Change to final before printing

TABLE OF CONTENTS

Bylaws of the Farmers Educational and Cooperative Union of America, Montana Division

Preamble	2
ARTICLE 1 - Organization	2-3
ARTICLE 2 - Distributions	3
ARTICLE 3 - Elections/Nominations	3-5
ARTICLE 4 - Directors	5
ARTICLE 5 - The State Union	5-6
ARTICLE 6 - County, County-wide and Local Unions	6-7
ARTICLE 7 - Members	7-8
ARTICLE 8 – Property	8
ARTICLE 9 - Indemnification of Directors, Officers and Employees	9
ARTICI F 10 - Amendment	9-10

AMENDED BYLAWS OF THE FARMERS EDUCATIONAL AND COOPERATIVE UNION OF AMERICA, MONTANA DIVISION

Preamble

Be it known that we, citizens and residents of the State of Montana have voluntarily associated ourselves together as an educational and cooperative association for our mutual benefit under the name and title of the Farmers Educational and Cooperative Union of America, Montana Division (hereinafter "Montana Farmers Union"), and do declare the following to be our aims and purpose:

To strive for harmony, good will and understanding among all people by promoting and advancing the great truth that there is a unity of all mankind:

To establish economic and political justice and secure an equitable distribution of the national income for agriculture related groups;

To educate members of this Union in the science of producing, classifying, marketing, and distributing agricultural products cooperatively;

To teach the principles and philosophy of cooperation and encourage and promote the practice in the lives of all people;

To pursue its purposes and attain its objectives by orderly processes and efficient methods, and through a system of local and county units with affiliated business institutions, culminating in a state organization headquartered in Great Falls, Montana, and chartered by the Farmers Educational and Cooperative Union of America;

To educate the members of this organization in better business methods for agricultural producers, in the principles and practices of cooperative business associations in handling purchases and sales for members;

To give every member a chance to exercise his/her natural right to control the production and marketing of the products of his/her own labor;

To encourage and support cooperative ventures of agricultural products and service institutions consistent with Montana Famers Union policies;

To encourage Montana cooperative enterprises to pay five percent (5%) of annual net income to the Montana Farmers Union; and

To meet its purposes, the Montana Farmers Union shall remain politically nonpartisan, shall not endorse candidates for partisan political office, and no director, officer or employee the Montana Farmers Union, a County Union, County-Wide Union or Local Union use the name Montana Farmers Union or his or her position in endorsing any candidates for partisan political office.

ARTICLE 1 - Organization

- 1.1 The Montana Farmers Union is organized as follows:
 - a) The Montana Farmers Union, the state organization serving all of Montana;
 - b) County Unions, a subdivision of the Montana Farmers Union serving one or more counties in Montana;
 - c) County-Wide Local Unions, a subdivision of the Montana Farmers Union serving one or more cities, towns, or municipalities in any one county in Montana; and
 - d) Local Unions, a subdivision of the Montana Farmers
 Union serving one or more cities, towns, or
 municipalities in Montana
- 1.2 To the extent feasible, there shall be a County Union in each county in Montana.
- 1.3 To the extent feasible and desired, there may be Local Union in any Montana city, town or municipality
 - 1.4 Montana shall be divided into Districts as follows:
 - District 1: Broadwater, Cascade, Chouteau, Jefferson, Judith

Basin, Lewis & Clark, Meagher, and Powell counties.

District 2: Blaine, Glacier, Hill, Liberty, Pondera, Teton, and Toole counties.

District 3: Daniels, Phillips, Richland, Roosevelt, Sheridan, Fergus, Petroleum and Valley counties.

District 4: Carter, Custer, Dawson, Fallon, Garfield, McCone, Powder River, Prairie, Rosebud, Big Horn, Treasure, and Wibaux counties

District 5: Beaverhead, Carbon, Gallatin, Golden Valley, Madison, Musselshell, Park, Stillwater, Sweet Grass, Wheatland, and Yellowstone counties.

District 6: Deer Lodge, Flathead, Granite, Lake, Lincoln, Mineral, Missoula, Ravalli, Sanders, and Silver Bow counties.

- 1.5 Redistricting shall be reviewed by the Montana Farmers Union Board of Directors (hereinafter "Board of Directors") every five years, beginning in 2018.
- 1.6 The Montana Farmers Union shall purchase, lease, or otherwise acquire and maintain a place of business within Montana, to be known as "the State Office," where the organization's principal place of business will be located.

