

# VISIT BIG SKY, INC.

## REVISED AND RESTATED BYLAWS

### Article 1. NAME

- 1.1. **Name.** The name of this Corporation shall be Visit Big Sky, Inc.
- 1.2. **Name Change.** The Corporation may, at its pleasure, change its name by vote of a majority of the Board of Directors. Any such name change shall be done by filing notice of the use of an assumed name by the Corporation or by amendment to the Bylaws of the Corporation and the Articles of Incorporation with the State.

### Article 2. PURPOSE AND POWERS

- 2.1. **Purpose.** This Corporation's purpose is to promote economic development in the "Greater Big Sky Area" (as defined below) through tourism marketing and promotion.  
  
The area referred to as the "Greater Big Sky Area" includes the Big Sky Resort Area District, plus that area which extends 20 miles to the North and 20 miles to the South from the intersection of US Highway 191 and Montana State Highway 64, along with additional areas as identified from time to time by the Visit Big Sky Board of Directors.  
  
Specifically, Visit Big Sky brands the premier destination of Big Sky, Montana through a balanced destination marketing strategy designed to enhance the local economy by attracting visitors who wish to experience the unique attributes of Big Sky's year-round, world-class resort community.  
  
Visit Big Sky is an "umbrella" organization that will efficiently coordinate tourism promotion of the Greater Big Sky Area.
- 2.2. **Powers.** The Corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to effect the purposes for which the Corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes.
- 2.3. **Nonprofit Status and Exempt Activities Limitation.**
  - 2.3.1. **Nonprofit Legal Status.** The Corporation is a Montana nonprofit mutual benefit organization with members, recognized as tax exempt under Section 501(c)(6) of the United States Internal Revenue Code.
  - 2.3.2. **Exempt Activities Limitation.** Notwithstanding any other provision of these Bylaws, no 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)(6) of the Internal Revenue Code as it now exists or may be amended. No part of the net earnings of the Corporation shall inure to the benefit or be distributable to

any Director, Officer, or other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

### **Article 3. MEMBERS**

Visit Big Sky shall have two (2) classes of members: Class A shall consist of the members of the Board of Directors, whose powers are set forth in Article 5.2 herein. Class B shall consist of individuals, businesses, and associations in the tourism industry that serve visitors to the Big Sky Resort Area District and the Greater Big Sky Area, without preference to tourism generating type. Class B members are eligible to vote only for election of Directors, based on a slate of candidates proposed by the Nominating Committee, at the annual meeting as provided in Article 4 herein.

### **Article 4. ANNUAL MEETING**

There shall be an annual meeting of both Class A and Class B members in the fourth quarter of the fiscal year each year for receiving the annual reports of the officers, directors and committees and the transaction of the other business.

The location and time of the annual meeting shall be determined by the Board of Directors and shall be contained in a notice of such meeting. All notices and agenda of meeting shall also include the purpose of the meeting and be so advertised. Notices will be sent to designated Chamber of Commerce offices and all board members and / or officers of appropriate governing bodies not less than seven (7) days prior to meeting date.

### **Article 5. BOARD OF DIRECTORS**

- 5.1. **Number of Directors.** The Corporation shall have a Board of Directors consisting of at least five (5) Directors and no more than eleven (11) Directors. Within these limits, the Board may increase or decrease the number of Directors serving on the Board, including for the purpose of staggering the terms of Directors, to have approximately one-third of the Board elected each year.
- 5.2. **Powers.** Except as otherwise provided by law or these Bylaws, all corporate powers are exercised by or under the authority of the Board and the affairs of the Corporation are managed under the direction of the Board.
- 5.3. **Terms.** All Directors will be elected to serve three-year terms; provided, however, that the term may be extended until a successor has been elected. Directors may serve a maximum of two three-year terms in succession, plus time served to fill a vacancy or a term of less than three years, unless otherwise approved by a majority of the other Directors.
  - 5.3.1. Directors will be elected to the Board at the annual meeting according to the following Process for Election:
    - 5.3.1.1. Notification of a board vacancy will be posted in a local newspaper within 30 days of such position becoming vacant. This information will also be disseminated throughout the Greater Big Sky Area in such manner as determined by the Board.

