

BY-LAWS OF SUNCREST HOMEOWNERS ASSOCIATION, INC.  
A MONTANA NON-PROFIT CORPORATION

*The original document was executed on March 29, 1980, and recorded in Flathead County on October 30, 1980, at Book 705, Page 86. This version incorporates amendments dated as below, and if recorded, notes the document number.*

*July 31, 1982,*

*July 30, 1988,*

*August 5, 2006, Document #200900018734*

*Amendments require 75% affirmative vote of members and do not have a recording requirement.*

*This document is accurate as of December 1, 2022.*

ARTICLE 1:  
OFFICES

The principle office of this Corporation shall be located at 1940 Racquet Court in the City of Whitefish, County of Flathead, State of Montana. The Corporation may have such other offices, either within or without the State of Montana, as the Board of Directors may determine from time to time.

ARTICLE 2:  
MEMBERS

There shall be one class of members of the Corporation. Membership in the Corporation shall be restricted to the owners of lots and units in SunCrest Subdivision. One Association membership shall be inseparably appurtenant to such lot or unit and shall pass therewith to all persons who subsequently become owners of said lot or unit.

Each owner shall have a non-exclusive right and easement of enjoyment in and to the common area, which shall be appurtenant to and pass with, the title to the owners lot or unit. Such right and easement shall be subject only to the following:

1. The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the common area;
2. The right of the Association to charge reasonable rates for utility services rendered by any Association owned utility systems located upon the common area;
3. The right of the Association to suspend the voting rights and the rights to use the common area of any owner for any period during which any assessment against his lot or unit remains unpaid or any violation of the covenants or of the Association's published rules for which he is responsible, remains unabated;
4. The right of the Association, acting through its Board of Directors, to dedicate and transfer any utility system on, or which may be a part of the common area, to any appropriate governmental body;
5. The right of the Association to dedicate and transfer all or any part of the remainder of the common area to any public agency, or authority, or governmental body in such manner and subject to the conditions as may be consistent with the Association's Articles of Incorporation, these by-laws and the Montana Non-profit Corporation Act;
6. The non-exclusive right of all other members of the Association to use, enjoy and have the benefit of the common area upon the same terms.

ARTICLE 3:  
MEETINGS OF THE MEMBERS

1. The regular annual meeting date shall be set for the upcoming year at the regular annual meeting at a date between the last

week of July and the last week of August. The Board is given authority to thereafter adjust the date if necessary, provided that no less than 30 days of written notice is given as to any change of the date set at the prior annual meeting.

2. Special Meetings of the Members may be called by the President, the Secretary, or any two members of the Board of Directors. Special meetings shall be called at the written request of members having at least TWENTY FIVE PERCENT (25%) of the votes entitled to be cast at such meetings.
3. Each member of the Corporation shall be given such notice of all regular and special meetings as may be required by the Montana Non-Profit Corporation Act.
4. A member may vote in person or by proxy. Proxy shall be executed in writing by the member or by his duly authorized Attorney in Fact and shall be delivered to the Secretary of the Association prior to the meeting.
5. Any action required by law to be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members entitled to vote with respect to the subject matter thereof.
6. Subject to any special quorum requirements set forth in the covenants, the quorum required to validate action taken at any regular or special membership meeting shall be a majority of those owners entitled to vote at such meeting. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice.
7. Any member of the Corporation in good standing at the date of the annual or special meeting shall have the right to appear

and participate in such meeting and vote on all matters brought before the meeting.

8. Meetings of the members shall be presided over by the President or in his absence the Vice President of the Corporation.
9. At each annual meeting a full report of the business, affairs, and condition of the Corporation of the fiscal year just ended, shall be presented by the Board of Directors.
10. The principle of cumulative voting shall not apply to the election of the Board of Directors.

ARTICLE 4:  
BOARD OF DIRECTORS

1. The affairs of the Corporation shall be managed by its Board of Directors. Directors need not be residents of the State of Montana and need not be members of the Corporation.
2. The number of Directors shall be SIX (6). At the expiration of the terms of the initial Board of Directors, Directors shall be elected to replace the initial Board of Directors. To replace the initial Board of Directors and subsequent thereto, the members shall elect TWO (2) Directors at each annual meeting for a term of THREE (3) years.
3. A regular meeting of the Board of Directors shall be held without any other notice than this by-law immediately after, and at the same place as, the annual meeting of the members. The Board of Directors may provide, by resolution, the time and place for holding additional regular meetings without other notice than such resolution.
4. Special meetings of the Board of Directors shall be called by and at the request of the President or any two Directors, and

shall be held at the principle office of the Corporation or at such other place as the Directors may determine.

