

By Laws of the Daly Mansion Preservation Trust

Mission Statement: The Daly Mansion Preservation Trust is dedicated to preserving and interpreting the Daly Mansion, its buildings, grounds and the history they convey. It is a center for education, cultural and community activities.

Article I

Section 1. The Daly Mansion Preservation Trust, hereby referred to as the "Corporation," is composed of dues paying members.

Section 2. The Corporation is authorized to issue memberships upon receipt of the appropriate fee, which shall be set by the Board of Directors.

Section 3. The Board of Directors is authorized to create different categories of membership and determine the fee and additional benefits, rights and other requisite criteria for each category of membership consistent with these By Laws, the Articles and Corporate Law.

Section 4. A business membership may be issued to any natural or legal person, individual, corporation or entity that otherwise qualifies. All other memberships may be issued to any natural or legal person, individual, corporation or entity that otherwise qualifies, provided that any such natural or legal person be eighteen (18) years of age or older.

Section 5: Each member qualified to vote is entitled to one vote

Section 6. The Members of the Corporation, as such, shall not be liable on its obligations.

Article II

Board of Directors

Section 1. General Powers. Subject to the limitations of the Articles of Incorporation, these Bylaws, and the laws of the State of Montana, all corporate power shall be exercised by or under the authority of the Board of Directors, and the Board shall control the business and affairs of the Corporation.

Section 2. Number, Tenure, Qualifications, and Election.

a. The Board of Directors shall consist of seven voting members plus one voting member appointed by the State of Montana. The numbers of Directors may be increased or decreased by resolution of the Board, but shall not be less than seven. The Board of Directors, by resolution, may: (i) add additional ex-officio or emeritus members, who shall be entitled to participate in meetings but may not vote, or (ii) exercise the power to appoint one or more Directors to serve as a member of the board of directors of another nonprofit corporation.

b. The Directors shall be elected for a term of three (3) years, the terms being staggered such that the terms of service for only a portion of the members of the Board will expire at each annual meeting. The Secretary of the Corporation shall record the dates for the commencement and termination of each board position, which dates shall be established by resolution of the Board. At each annual meeting, a number of Directors equal to that of those whose terms have expired shall be elected for a term of three (3) years.

c. Directors shall serve until their successors are elected and qualified. No Director may serve more than three (3) consecutive three-year terms without at least a one year break in service. An election to serve an unexpired term of less than twenty-six (26) months shall not be deemed a term of service for purposes of this provision.

d. The nominating committee shall, at least thirty (30) days prior to the annual meeting, nominate a slate of qualified candidates to fill vacant or expiring directorship terms. Following the report of the nominating committee, any member of the corporation may nominate other candidates for the available directorship positions, provided that the nominees agree to serve if elected. At the conclusion of the nominations, members in good standing shall vote for each position.

Article III

3. Meetings

Section 1. Membership Meetings

- a. The Members of the Corporation shall meet annually at a date and time and location as designated by the Board of Directors.
- b. The Annual Meeting shall be for the purpose of reporting the condition of the corporation; approval of any ongoing business plan; election of board members, officers; and for the conducting of any other business as may properly come before the Board of Directors.
- c. Notice of the Annual Meeting of the Corporation and of any special meetings shall be given in any publication regularly sent to the Membership or published one time, at least fifteen days before the date of the meeting, in a newspaper of general circulation in Ravalli County, Montana.
- d. Special meetings of the Members may be held upon the call of the President of the DMPT Board, or by a resolution of the Board or upon the request of fifteen (15) members or ten percent of its Members, whichever is fewer, having the right to vote at such meetings.
- e. Any person attending a membership meeting in the capacity of an individual member or in the capacity of a delegate of a business member shall be entitled to vote.
- f. Any members of the Corporation may vote at any meeting of the Members of the Corporation, in person, by absentee ballot or by mail-in ballot.