ARTICLE 2 - Distributions

2.1 Montana Cooperative Enterprises are encouraged to pay 5% of annual net savings to the Montana Farmers Union. The Montana Farmers Union shall distribute 40% of the funds earmarked for education received from each county area to the active County Union(s) serving the areas in which the funds originated.

- 2.2 Each County Union shall distribute one half (1/2) of the funds received from the Montana Farmers Union equally to the active Local Unions in that county. In the event there is no active County Union serving a county but one or more Local Unions exist in the county, then the Montana Farmers Union will retain the funds that would otherwise be distributed to that county's County Union and distribute them in accordance with the direction of the Montana Farmers Union Board of Directors.
- 2.3 A report shall be filed at fiscal years end indicating how the funds were utilized, as part of the minutes.

ARTICLE 3 – Elections / Nominations

- 3.1 The Directors and Officers of the State Union, except the Secretary-Treasurer, shall be elected and installed at the annual meeting of the State Union. The annual meeting maybe referred to as the "Convention".
- 3.2 All nominations shall be made at least 45 days prior to the Convention Nomination Deadline pursuant to a nominating petition with at least five (5) signatures from voting members within the represented district. The candidates for State Union President and Vice-President must announce their candidacy no later than the Nomination Deadline and shall list their qualifications to serve. All applications and nominations to the state office and must be dated with date of receipt and published in the State newsletter.

A member may be presented as a candidate for office and is eligible to be voted into office if:

- . The member has been nominated in accordance with this section:
- ii. The member is in attendance at the convention or by majority vote taken at convention by voting members to allows the non-attending nominee to continue as a candidate.

is no nominated candidate for a position present at the Convention or
otherwise permitted to continue as a candidate in accordance with Section
3.2 (ii), a candidate may be nominated by supermajority vote taken at the
convention.
3.2 (iii), A member is eligible to run for a director position provided they
reside or operate land within the boundaries of the district.
3.2 (iv), If no candidate has completed the nominating process prior to the
passage of the 45-day deadline prior to the annual State Convention the
board of directors may recruit and approve a candidate who does not reside
in the district in question, up to 35 days prior to the State Convention. This
candidate would serve the full term unless a candidate from the district in
question presents a completed nominating petition in any year within the
term.

In addition to the nomination procedure set forth above, in the event there

Each nominee shall be required to answer pertinent questions from the floor.

- 3.3 All election shall be by secret ballot. Election to office shall be by majority of all votes cast.
- 3.4 Eligible voting member may vote as follows:
 - In person during the time designated during the Convention for voting; or
 - ii. By requesting a mail in ballot.

A member is eligible to receive a mail in ballot if the member is a voting member as defined in Section 7.3 and meets either of the following

- a) The member has voted in at least one (1) election in the immediately preceding five (5) years; or
- b) The member has attended at least one (1) Montana Farmers
 Union sponsored event or County meeting in the year prior to
 the election.

Mail in ballot deadlines

- i. Ballots may be requested as soon as 90 days before but no later than 30 days before the Convention.
- ii. Requested ballots will be mailed to eligible voters thirty (30) days prior to the Convention.

- iii. Ballots must be postmarked at least seven (7) days prior to the Convention or may be personally delivered no later than the time for in-person voting at the Convention.
- 3.5 As soon as the official count of votes in the election is made by the Election Committee, the results shall be posted in the convention hall and such results shall be officially announced at the next convening session of the convention.
- 3.7 Ballots shall be retained and secured until the adjournment of that Convention. Sign in paperwork shall be secured and retained for at least five (5) years following the convention.
- 3.6 The election Committee shall set aside and not count in any election any ballot that does not include the proper eligible voter certification or mail in voter certification, as required by these Bylaws. In the event the **Election Committee or Credentials Committee** becomes aware of any reason why a voter who has certified their eligibility may not be eligible to vote, the Credentials Committee shall attempt to contact such voter to discuss eligibility requirements and shall thereafter make a ruling in the sole discretion of the Credentials Committee as to members eligibility to vote. The ruling of the Credentials Committee shall be final.
- 3.8 The number of director shall be eleven (11), nominated as follows:
 - a) Six directors shall be nominated by the members in each of the six districts within Montana
 - b) One director shall be nominated by the members in Districts 1 and 2;

- c) One director shall be nominated by the members in Districts 3 and 4;
- d) One director shall be nominated by the members in Districts 5 and 6; and
- e) Two directors will be the State President and Vice President, nominated by all voting eligible members.
- 3.9 A person must be a voting member to the Montana Famers Union in order to be eligible to serve as a director.

