

Montana Independent Bankers

BYLAWS

**Bylaws Revised:
July, 2013**

MISSION STATEMENT

The mission of the Montana Independent Bankers Association is to promote competition among financial institutions so that premier financial services are made available to our customers. It is our view that a large number of competitors, operating under an "equal playing field", is preferable to concentration of money and capital. This will be accomplished by having aggressive lobbying activities at a state and national level, by supporting the dual banking system, by protecting the rights of states to determine the type of financial institution structure best suited to their varying economies and by providing cost effective services to our membership. Our actions will be guided by the highest in ethical standards and those espoused by the Independent Community Bankers of America (ICBA).

PURPOSES AND GUIDING AIMS

To support the principle of bank chartering and supervision by the separate states and the federal government, recognizing the autonomy of the states on banking matters;

To oppose any monopolistic practice or structure by banks or other financial organizations as being detrimental to the public interest;

To extend the usefulness of the independent bank and to strengthen the economy through cooperation and unified action by the Montana Independent Bankers and Independent Community Bankers of America;

To maintain high ethical standards and sound business methods in banking operations;

To advocate and support state and federal laws that assure the continued strength of the independent bank in American banking;

To affirm that healthy competition between banks benefits the public and that fair competition is best maintained by perpetuation of independent banks, as contrasted to the concentration of control of banking; and

To advocate these principles in legislative and regulatory forums and to provide cost effective services to the member banks.

ARTICLE I

Annual Dues

Section 1.1 Dues

The dues for the members of the association shall be set on an annual basis by the board of directors.

Section 1.2 Dues Payment

Dues shall be payable on an annual basis. The executive director may draw a draft upon each member, or submit a statement, in the amount fixed by the board of directors.

Section 1.3 Fiscal Year

The fiscal year of the corporation shall commence on the first day of January each year.

ARTICLE II

Memberships

Section 2.1 Membership

Membership in this corporation shall be in three classifications - designated as active, emeritus, and associate. Active members shall consist of any national bank, state bank, savings bank, savings and loan association, thrift institution, or trust company, chartered in Montana, which is independently owned and controlled and conducts its business as an independent bank or financial institution, upon the payment of such annual dues as shall be fixed by the board of directors. Emeritus members shall be individuals who are retired from active service with a national bank, state bank, savings bank, savings and loan association, thrift institution or trust company which is an active member of this corporation, or other individuals designated by the board. Emeritus members shall have no vote on any of the affairs of this corporation. Associate members are any national bank, state bank, savings bank, savings and loan association, thrift institution, or trust company that is not chartered in Montana, as well as those persons, firms, and corporations which furnish goods or services to independent banks, savings and loan associations, thrift institutions or trust companies in Montana and which desire to participate in the social and informational affairs of this corporation and shall pay annual dues at a level set from time to time by the board of directors.

- A) Membership Application. Applications for membership in this trade association shall be acted upon by a majority vote of the board of directors.
- B) Membership Philosophy. All members must be committed to the principles of both a dual banking system and community banking as espoused from time to time by the *Independent Community Bankers of America* and the mission statement of this state trade association.

Section 2.2 Delinquent Dues

Any active or associate member failing, within sixty days after billing, to pay the duly

established annual dues shall be considered as having withdrawn from the membership and shall thereupon forfeit all privileges of membership.

Section 2.3 Membership Termination

When any active member shall cease to carry on a banking business, said membership shall forthwith cease. If a member clearly espouses principles contrary to the purposes of this corporation, as stated in the mission statement and purposes and guiding aims, termination of said membership may be considered by the board of directors pursuant to the following procedures:

- A) Expulsion Statement. A formal statement of intention to recommend expulsion must be filed by the executive director of the board of directors. This statement must clearly detail the basis for the recommendation and shall be filed with the executive director no later than fifteen days preceding a meeting of board of directors.
- B) Member Notification. The executive director shall immediately notify the affected member and the board of directors of receipt of such anticipated action and shall advise the member of the time and place of the meeting of the board of directors and the right to appear at said meeting and be heard if the affected member wishes to make a statement.
- C) Required Vote. An affirmative vote of two-thirds of the members of the board of directors present and voting is necessary for a motion to expel to prevail.

