be safeguarded, the seal of the Association and cause such seal to be affixed to all instruments the execution of which on behalf of the Association under its seal shall have been duly authorized;
- (d) See that the lists, books, reports, statements, and other documents and records required by statute are properly kept and filed.
- (e) Record, or cause to be recorded, all the proceedings of the meetings of members and the Board of Directors in a book or books to be kept for that purpose;
- (f) See that the minutes of the committees are properly kept and filed.
- (g) Safeguard, or cause to be safeguarded, the official corporate records concerning all meetings of the members, Directors, and Committees.



Section 7. Treasurer. The Treasurer shall:

- (a) Have charge of, supervision over, and be responsible for the funds, securities, receipts and disbursements of the Association;
- (b) Cause the monies and other valuable effects of the Association to be deposited in the name and to the credit of the Association in such banks or trust companies or with such bankers or other depositories as shall be selected by the Board of Directors or to be otherwise dealt with in such a manner as the Board of Directors may direct;
- (c) Cause the funds of the Association to be discharged by checks or drafts upon the authorized depositories of the Association, the same to be drawn in the manner and by the officers to be determined from time to time by the Board of Directors, and cause to be taken and preserved proper vouchers for all monies disbursed;
- (d) Render, or cause to be rendered, to the members of the Board of Directors, a monthly statement of the financial condition of the Association and all of his or her transactions as Treasurer;
- (e) Cause an independent audit of the books to be rendered at a minimum of every 5 years.

Section 8. Check signing restrictions. Checks that exceed \$1000 will require the signature of two Board Officers. No Director may sign a check made payable to him/herself.

ARTICLE VI.

Indemnification of Directors and Officers

Every person who now is or hereafter shall be a director or officer of the Association shall be indemnified by the Association against costs and expenses (including counsel fees) actually and necessarily incurred by or imposed upon him or her in connection with or resulting from any action, suit, or proceeding of whatever nature to which he or she is or shall be made a party by reason of his or her being or having been a director or officer of the Association (whether or not he or she is a director or officer of the Association at the time he or she is made a party to such action, suit, or proceeding, or at the time such costs or expenses are incurred by or imposed upon him or her), except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or misconduct in the performance of his or her duties as such director or officer; provided, however, that in the case of an action, suit, or proceeding which is settled or compromised, such right of indemnification shall be applicable only (a) if such settlement or compromise is approved by the Court having jurisdiction of such action, suit, or proceeding, and (b) to the extent provided in the terms of such compromise or settlement so approved. Every such person shall be entitled, without demand by him or her upon the Association or any action by the Association, to enforce his or her right to such indemnity, in an action at law against the Association.

The right of indemnification herein above provided shall not be deemed exclusive of any other rights to which any such person may now or hereafter be otherwise entitled and specifically, without limiting the generality of the foregoing, shall not be deemed exclusive of any rights, pursuant to statute or otherwise, or any such person in any such action, suit or proceeding to have assessed or allowed in his or her favor, against the Association or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

ARTICLE VII.
Corporate Seal

The corporate seal shall bear the name of the Association and otherwise shall be in such form as shall be approved from time to time by the Board of Directors.

ARTICLE VIII.
Fiscal Year

The fiscal year of the Association commences on December 1 each year, and ends on November 30th of each year.

ARTICLE IX.
Budget

The Board of Directors shall establish an annual operating budget prior to the annual landowners meeting and the next fiscal year. The budget shall be included in the Notice of the Annual meeting for landowner review. This budget shall address the major categories listed below.

Road Maintenance Expenses: Road maintenance expenses include but are not limited to grading, graveling, snow plowing, culvert maintenance on culverts installed by DARLOA, weed control, ditching, bridge maintenance, dust control spraying, and street signs.

Administration Expenses: Administration expenses shall include office staff, postage, printing, electricity, telephone, ACC and Fire/Safety trip reimbursement, equipment repair, building repair, reimbursement to officers and/or committee chairmen, and/or members for approved expenses

The Board shall set guidelines or targets for reserves such as Bridge replacement, Fire Safety Funds, and general reserves. Each standing committee shall propose a budget to be approved by the Board of Directors annually, as well as a projected five-year budget for planning. Any committee expenditures must be approved by the Board of Directors. The Board shall include in each yearly budget a general reserve fund to be determined by the Board of Directors annually.

No Director, Committee Chairperson or other volunteer shall receive any compensation from the Association. A Director, Committee Chairperson or volunteer may be reimbursed for expenses incurred on behalf of the Association by submitting written documentation to the Board of Directors for approval of expenses incurred.



ARTICLE X. Assessments

+Annual assessments shall be determined by the Board of Directors to fund the operating budget and consider future needs of the Association. Information used in making this determination will be included in the notice of the Annual Membership Meeting and presented at the Annual Membership Meeting. The amount of the per lot assessment may vary from year to year as requirements change.

Special assessments to meet unexpected or emergency expense increases or non-budgeted items outside of the control of the Board of Directors are also at the discretion of the Board of Directors.

ARTICLE XI. Contract Labor

All labor contracts must be approved by the Board of Directors after review by the appropriate Committee. These must include the following:

1. Contract
2. Statement of work
3. Proof of insurance with the Association named as additional insured
4. Proof of Bonding (if required)
5. Hourly or monthly rate (if required)
6. Number of hours (if required)
7. Contract Monitor
8. Termination clause

ARTICLE XII. Amendments

Any member, including a Director, may propose in writing an amendment to these by-laws to the Board of Directors. If the Board agrees with the proposed amendment, via an affirmative vote, the proposed amendment(s) will be submitted to the entire membership via the next newsletter (or a special mailing if deemed necessary by the Board). The Proposed amendment to the bylaws shall be adopted by written ballot with the affirmative vote of a two-thirds majority vote of the total votes cast. The Board of Directors shall have the right to amend the by-laws in the event of a conflict between these by-laws and Montana Law.

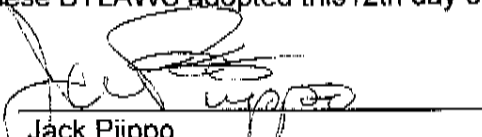
ARTICLE XIII. Severability and Conflicts

If any portion of these Bylaws is deemed to be contrary to law by a court of competent jurisdiction, such portion is severable from the remainder of the provisions of the Bylaws and such remainder shall be legally binding.

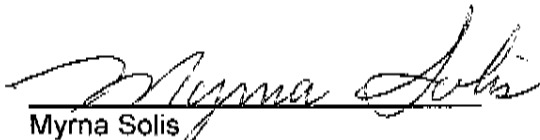
If there are any conflicts or inconsistencies between the Provisions of Montana

Law, The Articles of Incorporation, the Covenants and these By-Laws, the provisions of Montana Law, the Covenants, the Articles of Incorporation and the By-Laws (in that order) shall prevail.

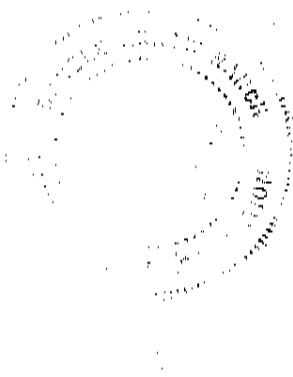
These BYLAWS adopted this 12th day of September 2007



Jack Piippo
President



Myrna Solis
Secretary



 200727227
Page: 11 of 11
10/15/2007 02:44P
Missoula County Vickie M Zeier BL BK-807 Pg-587