- 3.10 The office of President and Vice President shall be for a term of two (2) years. All other directors shall serve terms of three (3) years. The staggered terms of the President and Vice–President in effect on adoption of these Amended Bylaws shall continue. There is no limit on the number of terms a person may serve.
- 3.11 A majority of the Montana Farmers
 Union Board of Directors shall constitute a quorum and all Board of Directors actions shall require a majority vote. Upon demand of three members of the Board of Director, any matter that has been approved or rejected by the Board of Directors must be referred to the Eligible Voting Members for decision at the next regular or annual meeting.
- 3.12 Voting by Eligible Voting Members shall be cumulative, with each member to have one vote for each director position subject to election.
- 3.13 The Board of Directors shall select, by majority vote, one of its members (who has not been elected to serve as President or Vice President) to serve as Secretary-Treasurer.
 - 3.14 A delegate of delegates to the National

Farmers Union Convention shall be elected on the basis of representation as provided in the National Constitution. Previous attendance at a National Convention shall be made known by the delegate nominee at the time of nomination.

3.15 One percent of the Eligible Voting Members present shall constitute a quorum for the transaction of business at any State meeting.

ARTICLE 4 - Directors

- 4.1 All powers, business and affairs of the Montana Farmers Union shall be exercised by or under the authority of the Board of Directors.
- 4.2 The Board of Directors of The Montana Union shall have those powers and duties provided by law.
- 4.3 Absent resignation, death, or removal, each director shall hold office until the next meeting Convention of members. In the event of the vacancy, resignation, death, or removal of a director, the remaining members of the Board of Directors shall, by majority vote, appoint a successor to serve until the next annual meeting of members.
- 4.4 The annual meeting Convention of the members shall be held each year at a time and date set by the Board of Directors. Special meetings may be called by the board or as provided by Montana law. An annual Convention may be held all or in part utilizing a virtual platform pursuant to procedures determined by the Board of Directors.
- 4.5 The Board of Directors shall examine the books of the Secretary-Treasurer and shall provide for an audit of the same

307	by a certified accountant and report their condition at the annual meeting of	345		
308	the State Union or at such times as may be necessary.			
309		347		
310	4.6 Members of the Board of Directors shall	348		
311	receive a stipend and necessary expenses while in	349		
312	performance of their official duties.	350		
313		351		
314	4.7 Any director engaged in conduct	352		
315	detrimental to the best interest of Montana Farmers			
316	Union, shall upon two-thirds vote of the Board of			
317	Directors (excluding the Director subject to the vote), be	355		
318	expelled from the position of Director as per the vote. A	356		
319	Director who is removed from his or her position in			
320	accordance with this section shall remain a member and			
321	may run for election in the next election cycle unless			
322	removed in accordance with Section 7.12.			
323		361		
324	ARTICLE 5 – The State Union	362		
325		363		
326	5.1 The Montana Farmers Union shall have	364		
327	as officers a President, Vice-President, Secretary			
328	Treasurer, Conductor, and Doorkeeper. No person may			
329	be an officer of the Montana Farmers Union unless he or			
330	she shall have been an Eligible Voting Member for not	368		
331	less than three (3) years preceding the election.			
332	Excepting the President and Vice-President, officers shall	370		
333	be appointed by the Board of Directors. Officers and	371		
334	Committees shall have such duties as proscribed by law			
335	and the Board of Directors.	373		
336	5.2 Duties of Officers	374		
337	a) President:	375		
338	i. Shall preside over all meetings of the State	376		
339	Union and the Montana Farmers Union Board	377		
340	will be accountable and in his/her actions to	378		
341	the Board.	379		
342	ii. Shall decide all questions of order and have	380		
343	general supervision over all business of the	381		
344	State Union under the direction of the Montana	382		

- Farmers Union Board.
- iii. Shall represent, or designate an individual to represent, the State Union in all business pertaining to the State Union or its interest where representation is necessary.
- iv. Shall perform such other duties which in the judgement of the Montana Farmers Union Board promote the best interests of the State Union.
- v. Shall have the authority to discharge any employee
- vi. Shall vote on the Board of Directors only in case of a tie vote.

