

PROPOSED AMENDED AND RESTATED BYLAWS OF DALY MANSION PRESERVATION TRUST, INC.

DRAFT FOR BOARD REVIEW

Prepared as a proposed modernization of the February 2018 bylaws, using the Trust’s 1987 Articles of Incorporation as the controlling organizational foundation. This draft intentionally separates charitable “membership”/supporter programs from legal corporate membership and provides that the Corporation has no statutory voting members.

Important: This is a governance drafting document, not legal advice. Montana nonprofit counsel should review the final text, confirm the Trust’s current public-benefit classification, verify any State of Montana appointment rights or contractual requirements, and confirm the adoption procedure before Board action.

Drafting Notes — Not Part of the Bylaws

- **No statutory members.** The draft provides that the Corporation has no members with voting or governance rights. Persons participating in donor/supporter programs may still be called “members” for fundraising or program purposes, but that label does not confer corporate membership, voting, nomination, inspection, or meeting rights.
- **Board-governed structure.** Directors govern the Corporation, elect officers, approve policy, and appoint successor directors, subject to the Articles of Incorporation and Montana law.
- **Annual meeting becomes a Board annual meeting.** The confusing annual “membership meeting” provisions are removed. The Board holds an annual organizational meeting and regular meetings at least quarterly.
- **Modern notice and participation.** Electronic notice, remote participation, and written/electronic consent are expressly permitted to the extent allowed by Montana law.
- **Director terms and limits clarified.** Three-year staggered terms and a three-consecutive-term limit are retained, with a one-year break before reelection.
- **Committees clarified.** The Executive Committee may act only within authority delegated by the Board and may not exercise powers reserved to the full Board by law, the Articles, or these bylaws.
- **Conflict-of-interest controls strengthened.** Disclosure, recusal, documentation, and annual conflict disclosures are required, with a separate Board-approved conflict-of-interest policy contemplated.
- **Records and financial oversight strengthened.** The Secretary maintains governing records and minutes; the Treasurer oversees financial reporting and internal controls; the Board receives regular financial reports.
- **Certification added.** The final document includes an adoption and Secretary certification block so the corporate record shows exactly what was adopted and when.

ARTICLE I — NAME, PURPOSE, AND OFFICES

Section 1. Name.

The name of the corporation is Daly Mansion Preservation Trust, Inc. (the “Corporation” or “Trust”).

Section 2. Charitable Purpose.

The Corporation is organized and shall be operated exclusively for charitable, educational, and other purposes permitted to an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, consistent with its Articles of Incorporation. Its mission is to preserve, protect, interpret, and promote the Daly Mansion, its buildings, grounds, collections, and history, and to support education, cultural enrichment, and community engagement.

Section 3. Principal Office.

The principal office shall be located in Ravalli County, Montana, at a place designated by the Board of Directors. The Corporation shall continuously maintain a registered office and registered agent as required by Montana law.

Section 4. Governing Authority.

These Bylaws are subordinate to the Articles of Incorporation and applicable law. If a provision of these Bylaws conflicts with the Articles of Incorporation or applicable law, the Articles or law shall control.

ARTICLE II — NO STATUTORY MEMBERS; SUPPORTER PROGRAMS

Section 1. No Members.

The Corporation shall have no members as that term is used for corporate governance purposes under the Montana Nonprofit Corporation Act. No person shall have the right, by reason of making a donation, paying a fee, purchasing a supporter package, volunteering, or participating in a program, to vote for Directors or Officers or to exercise any other governance right reserved by law to statutory members.

Section 2. Donor and Supporter Programs.

The Board may establish charitable giving, donor recognition, affinity, or supporter programs and may use the term “member” or “membership” in the public name of such programs. Participation in any such program is a fundraising or programmatic relationship only and does not create corporate membership or voting rights.

Section 3. Benefits.

The Board may establish levels, contributions, fees, benefits, discounts, admissions, event privileges, recognition, and other features of donor or supporter programs. The Board may modify or discontinue such programs at any time, subject to honoring commitments already made.

ARTICLE III — BOARD OF DIRECTORS

Section 1. General Powers.

