

Montrose Master Association

Board of Directors Resolution to Amend the Bylaws Electronic Business, Voting & Elections, Number of Directors

WHEREAS the Montrose Master Association Bylaws Article 8 states that the Bylaws may be amended at any time by majority vote of the Board.

WHEREAS the Montrose Master Association Bylaws do not specifically allow for membership vote by electronic voting but Article 2 mandates that the Board host a membership meeting at least annually and meet regularly to conduct business on behalf of the Association.

WHEREAS the restrictions imposed to control the spread of COVID-19 make it impossible to meet in person thus creating a logistical compliance issue for the Association.

WHEREAS the Board has met via Zoom to test its efficacy; the Board asserts that online meetings combined with ballot by mail or online will expand member access to witness and participate in Association business.

WHEREAS the schedule to elect Directors is unnecessarily confusing and considering the forthcoming transition of the Association from Declarant to the Membership;

LET IT BE RESOLVED that the Board of Directors hereby adopts the following Bylaws amendments forthwith to allow for electronic business and clarify the number of Directors that will comprise the Board. Unless otherwise noted below, new text is **bold and highlighted** and text scheduled for removal by this amendment is denoted by ~~strikethrough~~.

1. Article 2.2 is amended as follows: “2.2 *Voting Requirements*. *Except when otherwise expressly provided in the Declaration, the Articles or these Bylaws, any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote of a majority of a quorum present at any meeting (in person or by proxy) **or by ballot.***”
2. Article 2.3 will be amended as follows: “2.3 *Quorum*. *The presence in person, ~~or~~ by proxy, **or ballot** of at least twenty percent (20%) of the voting power (and the presence of the Declarant, where the Declarant holds at least 15% of the total voting power) shall constitute a quorum...*” (The remainder of this section is unchanged.)
3. Article 2.4 is amended as follows: 2.4 *Proxies*. *At all meetings of Members, each Member may vote **by ballot, electronically**, in person or by proxy **as determined by the Board of Directors**...* (The remainder of this section is unchanged.)
4. Article 2.5 current text to be removed by this amendment: “2.5 *Annual Meetings*. *Regular annual meetings of the Members of the Association shall be held on a date selected by the board of directors.*”

Article 2.5 new text to replace the above: “**2.5 *Annual Meetings***. ***A meeting of the Members shall be held at least annually, the date, time and location for which will be determined by the Board of Directors. Meetings may be held by electronic means provided that all members can hear and participate in real-time.***”

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5. Article 3.1 current text to be removed by this amendment: "3.1 *Number and Term of Directors.* The Board shall consist, initially, of three (3) Directors. At each annual meeting of the Association, the number of Directors shall be adjusted automatically, according to the increase in voting power residing in Members other than the Declarant since the preceding annual meeting, according to the following:

Non-Declarant Votes

<u>As of annual Meeting Date</u>	<u>Number of Directors</u>
Up to 300	3
Up to 500	4
Up to 700	5
Up to 900	6
Up to 1200	7
Up to 1500	8
Over 1500	9

Each Director shall be an Owner of a Lot or an agent of a corporate Owner. The initial Directors shall serve until the first annual meeting of the Association.

Each Director shall be designated as a Category I or Category II Director. The first, third, fifth, seventh, and ninth Director positions shall be Category I Director positions. The second, fourth, sixth, and eighth Director positions shall be Category II Director positions. The Category I Directors shall serve from the date of their election until the annual meeting held in the next odd numbered calendar year, and the Category II Directors shall serve from the date of their election until the annual meeting held in the next even-numbered calendar year. The intent of designating Directors by Category is to preserve the staggering of terms on a two-year basis."

Article 3.1 new text to replace the above: "3.1 Number and Term of Directors. Association affairs shall be managed by a Board of five (5) Directors. The number of Directors may be increased or decreased from time to time by resolution of the Board but shall not be less than five (5). No decrease in number of Directors shall have the effect of shortening the term of any incumbent Director.

Each Director shall be an Owner of a Lot or an agent of a corporate Owner. The terms of the first Member Directors will be determined by the Declarant to ensure staggered terms. Subsequently elected Directors shall each serve two (2) year terms."

6. Article 3.2(b) is amended to remove the text denoted by strikethrough: "*Election of Directors: Declarant Control.* Elections of Board members shall be by secret written ballot, with the persons receiving the most votes being elected to serve. ~~If Director positions are available in both Categories described in Paragraph 3.1 above, the Director receiving the most votes shall be designated for the Category providing the longest term. No cumulative voting rights shall be available.~~"

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Notwithstanding the foregoing, the Declarant shall have the right to control the Board by appointing a majority of all Directors (but not less than three Directors), with all remaining Directors being elected by the vote of the Members. The special right of the Declarant to control the Board by appointment of Directors shall cease on the occurrence of any of the following..."
(The remainder of this section is unchanged.)

The above stated Bylaws amendments shall go into effect upon distribution of the amended language to the membership. This resolution is made by unanimous written consent of the Board, as designated by each Director's signature below:


Jen Baroleri, Director

2/21/24
Date


Dennis Robertson, Director

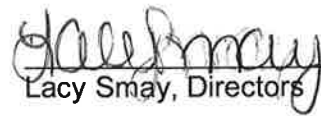
2/21/24
Date


Gene Niederkleine, Director

2/21/24
Date


Matthew Kifer, Director

2/21/24
Date


Lacy Smay, Directors

2/21/24
Date