Section 2. Board of Director Meetings

- a. Regular meetings of the Board of Directors shall be held at least quarterly and at such times and in such manner as shall be fixed by resolution of the Board.
- b. All meetings of the Board of Directors shall be open to the public, minutes thereof shall be kept, and at least three (3) days prior notice thereof shall be provided to the public by publication in a newspaper of general circulation in Ravalli County, Montana.
- c. Special meetings of the Board may be called at any time by the President, the Vice-President in the absence of the President, or by at least one-third of the Directors.
- d. Notice of all meetings shall be given in writing by mail or delivered personally or by telephone, facsimile or other electronic means at least three (3) days prior to the date of the meeting. In the case of a special meeting, the business to be transacted and the purpose of any such meeting shall be specified in the notice. Attendance of a Director at a meeting shall constitute a waiver of notice of that meeting except when the Director attends for the express purpose of objecting to the transaction of any business in that the meeting is allegedly not lawfully called or convened.
- e. The vote of a majority of the Directors present at a properly called meeting at which a quorum is present shall be the act of the Board of Directors, unless the vote of a greater number is required for a particular resolution. A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action unless their dissent is entered in the minutes of the meeting.

Section 3. Quorum

A majority of the currently serving Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, unless the vote of a greater number is required. If, at any meeting of the Board of Directors, less than a quorum is present, a majority of those present may adjourn the meeting until a quorum is present. If the meeting is adjourned for more than seventy-two (72) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 4. Vacancies.

A vacancy in the Board of Directors shall be filled by the vote of a majority of the remaining Directors, even though less than a quorum is present. Vacancies existing due to the expiration of a full term shall be filled at the Annual Meeting; otherwise, each Director so elected shall hold office for the unexpired

term of his or her predecessor in office. Any directorship that is to be filled as a result of an increase in the number of Directors must be filled by election at an Annual or Special meeting of the Directors called for that purpose.

Section 5. Removal

At any Annual Meeting, or special meeting called for such purpose, any Director or Directors may be removed from office, with or without cause, by a vote of two-thirds of the remaining Directors. New Directors may be elected by the Board of Directors for the unexpired terms of Directors removed from office at the same meetings at which such removals are voted. Failure to attend three (3) consecutive meetings of the Board of Directors may, except for good cause approved in advance by the President of the DMPT, result in termination of any member of the Board of Directors. Prior to the conclusion of the meeting at the end of which such termination becomes effective, the Board of Directors shall be notified thereof by the President. After such termination, the Secretary shall notify the Board Member as promptly as feasible. The removal of a Board Member shall be without prejudice to the contract right, if any, of the removed Board Member. Election or appointment shall not of itself create contract rights.

Section 6. Compensation

No Board Member or Officer or any member of a committee shall receive at any time any of the net earnings or profit from the operations of the Corporation. However, this shall not prevent the payment to any such person of reasonable compensation for services rendered to or for the Corporation. Such compensation shall be fixed by the Board of Directors from time to time. No person shall be entitled to share in the distribution of any of the Corporation's assets upon the dissolution of the Corporation. All members of the Corporation shall be deemed to have expressly consented and agreed that upon such dissolution, whether voluntary or involuntary, and after all debts have been satisfied, the remaining assets of the Corporation shall be distributed, transferred, conveyed, delivered and paid over exclusively to such organization(s) as the Board may designate and which are organized and operated exclusively for charitable, educational, religious or scientific purposes and qualify as an exempt organization(s) under Section 501 (c)(3) of the Internal Revenue Code of 1954 as it exists or may hereafter be amended.

Section 7. Indemnification

To the full extent allowed by law, the Corporation shall indemnify all persons who have served or may serve at any time as Officers or Directors of the Corporation, and their heirs, executors, administrators, successors, and assigns, from and against any and all loss and expense, including amounts paid in settlement before or after suit is commenced, and reasonable attorneys' fees, actually and necessarily incurred as a result of any claim, demand, action, proceeding, or judgment that may be asserted against any such persons, or in which any such persons are made parties by reason of their being or having been Officers or Directors of the Corporation.

Section 8. Conflict of Interest

In the event of a temporary conflict of interest, the Director with the conflict shall be required to disclose the same and to abstain from voting on any motion where the conflict would be applicable.

Article IV

Officers

Section 1. The Officers of the Corporation shall consist of a President, one (1) or two (2) Vice Presidents, Secretary and Treasurer, all of who must be members of the Board. The same person may not hold the offices of President and Secretary. For each Officer position, a statement describing the role and scope of responsibilities shall be approved by the Board of Directors and reviewed regularly.

Section 2. The Officers shall be elected by the Board at the Annual Meeting of the Corporation. The Officers so elected shall serve for a term of one year. The Board, by majority vote, shall fill all vacancies that may occur, with the appointee to hold office until the next Annual Meeting of the Corporation.

Section 3. The President shall preside at all meetings and perform the duties customarily required of such office and shall be the chief officer subject to the direction of the Board. The role, responsibilities and duties of the office of President will be developed and approved by the Board of Directors.