- 5.3.1.2. Notification of any elections will be sent to Big Sky Resort Tax Board, Big Sky Chamber and VBS.
- 5.3.1.3. Persons interested in serving a term on the Board shall contact the VBS CEO for additional information, which shall include the following: director duties, a copy of these Bylaws, meeting attendance requirements and a copy of the annual meeting schedule.
- 5.3.2. Potential candidates shall adhere to the following process for election:
  - 5.3.2.1. Candidates shall first attend a board meeting as a visitor.
  - 5.3.2.2. Following attendance at a meeting, candidates shall submit a resume and letter of interest to the VBS office, Attn: Nominating Committee
  - 5.3.2.3. All candidates seeking election shall meet with the Nominating Committee for an informal question & answer session at a time/location TBD.
  - 5.3.2.4. The Nominating Committee shall have the sole discretion to make appointment recommendations to the Board of Directors who shall in turn present the slate to the Class A and Class B members for consideration and election.
  - 5.3.2.5. The Class A and Class B Members shall elect candidates in a “majority vote” during the annual meeting.
  - 5.3.2.6. No single business shall constitute a majority of the board.
- 5.4. **Vacancies.**
  - 5.4.1. **Filling a Vacancy.** The Board of Directors may, by a vote in accordance with the procedures set out in these Bylaws, fill vacancies due to resignation, death, or removal of a Director or may appoint new Directors to fill a previously unfilled Board position, subject to the maximum number of Directors under these Bylaws. The Executive Committee shall provide the rest of the Directors with a list of suitable candidates for filling any such vacancy. Suitable candidates shall adhere to the following process for appointment:
    - 5.4.1.1. Candidates shall submit a resume and letter of interest to the VBS office, Attn: Executive Committee
    - 5.4.1.2. Candidates shall meet with the VBS CEO and/or the Executive Committee for an informal question & answer session at a time/location TBD.
  - 5.4.2. **Term of Director Appointed to Fill a Vacancy.** Vacancies in the Board of Directors due to resignation, death, or removal shall be filled by the Board for the balance of the term of the Director being replaced.
- 5.5. **Filling Previously Unfilled Positions.** If appointing a Director to a previously unfilled Board position, the Board shall determine whether that Director’s initial term will be for one, two, or three years.
- 5.6. **Re-election Process for Directors.** Upon completion of any term, a board member seeking re-election for a new three-year term (1) shall submit letter of intent no less than 60 days prior to term expiration; (2) provided there are no other candidates for the seat,

all other Process of Election requirements are waived, and the Nominating Committee shall make a recommendation of re-election/appointment to the full board; (3) After the Nominating Committee's recommendation of re-election/appointment the full Board may elect the candidate.

5.7. **Removal of Directors; Absence.** A Director may be removed by a two-thirds majority vote of the Board of Directors then in office with or without cause. "Cause" expressly includes a Director's unexcused absence from two consecutive meetings of the Board of Directors, or three meetings of the Board of Directors in a single twelve-month period. The Board is empowered to excuse a Director from attendance for a reason deemed adequate by a majority of the other Directors.

5.8. **Board of Directors Meetings.**

5.8.1. **Regular Meetings.** The Board of Directors shall have a minimum of two (2) regular meetings each calendar year at times and places fixed by the Board. Regular meetings of the Board may be held without further notice; however the Board Chair or CEO shall use best efforts to send an electronic or written reminder of regular meetings between one and five days before the meeting.

5.8.2. **Special Meetings.** Special meetings of the Board may be called by the Chair, by any two members of the Executive Committee, or by one-third (1/3) of the Directors. A special meeting must be preceded by at least 2 days' notice to each Director of the date, time, and place, but not the purpose, of the meeting.

5.8.3. **Notice of Board Meetings.** Notice of a regular or special meeting must be given to each Director either personally or by U.S. mail or e-mail at his or her address as shown by the records of the Corporation. If e-mailed, a notice shall be deemed delivered when an electronic notice of delivery is returned to the sender of the notice or when the recipient replies to the email, whichever is earlier. If mailed, a notice shall be deemed delivered at the earliest of (i) five days after deposited in the mail, addressed to the Director, with postage prepaid, (ii) the date shown on the return receipt if sent by registered or certified mail and the receipt is signed by or on behalf of the Director, or (iii) the date received.

5.8.4. **Special Notice Provisions.** If a purpose of the meeting is to consider (i) an amendment to the Articles of Incorporation, (ii) a plan of merger, (iii) the sale, lease, exchange, or disposition of all or substantially all of the Corporation's property, or (iv) the dissolution of the Corporation, then a notice must be given to each Director at least seven (7) days before the meeting stating the purpose, and the notice must be accompanied by a copy of or summary of the proposed amendment, plan of merger, transaction for the disposition of property, or proposed dissolution.

5.8.5. **Waiver of Notice.** Any Director may waive notice of any meeting, in accordance with Montana law.

5.8.6. **Manner of Acting.**

5.8.6.1. **Quorum.** A majority of the Directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the Board.