5. Notice of any special meeting of the Board of Directors shall be given at least FOURTEEN (14) days previous thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in United States Mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the passage of any business because the meeting is not lawfully called or conveyed. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meetings, unless specifically required by law or by these by-laws.
6. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; But, if less than a majority of the Directors are present at any meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.
7. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.
8. Any vacancy occurring in the Board of Directors or any

Directorship to be filled by reason of an increase in the number of Directors, shall be filled by the Board of Directors. A Director appointed to fill a vacancy shall serve for the unexpired term on his predecessor in office. Each such appointment by the Board shall be subject to the approval or disapproval of the members at the next regular or special meeting of the members.

9. Directors as such shall not receive any stated salary or other compensation for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at any regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.
10. Removal of Directors. Any Director may be removed from the Board of Directors by affirmative vote of a majority of the members of the Corporation with voting powers. Such action may be taken at any regular meeting or any special meeting at which due notice of the proposed removal shall have been duly given to the members together with or as a part of the notice of the meeting.

Such removal may be accomplished with or without cause, but the director involved shall be given an opportunity to be present and to be heard at the meeting at which his removal is considered.

Any vacancy created by the removal of a Director under the foregoing provision shall be filled only by a vote of the members. Such vote may be taken at the same meeting at which the removal of the Director is accomplished or at such later meeting, regular or special, as the members may decide.

ARTICLE 5:  
OFFICERS

1. The Officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers that may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more officers may be held by the same person except the office of President and Secretary.
2. Election and term of office. The Officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of Officers is not held at such meeting, such election shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor has been duly elected and qualifies.
3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.
4. Vacancys. A vacancy in any office because of the death, removal, resignation, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.
5. Powers and Duties. The several officers shall have such power and shall perform such duties as may from time to time be

specified in resolutions or other directives of the Board of Directors. In the absence of such specifications, each officer shall have the powers and the authority and shall perform and discharge the duties of officers of the same title serving in non-profit corporations having the same or similar general purposes and objectives as this Corporation.

6. Powers and Duties of the Board of Directors. Subject to the limitations contained in the articles of incorporation and to the provisions of law requiring corporate action to be exercised, authorized, or approved by the members of the Corporation, and except as otherwise expressed and provided in these by-laws, all the lawful powers of the Corporation shall be vested in an exercise by or under the authority of the Board of Directors, and the business and affairs of the Corporation shall be conducted and controlled by such Board. The foregoing general grant of power to the Board of Directors shall not be deemed to be curtailed or restricted by other provisions of these by-laws that declare the power or impose the duty of the Board of Directors in any specific matter.
7. Board of Directors delegation of Authority. The Board of Directors shall delegate, to the extent that it considers necessary, any portion of its authority to manage, control, and conduct any current business of the Corporation, to any standing or special committee of the Corporation or to any officer or agent thereof. Notwithstanding any delegation of authority that the Board may make hereunder, it shall exercise general supervision over the officers and agents of the Corporation and shall be responsible to the members for the proper performance of their respective duties.
8. Board of Directors acquisition and encumbering of properties.



The Board of Directors shall have the power to acquire by purchase, gift, or any other lawful manner, any property, both real and personal, rights, or privileges that the Corporation may lawfully acquire, at such price and on such terms and conditions that the Board shall deem proper. The Board shall also have the power to create, make, or deliver mortgages, bonds, deeds of trust, trust agreements, or any other kind of lawful encumbrance on the property of the Corporation, both real and personal, for the acquisition of such property or for any other lawful corporate purpose; provided, however, that the prior approval of the members of the Corporation shall be required for any security transaction as to which their assent is required under the articles of incorporation or these by-laws, or general law.

In connection with the acquisition, holding, and encumbering of the property of the Corporation, the Board of Directors shall have the power to appoint any person, persons, or Corporation to act as trustee for the Corporation with respect to any such property and to authorize such trustee to execute such instruments and to all such acts and things as may be required in relation to the trust and the trust property.

9. Board of Directors Fiscal affairs. In connection with the fiscal affairs of the Corporation, the Board of Directors shall have the following powers:

1. To make provision for the prompt discharge of the corporate obligations as they mature, including payment for any property or rights acquired by the Corporation, either in money or in stock, bonds, debentures, or other securities of the Corporation lawfully issued for the purpose.

2. To borrow money on the credit of the Corporation. No loan shall be contracted on behalf of the Corporation, and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authorization may be general or may be confined to specified transactions.
3. To establish and provide for proper maintenance and use of a sinking fund for repairs or alterations to the buildings and plant of the Corporation and for any other proper corporate purpose that will be advanced, in the opinion of the Board, by the use of a sinking fund.
4. To set up a part, out of the Corporation proceeds available for distribution, a reserve for any proper corporate purpose, and to provide for use of such reserve under appropriate regulations and for its termination when the purpose for which it was created has been served.