ARTICLE III

Officers and Election of Officers

Section 3.1 Officer Titles

The officers of this corporation shall be a president, president-elect, vice-president, treasurer, and executive director who serves as secretary of the corporation.

Section 3.2 Term of Office

The terms of office of the elected officers of the corporation shall be for a period of one year, or from the time of their first installation until the installation of their successors at the next meeting following general convention.

In the event that an officer is employed by a bank, savings and loan association, thrift institution, or trust company, that fails to renew its membership during the officers' term of office and/or that the institution for which the officer works no longer qualifies for membership, the officer shall continue to serve until the end of the term of office as such term is specified above.

Section 3.3 Nomination and Election

The Nominating Committee shall prepare a slate of officers to be elected for the coming year and shall submit the same to the board of directors prior to the meeting of the board of directors next preceding the general convention. The board of directors shall approve or amend the slate submitted by the Nominating Committee and, as approved or amended, shall submit the slate to the delegates at the general convention. The delegates at the general convention shall each year elect from their membership the officers for the coming year. Such election shall be from the slate submitted to the delegates by the Nominating Committee as approved or amended by the board of directors or by nominations from the floor.

ARTICLE IV

Board of Directors

Section 4.1 Number

The association shall be governed by a board of directors consisting of the officers, eight to eleven at-large, elected for a three year term, the three immediate past presidents, and the current elected *Independent Community Bankers of America* State Director. The actual number of at-large directors shall be determined by the board of directors.

Section 4.2 Nomination, Election and Term

The Nominating Committee, at the direction of the board of directors, shall prepare a slate of directors to be elected for terms commencing in the coming year and shall submit the same to the board of directors prior to the meeting of the board of directors next preceding the general convention. The board of directors shall approve or amend the slated submitted by the Nominating Committee and, as approved or amended, shall submit the slate to the delegates at the general convention. The delegates at the general convention each year shall elect from their membership the directors for terms of three years, or from the time of their first installation until the installation of their successors at the next meeting following the general convention. Such election shall be from the slate submitted to the delegates by the Nominating Committee as approved or amended by the board of directors or by nominations from the floor. Terms of the directors shall be staggered to provide for turnover.

Section 4.3 General Convention

The board of directors shall approve the time and place for the general or special convention of the corporation.

Section 4.4 Board of Directors Meet and Special Meetings

The board of directors shall meet immediately preceding the general convention. The president may call additional special meetings of the board and shall promptly call a special meeting upon receipt of a petition, or petitions, from a majority of the entire board. Notice of any special meetings shall be sent by facsimile or by mailed not less than seven days prior to the meeting, with a statement of the purpose of the meeting. Such notice may be waived by the members of the board of directors as permitted by law. Any such special meeting may be held by teleconference.

Section 4.5 Quorum

A majority of the total number of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors.

Section 4.6 Directors, Manner of Acting

The act of the majority of the directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the board of directors.

Any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

A director who is present at a meeting of the board of directors or a committee of the board of directors when action is taken is deemed to have assented to the action taken unless: (a) the director objects at the beginning of the meeting (or promptly upon his or her arrival); (b) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 4.7 General Powers

The board of directors shall be vested with the power to manage the affairs, funds, property and finances of the corporation, except as specifically provided in other sections of these bylaws. The board of directors may, from time to time, adopt rules governing the operation of the corporation, its officers, committees and contractors. Any vacancy prior to the expiration date that occurs on the board of directors may be filled by the board.

Section 4.8 Executive Director

The board of directors shall retain or appoint the executive director and shall fix compensation.

ARTICLE V
Duties of the Officers

Section 5.1 President

The president shall preside at all meetings of the corporation, the board of directors and the Executive Committee, and shall appoint all committees unless otherwise ordered by the board of directors, and shall designate the chairman thereof. He or she shall be an ex-officio member of all committees, and shall report annually on the affairs of the corporation to the board of directors and to the general convention.

Section 5.2 President-Elect; Vice President

The president-elect shall act as the president during the president's absence or inability to act. In case of death, resignation, vacancy otherwise created in the office of the president, the president-elect shall become president of the corporation for the unexpired term. The vice-president is to follow the same procedure in advancement if either of the offices of the president-elect, the president, or both, are vacated for any of the above mentioned reasons. The vice-president shall direct the membership program and shall serve as chairman of the membership committee, if and when it is appointed by the president. In addition, both the president-elect and the vice-president may perform such other duties as may from time to time be assigned by the president.