All corporate powers shall be exercised by or under the authority of the Board of Directors, and the affairs of the Corporation shall be managed under its direction, subject to the Articles of Incorporation, these Bylaws, and applicable law.

Section 2. Number and Composition.

The Board shall consist of not fewer than seven (7) and not more than eleven (11) voting Directors, with the exact number fixed from time to time by resolution of the Board. If the State of Montana possesses a valid legal, contractual, or other enforceable right to appoint a voting Director, that appointment shall be honored and the appointed Director shall be included within the authorized number of Directors. The Board may also create nonvoting emeritus, advisory, or ex officio positions by resolution.

Section 3. Qualifications.

Directors shall support the mission and charitable purposes of the Corporation and shall be willing and able to fulfill fiduciary, attendance, confidentiality, conflict-of-interest, and other responsibilities established by the Board. A Director need not be a donor or participant in any supporter program.

Section 4. Election.

Except for any Director validly appointed by an outside person or entity pursuant to the Articles, law, or an enforceable agreement, Directors shall be elected by the Board. The Governance or Nominating Committee shall present candidates for expiring or vacant seats, and additional nominations may be made by any Director in accordance with procedures adopted by the Board.

Section 5. Terms.

Directors shall serve staggered terms of three (3) years and until their successors are elected and qualified. The Board may adjust initial or transitional terms as reasonably necessary to maintain approximately equal classes of Directors.

Section 6. Term Limits.

No elected Director may serve more than three (3) consecutive full three-year terms without at least a one-year break in service. Service of less than twenty-six (26) months in filling an unexpired term shall not count as a full term for purposes of this limitation.

Section 7. Vacancies.

A vacancy in an elected Director position may be filled by majority vote of the Directors then in office, even if fewer than a quorum remain, unless applicable law requires otherwise. A Director elected to fill a vacancy shall serve the remainder of the unexpired term. A vacancy in an externally appointed position shall be filled by the person or entity entitled to make that appointment.

Section 8. Resignation.

A Director may resign at any time by written or electronic notice to the President or Secretary. The resignation is effective when received unless a later effective date is stated.

Section 9. Removal.

An elected Director may be removed, with or without cause, by the affirmative vote of two-thirds (2/3) of the Directors then in office, excluding the Director whose removal is under consideration, provided that notice of the meeting states that removal will be considered. Any externally appointed Director may be removed only in the manner permitted by the authority governing that appointment.

Section 10. Attendance.

Directors are expected to attend Board meetings and actively participate in governance. Three (3) consecutive unexcused absences may be grounds for removal under Section 9. The Board may adopt an attendance policy defining excused absences and expectations.

Section 11. Compensation.

Directors shall not receive compensation for service as Directors. The Corporation may reimburse reasonable expenses incurred on behalf of the Corporation in accordance with Board-approved policy. Nothing in this section prohibits reasonable compensation for separate professional or other services if the arrangement is approved in compliance with the conflict-of-interest provisions of these Bylaws and applicable law.

ARTICLE IV — MEETINGS OF THE BOARD

Section 1. Annual Meeting.

The Board shall hold an annual organizational meeting at a date, time, and place designated by the Board. At the annual meeting the Board shall elect Officers, elect Directors as needed, receive appropriate organizational and financial reports, and conduct other business.

Section 2. Regular Meetings.

The Board shall meet at least quarterly. The Board may establish a regular meeting schedule . Once such a schedule is established, no additional notice of regularly scheduled meetings shall be required, except as required by law or Board policy.

Section 3. Special Meetings.

Special meetings may be called by the President or by any three (3) Directors. Notice shall state the date, time, place or remote-access information, and, when required by law or these Bylaws, the purpose of the meeting.

Section 4. Notice.

The Secretary shall have the custody of the seal and corporate books and records of the Corporation and shall issue notice of meetings to the Members and Directors. Notice of a special meeting shall be delivered to each Director at least three (3) days before the meeting. Notice may be delivered personally, by mail, or by electronic transmission to an address designated by the Director.

Section 5. Waiver.