Section 4. The Vice President(s) shall perform the duties of the President as needed in the absence of the President. The role, responsibilities and duties of the office(s) of the Vice President(s) will be developed and approved by the Board of Directors.

Section 5. The Secretary shall have charge of the seal and corporate books and records of the Corporation and shall issue notice of meetings to the Members and Directors, and with the President, shall execute and sign such instruments as require his/her signature, and shall make such reports and perform such other duties as are incident to this office or which may be required by the Board of Directors.

Section 6. The Treasurer shall have the custody of all monies and securities of the Corporation and shall oversee the keeping of the regular books of account of its funds and property and shall perform all duties incident to this office or which may be required by the Board of Directors. The books should be available for periodic review by the Board.

Section 7. The Directors and Officers of the Corporation shall not, as such, be liable on its obligations.

Article V

Committees

Section 1. Executive Committee

The Executive Committee shall consist of Officers of the Corporation and up to three (3) Board Members at-large. The immediate past President of the Corporation shall serve as an ex-officio non-voting member of the Executive Committee. The Executive Committee shall have and exercise the authority of the Board of Directors in the management of the Corporation. It shall not, however, have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing or removing any member of the Board; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of lease, exchange of mortgage of all or substantially all the property and assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or any Director by law.

Section 2. Nominating Committee

The President shall annually appoint three (3) members of the Board, who shall be a Nominating Committee. They shall submit nominations for Directors in writing to the Secretary no less than thirty (30) days prior to the annual Meeting.

Section 3. Other Committees

The President may establish such standing and ad hoc committees, not specifically otherwise provided for in these Bylaws, as he or she may deem advisable in the administration and conduct of the affairs of the Corporation. Such committees appointed by the President should advise and consult with the board Members and Staff of the Corporation to the extent authorized by the President. The Executive Committee is authorized in its discretion to approve reimbursement for travel and actual expenses necessarily incurred by the members of the committees in attending meetings and performing official duties as such. The President and Vice President of the Corporation are ex-officio voting members of all Corporation Committees. The President shall appoint all Chairpersons of committees and determine their size. The Chairperson of each committee shall determine the date and place of committee meetings. Each committee shall adopt its own rules of procedure not inconsistent with these Bylaws, and request necessary staff services. Committees may include individuals who are not members of the Board of Directors.

Section 4. Except for the Executive Committee, all committees shall be advisory and shall not set policy or obligate the Corporation except when expressly authorized to do so by resolution of the Board of Directors or by these Bylaws.

Section 5. The designation and appointment of committees and the delegation of authority shall not operate to relieve the Board or any individual Director of any responsibility imposed by law.

Article VI

The Seal

Section 1. The Corporate Seal of the Corporation shall consist of a die with two concentric circles having inscribed in the outer circle, "Daly Mansion Preservation Trust, Inc.," and in the inner circle, "Corporate Seal."

Article VII

Amendments

Section 1. The Board shall have the power to make, alter, amend and repeal the Bylaws by affirmative vote of two-thirds of the Board at any regular or special meeting, provided that the proposed action is inserted in the notice of such meeting.

Article VIII

Agents and Representatives

Section 1. The Board may appoint such agents and representatives with such powers and to perform such acts or duties on behalf of the Corporation as the Board may see fit, so far as is consistent with these Bylaws, to the extent authorized or permitted by law.

Article IX

Contracts

Section 1. The Board, except as otherwise provided in these Bylaws, may authorize any Officer or agent to 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 a specific instance; and unless so authorized by the Board, no Officer, agent or employee shall have the power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or render it liable monetarily for any purpose or to any amount.

Article X

Prohibition against Loans and Sharing in Corporate Earnings

Section 1. Loans to Directors and Officers are prohibited.

Article XI

Investments

Section 1. The Corporation shall have the right to retain all or any part of any security or property acquired by it in whatever manner, and to invest and reinvest any funds held by it. No action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction or would result in denial of tax exemption under the Internal Revenue Code as it now exists, or as it may be amended.

Article XII

Exempt Activities

Section 1. Notwithstanding any other provision of these Bylaws, no Member, Director, Officer, Employee or Representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501 (c)(3) of the Internal Revenue Code as it now exists, or as it may be amended or by an organization, contributions to which are deductible under Section 1-70 (c) (2) of such Code.