Section 5.3 Executive Director

The executive director shall be responsible to the board of directors with the direct liaison being the president. Specific duties shall be outlined in the independent contract, employment contract or the job description, whichever is applicable.

Section 5.4 Treasurer

The treasurer shall be responsible for reporting to the financial affairs of the corporation to the annual meeting of the members. A properly qualified firm of accountants shall be selected by the treasurer to review and prepare appropriate reports on the receipts, disbursements and condition of the corporation.

ARTICLE VI

Committees

Section 6.1 Executive Committee

Membership. The Executive Committee shall consist of the president, president-elect, vice-president, treasurer, and the three immediate past presidents of the corporation. The executive director of the corporation shall be the secretary of the Executive Committee.

Section 6.2 Finance Committee

- A) Duties. The Executive Committee shall also serve as the Finance Committee of the corporation. Prior to the beginning of each fiscal year, the Finance Committee shall estimate the income and ordinary expenses for the coming year, determine the funds necessary to carry out corporation activities for the same period, and prepare a budget for the new fiscal year. Such budget must be submitted for the review and approval of the board of directors prior to the beginning of the fiscal year. The budget approved by the board shall be submitted to the members at the annual convention. The Finance Committee shall be responsible for the investment and reinvestment of corporation funds and shall report all changes to the board of directors. The Finance Committee may authorize interim adjustments of the budget that will not affect surplus.

- B) Audit
The Finance Committee shall advise the treasurer as to the appropriate level of audit or review to be conducted by the corporation's retained accountants following the close of each fiscal year. A copy of the report shall be submitted to the board of directors at the first scheduled meeting after completion of the audit. A copy of the audit report will be supplied to each member at the general convention.

Section 6.3 Standing Committees

- A) Purpose of Committees. The following committees are hereby established to implement the general policies of the corporation. The committees shall not exceed ten members, except where specifically provided, and members shall be appointed by the president, including a chairman and a vice-chairman for each committee. In making appointments to committees, the president shall attempt to include approximately twenty percent representation from individuals who have not served on such committees previously.
- B) Committees. The following standing committees are authorized to conduct meetings, engage consultants, review proposals and make recommendations to the officers of the corporation.
- 1) Legislative Committee. All matters pertaining to legislation shall be referred to this committee and it may take action on such existing or proposed laws as may affect the interests of the membership.
 - 2) Evaluation & Board Nominating Committee. The immediate past president shall be chairman of the Evaluation & Nominating Committee, which shall also include such other active past presidents as the president may appoint and the committee shall meet subject to call.
 - 3) Resolutions Committee. The Resolutions Committee and the chairman of such committee shall be named by the president at least thirty days preceding the opening of the general convention and it must consider any resolution presented in a timely manner to it by any delegate to the general convention of the corporation and may also consider resolutions recommended to it by other committees of the corporation. Any resolution presented, which is adopted by the majority vote, shall be presented to the convention under the order of business calling for a report of the resolution committee. If the committee does not recommend a resolution submitted to it, the right of any member to present his resolution from the convention floor is in no way abrogated.
- C) Special Committees. In addition to the above designated standing committees, special committees may be appointed by the president, with the consent of either the Executive Committee or the board of directors.

Section 6.4 Committee Minutes

Minutes will be maintained of any and all committee meetings and furnished to the executive director. Committee reports shall be submitted at each annual convention by the chairperson or other committee member.

ARTICLE VII

Rules of Procedure

Robert's Rules of Order shall determine the conduct of any and all meetings of this corporation, except where otherwise provided in the bylaws.

ARTICLE VIII

Amendments

Section 8.1 Vote Required

These bylaws may be amended, repealed, or altered in whole or in part, when consistent with the *Articles of Incorporation*, at any session of the general or special convention by a two-thirds vote of the delegates present at said sessions and entitled to vote.

Section 8.2 Submission of Amendments

The board of directors shall propose any amendments to the bylaws by resolution, setting forth the proposed amendment and directing that it be submitted for adoption by the delegates present at the general or special convention. In addition, any member may submit a proposed amendment to the board of directors for consideration, provided said member submits same in writing to the executive director of the corporation at least fifteen days prior to the start of the general or special convention.