A Director may waive notice in writing or electronically. Attendance at a meeting constitutes waiver of notice unless the Director objects at the beginning of the meeting to holding the meeting or transacting business because the meeting was not lawfully called or noticed.

Section 6. Remote Participation.

To the extent permitted by Montana law, Directors may participate in a meeting through telephone, video conference, or other communications technology by which all participating Directors can simultaneously hear or otherwise communicate with one another. Participation in this manner constitutes presence at the meeting.

Section 7. Quorum.

A majority of the voting Directors then in office shall constitute a quorum unless a greater number is required by law, the Articles, or these Bylaws.

Section 8. Voting.

If a quorum is present, the affirmative vote of a majority of the Directors present and entitled to vote shall be the act of the Board unless a greater vote is required by law, the Articles, or these Bylaws. Proxy voting by Directors is prohibited.

Section 9. Action Without a Meeting.

Any action permitted to be taken at a Board meeting may be taken without a meeting by unanimous written or electronic consent of all Directors entitled to vote on the action, unless applicable law permits a different standard. The consent shall describe the action taken and shall be filed with the corporate records.

Section 10. Minutes.

Minutes shall be prepared for every Board meeting and shall record attendance, actions taken, material recusals or abstentions, and such other information as the Board determines appropriate. Approved minutes shall be maintained as permanent corporate records.

Section 11. Public Access.

The Board may adopt policies concerning public attendance, public comment, confidentiality, and executive sessions that are consistent with applicable law, contractual obligations, donor privacy, personnel privacy, attorney-client privilege, and the Corporation's legitimate governance needs. Nothing in these Bylaws creates a public-meeting requirement beyond that imposed by applicable law or binding agreement.

ARTICLE V — OFFICERS

Section 1. Officers.

The Officers shall be a President, one or more Vice Presidents as the Board determines appropriate, a Secretary, and a Treasurer. The Board may create additional officer positions. Officers must be Directors unless the Board determines otherwise and applicable law permits.

Section 2. Election and Term.

Officers shall be elected annually by the Board at the annual meeting and shall serve for one year and until their successors are elected and qualified. Officers may be reelected, subject to any Board-adopted limits.

Section 3. Removal and Vacancies.

Any Officer may be removed from office by majority vote of the Directors then in office whenever the Board determines that removal is in the best interests of the Corporation. Removal from office does not automatically remove the individual as a Director. An officer vacancy may be filled by the Board for the remainder of the term.

Section 4. President.

The President shall preside at Board meetings, support effective Board governance, coordinate with the Executive Director or chief staff officer to set the Board meeting agenda, and perform duties assigned by the Board. The President has no individual authority to bind the Corporation except as expressly delegated by the Board or these Bylaws.

Section 5. Vice President.

A Vice President shall perform duties assigned by the Board or President and shall act in the President's place when the President is absent or unable to serve.

Section 6. Secretary.

The Secretary shall ensure that minutes and corporate governance records are maintained; that required notices are given; that current copies of the Articles, Bylaws, Board resolutions, Director and Officer rosters, and other required records are retained; and that certifications or other instruments are executed when appropriate.

Section 7. Treasurer.

The Treasurer shall provide Board-level oversight of the Corporation's financial affairs, ensure that regular financial reports are presented to the Board, support appropriate internal controls and financial policies, and perform other duties assigned by the Board. Day-to-day bookkeeping or financial administration may be delegated to staff or contractors without relieving the Board or Treasurer of oversight responsibility.

Section 8. Role Descriptions.

The Board shall approve and periodically review written descriptions of the duties and expectations of each Officer position.

ARTICLE VI — COMMITTEES

Section 1. Board Committees.

The Board may create standing or special committees and appoint committee members by resolution. Any committee exercising authority of the Board shall consist solely of Directors and shall operate within the authority delegated by the Board and permitted by Montana law.

Section 2. Executive Committee.

The Board may establish an Executive Committee composed of the Officers and such additional Directors as the Board determines. Between Board meetings, the Executive Committee may exercise only the authority specifically delegated to it by Board resolution. It may not amend the Articles or Bylaws; elect or remove Directors; fill Board vacancies unless expressly permitted by law; approve dissolution, merger, or disposition of substantially all assets; reverse an action reserved to the full Board; or exercise any power that applicable law reserves to the Board.