The purpose for which reserve funds may be established shall include, but not be limited to, the following:

- a. To meet contingencies, anticipated or unanticipated; to equalize distribution; and to repair, maintain, or enlarge any property of the Corporation.
5. To establish salary schedules for the employees of the Corporation.
  6. To determine the salaries and other remuneration of agents appointed for the Corporation.
  7. To select banks and other depositories for funds and securities of the Corporation.
  8. To designate the officer, officers or employees who shall

be authorized to sign checks, drafts, orders for the payment of money, notes, and other specialties on behalf of the Corporation. Until and unless other provisions are made by the Board of Directors, all such instruments shall be signed and co-signed by the President and the Treasurer of the Corporation.

10. Board of Directors promulgation of Rules and Regulations. The Board of Directors shall from time to time make and publish to appropriate personnel, written regulations, rules, directives, schedules, bulletins, and other writings that in the judgment of the Board are necessary or advisable in the management of the Corporation's affairs.

11. Non-Member Users. The Board of Directors may create a class of non-owner users of any facilities constructed on the common ground of the Association who shall not be members of the Association. The Board shall determine an appropriate fee for said use.

ARTICLE 5.  
COMMITTEES

The Board of Directors, at its discretion, may constitute and appoint such committees to assist in the supervision, management, and control of the affairs of the Corporation, with responsibilities and powers appropriate to the nature of the several Committees and as provided by the Board of Directors in the resolution of appointment or in subsequent resolutions and directives. Each committee so constituted and appointed by the Board shall serve at the pleasure of the Board and the members thereof shall include a member of the Board of Directors, and such further persons as the Board may designate.

In addition to such obligations and functions as may be expressly

provided for by the Board of Directors, each committee so constituted and appointed by the Board shall from time to time report to and advise the Board on corporate affairs within its particular area of responsibility and interest.

ARTICLE 6.  
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS.

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these by-laws, 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 may be confined to specific instances.
2. Checks, drafts, or orders. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness to the name of the Corporation, shall be signed by such officer or officers, agent, or agents of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an assistant Treasurer and counter-signed by the President or Vice President of the Corporation.
3. Deposits. All funds of the Corporation 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.
4. Gifts. The Board of Directors may accept, on behalf of the Corporation, any contribution, gift, bequest, or devise for any purpose of the Corporation.

ARTICLE 7.  
BOOKS AND RECORDS.

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, committees having and exercising any of the authority of the Board of Directors, and the membership committee, and shall keep at the principle office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE 8.  
FISCAL YEAR.

The fiscal year of the Corporation shall begin on the 1<sup>st</sup> day of January, each year and end at midnight on the 31<sup>st</sup> day of December, of the following year.

ARTICLE 9.  
DUES.

1. Annual dues. The Board of Directors shall determine from time to time the amount of initiation fee, if any, and annual dues payable to the Corporation by the members and shall give appropriate notice to the members thereof.
2. Payment of dues. Dues shall be payable in advance on the first day of each month or at any other interval selected by the Board of Directors.
3. Default and Termination of Membership. When any member is in default in payment of dues for a period of SIX (6) months, from the beginning of the period for which such dues became payable, his rights in the Association may be terminated by the Board of Directors as herein provided.

4. Foreclosure. In the event of a default by any member in the payment of dues the Board of Directors is hereby empowered to institute any legal proceedings necessary for the collection of said dues and may bring such action at law as is reasonably necessary including but not limited to the foreclosure upon the property of the member. In the event of any such legal action, the member shall be liable for reasonable attorney fees incurred in such action.

ARTICLE 10:  
CORPORATE SEAL.

The Board of Directors shall provide a corporate seal, which seal shall be circular in nature and be inscribed with the words SUNCREST HOMEOWNERS ASSOCIATION, INC.

ARTICLE 11:  
WAIVER OF NOTICE:

Whenever any notice is required to be given under the provisions of the Montana Non-profit Corporation Act under the provisions of the Articles of Incorporation or the by-laws of the Corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 12:  
AMENDMENT OF BY-LAWS:

Any of these by-laws may be amended, rescinded, repealed, or altered, or additional by-laws may be adopted, by the affirmative vote of the beholders of SEVENTY FIVE PERCENT (75%) of the votes entitled to be cast at any annual meeting or at any special meeting if

complete and accurate details to the proposed changes in the by-laws are set forth in the call and notice of such meeting.