

Proposed Bylaw Amendments – 2020

2.4 Annual Meeting. There shall be an annual meeting of Members held on a day selected by the Board; the date, the hour and place of such meeting shall be contained in the notice of meetings as hereinafter described. The annual meeting is held with Members attending in person, however, at the discretion of the Board, Members may participate in the annual meeting of Members by means of a conference call or similar remote communication by which all Members participating may simultaneously hear each other during the meeting, which participation constitutes presence in person at the meeting. The annual meeting shall be the time for the election of Directors and any other legitimate business deemed proper to come before the Membership by the Board. Voting at all meetings shall be in the manner prescribed in these Bylaws.

3.6 Removal or Resignation of Directors. Any Director may be removed, with or without cause, by the Membership as provided in Article 2, Section 2.11 of these Bylaws. 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 Members to fill the vacancy for the remainder of the term of such Director. Any Director who has three or more consecutive absences from Board meetings may be removed by a vote of the Directors and the Board may appoint a successor. Any director found not to be in Good Standing shall be temporarily suspended from the position of Director and given 30 days from the date of suspension to establish Good Standing. Upon failure of the Director to establish Good Standing, the Board shall vote on removal of the Director. If the Director is removed, the Board may appoint a successor. Any Director who ceases to hold a Membership Interest shall cease to be a Director effective immediately.

6.5 Big Sky Architectural Committee. There is hereby created the Big Sky Architectural Committee (hereinafter “BSAC”), which is a committee of the Association. Said BSAC is the same committee as that established and/or referred to in the Declarations of other subdivisions created within the area defined by the Association’s Jurisdiction. BSAC members shall be Association Members in Good Standing. There shall be seven members of the BSAC: at least one Director from the Board shall be appointed by the Board; three additional members, who may be Directors, shall be appointed by the Board; and three members shall be elected by the Association Membership. Election of Members to the BSAC will follow procedures stated in Subsection 3.4.1 and 3.4.2 of Section 3.4 in these Bylaws. All Board appointments to the BSAC will be for a term of one year. BSAC members elected by the Association Membership will serve a term of three years. All mid-year vacancies on the BSAC shall be filled by the Board and such appointees shall serve until the next annual election is validated by the Board.

Any elected BSAC Member may be removed, with or without cause, by the Membership as provided in Article 2, Section 2.11 of these Bylaws. Any elected Member whose removal is sought shall be given notice prior to any meeting called for that purpose. Any elected Member who has three or more consecutive absences from BSAC meetings, may be removed by a vote of the Directors and the Board may appoint a successor to fill the vacancy until the next annual election is validated by the Board. Any BSAC member found not to be in Good Standing shall be temporarily suspended from the committee and given 30 days from the date of suspension to establish Good Standing. Upon failure of the committee member to establish Good Standing, the

Board shall vote on removal of the committee member. If the committee member is removed, the Board shall appoint a successor to serve until the next annual election is validated by the Board. Any Member who ceases to hold a Membership Interest shall cease to be a Member effective immediately.

7.6 Effect of Nonpayment of Assessments and/or Fines: Remedies of the Association. Any assessment or fine not paid after the due date shall be delinquent, may incur a late payment penalty in an amount to be set by the Board from time to time, not to exceed the maximum permitted by applicable law, and may bear interest at a rate established by the Board, which shall not exceed the maximum interest rate authorized by law, until paid. Failure to pay a delinquent assessment or fine may result in the Association recording a lien against the property being assessed or bringing an action at law or both. Suit to recover a money judgment for unpaid assessments, fines, late charges, interest and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

8.2 Budget. Prior to the annual meeting of Members each year, the Board shall approve a budget for the forthcoming fiscal year and mail, email, or send by electronic communications to each Member a copy of the budget and a copy of the audited operating statement showing income and disbursements for the preceding fiscal year. In the event an audited statement is unavailable, an unaudited statement shall be distributed in its place and the audited statement shall be distributed within 30 days of the completion of the audit.

9.3 Costs of Enforcement. Costs incurred for enforcing the provisions of the Governing Documents (inclusive of giving notice of the violation), costs of correcting the defect or undoing the violation, if undertaken by the Association, or any fines levied against the Owner after the Owner or his/her tenants, guests and/or invitees is determined by the Board to be in violation of the Governing Documents shall be paid by the Owner. Any costs incurred for enforcing the provisions of the Governing Documents, for correcting the defect or undoing the violation, or fine assessed against the Owner as provided for in Article 7, Section 7.6 above, may result in a lien being recorded against the Unit, Lot, or Tract and/or the Owner's interest therein, such lien to be enforceable by sale under the laws of the State of Montana. Such a lien may be recorded at the applicable county clerk and recorder's office.