Section 3. Governance/Nominating Committee.

The Board shall maintain a Governance or Nominating Committee responsible for Board recruitment, nominations, orientation, governance review, succession planning, and periodic review of these Bylaws and governance policies. The President shall appoint a 3 member nominating committee responsible for Board recruitment and nominations.

Section 4. Finance Committee.

The Board may maintain a Finance Committee to assist with budgets, financial reporting, internal controls, investments, audits or financial reviews, and other financial oversight.

Section 5. Advisory Committees.

The President or Board may establish advisory committees that include persons who are not Directors. Advisory committees may make recommendations but may not exercise Board authority or bind the Corporation unless expressly authorized by the Board within limits permitted by law.

Section 6. Committee Procedures.

Committees shall keep appropriate records of actions and recommendations and shall report to the Board. Committee chairs and members shall be appointed and removed as provided by Board resolution or committee charter.

ARTICLE VII — EXECUTIVE DIRECTOR AND STAFF

Section 1. Executive Director.

The Board may employ an Executive Director or other chief staff officer who shall be responsible for day-to-day administration of the Corporation subject to Board-approved policies, budget, and oversight.

Section 2. Authority.

The Executive Director may hire, supervise, evaluate, and separate employees within the authority and budget approved by the Board, and may enter ordinary-course transactions and agreements within limits established by Board policy. The Executive Director shall not exercise powers reserved to the Board.

Section 3. Board–Staff Relationship.

The Board governs the Corporation; staff administers operations. Individual Directors and Officers shall not direct staff or bind the Corporation unless specifically authorized by the Board or consistent with Board-approved policy.

ARTICLE VIII — CONFLICTS OF INTEREST AND ETHICAL GOVERNANCE

Section 1. Duty to Disclose.

A Director, Officer, or committee member shall promptly disclose any actual or potential financial, personal, family, business, or organizational interest that could reasonably affect independent judgment on a matter before the Corporation.

Section 2. Recusal.

A person with a material conflict shall not vote on the matter and, when requested by the disinterested Directors, shall leave the discussion while the matter is considered, except to provide factual information.

Section 3. Approval of Interested Transactions.

An interested transaction may be approved only when the disinterested Directors determine, after reasonable inquiry, that the transaction is fair, reasonable, and in the best interests of the Corporation and otherwise complies with applicable law.

Section 4. Documentation.

The minutes shall reflect disclosure of the conflict, the person's recusal or abstention, and the Board's determination.

Section 5. Annual Disclosure.

Directors and Officers shall complete an annual conflict-of-interest disclosure in the form approved by the Board.

Section 6. Policy.

The Board shall maintain a written conflict-of-interest policy consistent with these Bylaws and applicable law.

ARTICLE IX — FINANCIAL ADMINISTRATION CONTRACTS, AND RECORDS

Section 1. Fiscal Oversight.

The Board shall approve an annual operating budget and shall receive financial reports at intervals sufficient to fulfill its fiduciary responsibilities. The Board shall establish appropriate policies concerning internal controls, spending authority, reserves, investments, restricted funds, and financial review or audit.

Section 2. Contracts and Instruments.

The Board may authorize any Officer, employee, or agent to enter into contracts or execute instruments on behalf of the Corporation. Authority may be general or limited. No person may bind the Corporation except within authority granted by the Board, these Bylaws, or Board-approved policy.

Section 3. Deposits and Funds.

Corporate funds shall be deposited in financial institutions selected in accordance with Board policy. Restricted gifts and funds shall be administered in accordance with donor restrictions and applicable law.

Section 4. Check-Signing Requirements.

All payroll payments, reimbursement payments, or other payments made to or for the benefit of the Executive Director, regardless of the method of payment, shall require prior authorization and approval by either the Board President or Treasurer. This requirement applies to payments made by check, electronic funds transfer, ACH, direct deposit, debit card, credit card, or any other method of payment.

Any check written in an amount exceeding one thousand dollars (\$1,000) shall be signed by either the Board President or Treasurer before payment is issued.