5.8.6.2. **Vote.** The act of the majority of the voting Directors present at a meeting at

which a quorum is present shall be the act of the Board, unless otherwise specified in these Bylaws or required by law. Each Director shall have one vote.

5.8.6.3. **No Proxy Voting.** Directors may not vote or sign Board resolutions or consents by proxy.

5.8.6.4. **Participation.** Directors may participate in a regular or special meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting, including in person or by telephonic conference call.

5.8.6.5. **Action Without Meeting.** Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same effect as a unanimous vote and shall be placed in the minute book by the Secretary. The written consent required under this section may be electronic (that is, via email or similar technology), as allowed under Montana law.

5.9. **Qualifications of Directors.** In order to be eligible as a Director on the Board of Directors, the individual must be a natural person over 18 years of age, must be a tourism stakeholder, and must be nominated by the Nominating Committee.

## Article 6. OFFICERS

6.1. **Number of Officers.** The officers of the Corporation shall be President, Vice President, Secretary, Treasurer, and CEO.

6.2. **Election of Officers.** At the Board of Directors meeting of the fiscal year, the Board of Directors shall elect all officers (except the CEO as set forth in Section 6.3.5) for a term of one year. The same person may serve multiple terms.

6.3. **Duties of Officers.** The duties and powers of the officers of the corporation shall be as follows:

6.3.1. **President.** The President shall preside at the meetings of the Corporation and of the Board of Directors and of the Executive Committee, and shall be a member of the ex-officio, with right to vote, of all committees except the Nominating Committee. He or she shall also, at the annual meeting of the Corporation and such other times as he or she deems proper, communicate to the Corporation or to the Board of Directors such matters and make such suggestions as may in his or her opinion tend to promote the prosperity and welfare and increase the usefulness of the Corporation and shall perform such other duties as are established by the Board of Directors and are necessarily incident to the office of the President.

6.3.2. **Vice President.** In case of death or absence of the President, or of his or her inability from any cause to act, a Vice President shall perform the duties of the office of President.

6.3.3. **Secretary.** It shall be the duty of the Secretary to give notice of and attend all

meetings of the Corporation and its several divisions and all committees and keep a record of their doings; to conduct all correspondence and to carry into execution all orders, votes, and resolutions not otherwise committed; to notify interested persons of their appointment on committees; to furnish the Chair of each committee with a copy of the vote under which the committee is appointed, and at his or her request file notice of the meetings of the committee; to prepare, under the direction of the Board of Directors, an annual report of the transactions and condition of the Corporation, and generally to devote his best efforts to forwarding the business and advancing the interests of the Corporation. In the case of absence or disability of the Secretary, Executive Committee may appoint a Secretary pro tem. The Secretary shall be the keeper of the Corporation's corporate records and seal.

- 6.3.4. **Treasurer.** The Treasurer shall keep an account of all monies received and expended for the use of the Corporation, and shall make disbursements only; upon vouchers approved in writing by any two members of the Executive Committee. He or she shall deposit all sums received in a bank, or banks, or trust company approved by the Executive Committee, and make a report at the annual meeting or when called upon by the President. Funds may be drawn only upon the signature of two members of the Executive Committee.

The funds, books, and vouchers in his or her hands shall at all times be under supervision of the Executive Committee and subject to its inspection and control. At the expiration of his or her term of office, the Treasurer shall deliver over to the successor all books, monies and other property, or in case of absence of a treasurer-elect, to the President. In case of absence or disability of the Treasurer, the Executive Committee may appoint a treasurer pro tem.

The office of Secretary and Treasurer may be held by the same person.

- 6.3.5. **CEO.** A CEO will be appointed by the Board of Directors of the Corporation.

- 6.3.5.1. The CEO shall be an officer of the corporation.
- 6.3.5.2. The CEO must be the executive director of a nonprofit convention and visitor bureau, as defined in Section 15-65-101, MCA, if a nonprofit convention and visitor bureau is operating within the Governing Body's jurisdiction.
- 6.3.5.3. The CEO shall be the chief executive officer and shall be charged with initiating and implementing the marketing plan, budget and related projects, the general supervision over employees, including their duties and compensation in conformity with the policies approved by the Board. The CEO shall so manage the affairs of VBS as to promote the objectives for which VBS is organized.
- 6.3.5.4. The CEO shall serve as the Administrator to the Board of Directors and the corporation and prepare notices, agenda, and minutes of the meetings of the Board unless there is an appointed Secretary.
- 6.3.5.5. The CEO shall be a non-voting member of the Board of Directors, the Executive Committee and all committees.
- 6.3.5.6. The CEO shall be responsible for hiring, discharging, and supervising all employees.