Section 8.3 Notice

Notice of any proposed amendment to the bylaws shall be sent to all members no less than ten days prior to the voting thereon at the general or special convention.

Section 8.4 Notice - Montana Independent Bankers

The following amendments to the Montana Independent Bankers (MIB) bylaws will be considered by the Board of Directors at their quarterly meeting at 2:00 p.m. on Thursday, July 11, 2013. If approved by the board, the bylaw changes will be submitted to the membership at their annual meeting at 8:30 a.m. on Saturday, July 13, 2013.

The purpose of the amendments is to update and modernize the actual management structure and operation of the Association. The changes will occur in the following sections and are highlighted in the document:

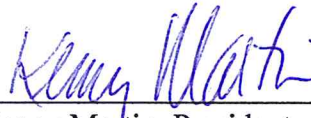
- Changing full membership in the Association to those financial institutions that are chartered in Montana.
- Revising the associate membership classification to clarify that financial institutions

that are not chartered in Montana are eligible to be associate members.

- Clarifying that officers of the organization shall continue to serve the duration of the term for which they were elected in instances when the institution they work for does not renew its membership or when the institution no longer qualifies for membership.
- Striking authorization for an agriculture committee.
- Updating the offices of the organization to reflect that there is a president-elect and a vice president, not a second vice president.
- To better reflect the mission of the nominating committee, which such mission is to find and recruit good candidates to serve on the MIB Board.

CERTIFICATE OF BYLAWS

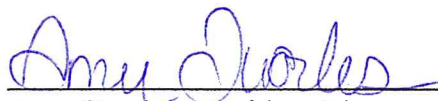
We, the undersigned, collectively constituting the Montana Independent Bankers board of directors as of July 11, 2013, do hereby certify that the foregoing bylaws are the amended bylaws of the corporation as adopted by the MIB membership at their annual meeting the 12th day of July, 2013.



Kenny Martin, President

CERTIFICATE OF BYLAWS

We, the undersigned, collectively constituting the Montana Independent Bankers board of directors as of July 11, 2013, do hereby certify that the foregoing bylaws are the amended bylaws of the corporation as adopted by the MIB membership at their annual meeting the 12th day of July, 2013.



Amy Quarles, President-Elect

CERTIFICATE OF BYLAWS

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Mike Dalton, Vice President

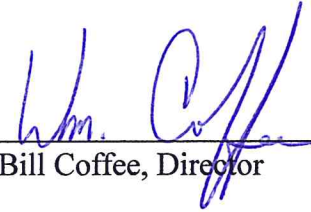
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Tom Christnacht, Treasurer

CERTIFICATE OF BYLAWS

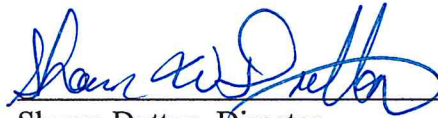
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Bill Coffee, Director

CERTIFICATE OF BYLAWS

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Shawn Dutton, Director

CERTIFICATE OF BYLAWS

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Jim Harris, Director

CERTIFICATE OF BYLAWS

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Pete Johnson, Director

CERTIFICATE OF BYLAWS

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A.J. King, Director

CERTIFICATE OF BYLAWS

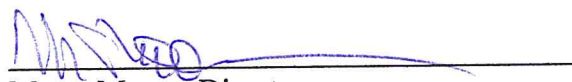
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Brice Kluth, Director

CERTIFICATE OF BYLAWS

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Murry Moore, Director

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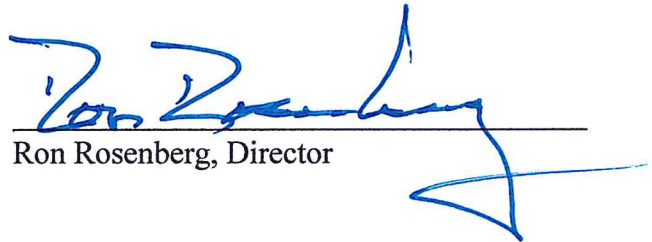
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Martin Olsson, Director

CERTIFICATE OF BYLAWS

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Ron Rosenberg, Director

CERTIFICATE OF BYLAWS

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Kirk Sandquist, Director

CERTIFICATE OF BYLAWS

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Tom Welch, Director