The Board may establish financial controls and check-signing requirements by policy, provided that no such policy may reduce the requirements established by this Section.

Section 5. Corporate Records.

The Corporation shall maintain records required by Montana law, including current Articles and amendments, these Bylaws and amendments, minutes and written consents, accounting records, current Director and Officer information, material Board resolutions, and other records required by law or Board policy.

Section 6. Record Retention and Confidentiality.

The Board shall adopt appropriate record-retention, document-destruction, confidentiality, and data-privacy policies. Corporate records shall be made available as required by law, while protecting privileged, confidential, personnel, donor, and other legally protected information.

Section 7. Fiscal Year.

The fiscal year of the Corporation shall be established by resolution of the Board.

ARTICLE X — INDEMNIFICATION AND INSURANCE

Section 1. Indemnification.

To the fullest extent permitted by Montana law, the Corporation shall indemnify its current and former Directors and Officers against liabilities and reasonable expenses incurred by reason of service to the Corporation, provided the applicable standards for indemnification are satisfied.

Section 2. Advancement of Expenses.

The Corporation may advance reasonable expenses to the extent permitted by law and upon such undertakings or conditions as the Board determines appropriate.

Section 3. Insurance.

The Corporation may purchase and maintain directors and officers liability insurance and other insurance the Board considers appropriate.

ARTICLE XI — NONPROFIT AND TAX-EXEMPT LIMITATIONS

Section 1. Private Benefit.

No part of the net earnings of the Corporation shall inure to the benefit of any Director, Officer, private person, or other person except for reasonable compensation for services rendered and payments in furtherance of the Corporation's charitable purposes.

Section 2. Political and Legislative Activity.

The Corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office and shall not engage in activities inconsistent with its tax-exempt status. Legislative activity shall be limited as required by federal law.

Section 3. Loans.

The Corporation shall not make loans to Directors or Officers except to the extent expressly permitted by applicable law and approved in accordance with conflict-of-interest requirements.

ARTICLE XII — DISSOLUTION

Section 1. Distribution of Assets.

Upon dissolution, after payment or provision for all liabilities, the Corporation's assets shall be distributed exclusively for charitable, educational, religious, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, consistent with the Articles of Incorporation and applicable law.

ARTICLE XIII — AMENDMENTS

Section 1. Authority.

These Bylaws may be amended, repealed, or replaced by the affirmative vote of two-thirds (2/3) of the Directors then in office at any regular or special meeting, provided that the proposed amendment or a summary of its substance is delivered to each Director with the notice of the meeting.

Section 2. Periodic Review.

The Governance Committee shall review these Bylaws periodically and recommend amendments when necessary to reflect applicable law, sound governance practice, and the Corporation's current operations.

Section 3. Consistency.

No amendment may authorize conduct inconsistent with the Articles of Incorporation, the Corporation's Section 501(c)(3) status, or applicable law.

ARTICLE XIV — MISCELLANEOUS

Section 1. Corporate Seal.

The Corporation may maintain a corporate seal, but use of a seal is not required unless required by law or a particular instrument.

Section 2. Electronic Communications.

Whenever these Bylaws permit or require a writing, notice, consent, signature, or delivery, electronic means may be used to the extent permitted by applicable law.

Section 3. Parliamentary Procedure.

The Board may adopt rules of procedure for meetings. In the absence of an adopted rule, the presiding officer shall conduct meetings in a fair and orderly manner consistent with these Bylaws.

Section 4. Severability.

If any provision of these Bylaws is determined to be invalid or unenforceable, the remaining provisions shall remain in effect to the fullest extent permitted by law.

CERTIFICATION OF ADOPTION

The undersigned Secretary of Daly Mansion Preservation Trust, Inc. certifies that the foregoing Amended and Restated Bylaws were duly adopted by the Board of Directors in accordance with the Corporation's governing documents and applicable law, and that they supersede and replace all prior bylaws of the Corporation.

Date of Adoption:	_____
Effective Date:	_____
Secretary:	_____
Secretary Signature:	_____

Board Resolution Reference (if used): _____