- 6.3.5.7. With the cooperation and the approval of the Board of Directors, the CEO shall be responsible for preparing an annual marketing budget and monitoring its guidelines.
- 6.4. **Removal and Resignation.** The Board of Directors may remove an Officer at any time, with or without cause. Any Officer may resign at any time by giving written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.
- 6.5. **Compensation for Board Service.** Directors shall receive no compensation for carrying out their duties as Directors. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities, such as travel expenses to attend Board meetings.
- 6.6. **Compensation for Professional Services by Directors.** Directors are not restricted from being remunerated for professional services provided to the Corporation. Such remuneration shall be reasonable and fair to the Corporation and must be reviewed and approved in accordance with the Board Conflict of Interest policy and state law.

## Article 7. BOARD COMMITTEES

- 7.1. **Executive Committee.** The Board shall elect from its members an Executive Committee. All elected officers are members of the Executive Committee. The Executive Committee shall have such power and authority as is provided for herein and as established by the Board of Directors from time to time. The CEO shall be a non-voting member of the Executive Committee.
- 7.2. **Special Committees.** The Board may, at any time, create other committees on any other subject for which there are no standing committees.
- 7.3. **Committee Quorum.** A majority of any committee of the Corporation shall constitute a quorum for the transaction of business, unless any committee shall by a majority vote of its entire membership decide otherwise.
- 7.4. **Committee Vacancies.** The various committees shall have the power to fill vacancies in their membership and be approved by the Board of Directors.
- 7.5. **Standing Committees.** The President may at any time appoint standing committees to include a nomination committee.
- 7.6. **Committee Chairs.** The committee chair is appointed by the Executive Committee.
- 7.7. **Committee Member.** The committee members are appointed by Executive Committee and the committee chair.
- 7.8. **Committee Chairs/Board.** All committee chairs must be occupied by a Director of the board and appointed by the Executive committee.
- 7.9. **Nominating Committee.** A Nominating Committee made up of the CEO, two (2) Directors and one (1) Executive Committee member to assist in elections and re-

elections of Directors according to the Roberts Rules of Order. This committee will also periodically review attendance records and make recommendations to the board for actions appropriate for any non-complying Directors.

## **Article 8. CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS**

- 8.1. **Contracts and other Writings.** Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the Corporation shall be executed on its behalf by the CEO, the Chair, or other persons to whom the Corporation has delegated authority to execute such documents in accordance with policies approved by the Board.
- 8.2. **Checks, Drafts.** All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in 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.
- 8.3. **Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depository as the Board or a designated Committee of the Board may select.
- 8.4. **Loans.** No loans 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. Such authority may be general or confined to specific instances.
- 8.5. **Indemnification.**
  - 8.5.1. **Indemnification of Directors and Officers.** The Directors and Officers of the Corporation shall be indemnified by the Corporation to the fullest extent permissible under the laws of the State of Montana.
  - 8.5.2. **Advance for Expenses.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of (i) a written affirmation from the Director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this Article, and (ii) an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation in these Bylaws.
  - 8.5.3. **Indemnification of Agents and Employees.** The Corporation may indemnify and advance expenses to an employee or agent of the Corporation who is not a Director, consistent with Montana Law and public policy, *provided* that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the Board or by contract.



**Article 9. MISCELLANEOUS**

- 9.1. **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by the Board of Directors without a meeting, and a record of all actions taken by committees of the board.
- 9.2. **Conflict of Interest.** The Board shall adopt and periodically review a conflict of interest policy to protect the Corporation's interest when it is contemplating any transaction or arrangement which may benefit any Director, Officer, employee, or member of a Committee with Board-delegated powers.
- 9.3. **Actions Regarding Membership and Ownership Interests.** The Board shall exercise membership powers and ownership interests, if any, either by Board action in accordance with these Bylaws or by delegation of authority to act for the Corporation to the Executive Committee or CEO or his or her designees.
- 9.4. **Amendments.** These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the Board of Directors. The proposed change shall be e-mailed or mailed to the address of record of each Director at least ten (10) days before the date of the meeting convened to consider the change.

**CERTIFICATE OF ADOPTION OF RESTATED BYLAWS**

I do hereby certify that the above amended and restated Bylaws of Visit Big Sky, Inc., were approved by the Board of Directors on May 10<sup>th</sup>, 2018 and do now constitute a complete copy of the Bylaws of the Corporation, superseding all previously adopted Bylaws and amendments.

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\_\_\_\_\_, Secretary of the Corporation

Dated: \_\_\_\_\_