b) Vice President:

- i. Shall assist the President in the performance of his/her duties, and in his/her absence preside.
- ii. Shall succeed to the office of President and fill out the unexpired term in case of vacancy.
- ii. Shall function as a voting member of the Board of Directors.

c) Secretary-Treasurer:

- Shall perform all duties assigned by the President and the Montana Farmers Union Board.
- Shall make or cause to be made a record of proceeding of all meetings of the Montana Farmers Union Board and the State Union.
- iii. Shall receive and acknowledge all monies paid to the State Union and shall pay out the same as determined by the Montana Farmers Union Board.
- iv. Shall make, or cause to be made, all statistical and financial reports.
- v. Shall consult and meet with the Montana Farmers Union Board and act as Secretary for meetings of the Board.
- vi. Shall at least 45 days prior to the annual meetings, notify all Local and County

383	Se	cretaries of the time and place of such		
384	me me	eeting.		
385	vii. Sh	all function as a voting member of the Board		
386	of	Directors.		
387	d) Doork	eeper:		
388	i. Sh	all act as a welcoming committee and shall		
389	We	elcome visitors and members.		
390	e) Condu	ctor:		
391	i. Sh	all assist in the installation ceremony of		
392	of	ficers.		
393	ii. Sh	all endeavor in every way to facilitate the		
394	со	nducting of State Union meeting.		
395				
396	5.3 The Board of D	irectors shall create a		
397	Credentials Committee, an Elec	tion Committee, a		
398	Resolutions and Legislative Cor	nmittee, a Bylaws and		
399	Rules Committee and an Education Committee. Other			
400	committees may be created by	resolution of the Board of		
401	Directors.			
402				
403	5.4 The Board of D	irectors may hire an		
404	Executive Director.			
405	i Chall parfa	rm all duties assigned by the Dresident and		
	i. Shall perfo	rm all duties assigned by the President and		
406	the Decard			
406 407	the Board			
	the Board ii. Shall const	Directors.		
407	the Board ii. Shall consu furnish suc	Directors. ult and meet with the Board of Directors and		
407 408	the Board ii. Shall const furnish suc iii. Shall overs	Directors. Ult and meet with the Board of Directors and ch reports of activities as may be required.		
407 408 409	the Board ii. Shall const furnish suc iii. Shall overs at the dire	Directors. ult and meet with the Board of Directors and ch reports of activities as may be required. ee day-to-day operations and supervise staff		
407 408 409 410	the Board ii. Shall const furnish suc iii. Shall overs at the dire	Directors. ult and meet with the Board of Directors and ch reports of activities as may be required. ee day-to-day operations and supervise staff		
407 408 409 410 411	the Board ii. Shall const furnish sud iii. Shall overs at the dire	Directors. Outline and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President.		
407 408 409 410 411 412	the Board ii. Shall const furnish suc iii. Shall overs at the dire	Directors. Outline and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President.		
407 408 409 410 411 412 413	the Board ii. Shall const furnish sud iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President. The equivalent of the President		
407 408 409 410 411 412 413	the Board ii. Shall const furnish sud iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou is a chartered subdivision of the	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President. The ey, County-Wide and Local Unions The et al. (2) and the ethics of the President of the Presiden		
407 408 409 410 411 412 413 414 415	the Board ii. Shall const furnish sud iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou is a chartered subdivision of the comprised of its members in go	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President. The ey, County-Wide and Local Unions The et al. (2) and the ethics of the President of the Presiden		
407 408 409 410 411 412 413 414 415	the Board ii. Shall const furnish suc iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou is a chartered subdivision of the comprised of its members in go	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. The ee day-to-day operations and supervise staff ction of the President. The ey, County-Wide and Local Unions The et al. (2) and the ethics of the President of the Presiden		
407 408 409 410 411 412 413 414 415 416 417	the Board ii. Shall const furnish sud iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou is a chartered subdivision of the comprised of its members in go	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. Altered and the end of the President. Altered and the President. Altered and the President and the Presi		
407 408 409 410 411 412 413 414 415 416 417	the Board ii. Shall const furnish sud iii. Shall overs at the dire ARTICLE 6 - Count 6.1 A County, Cou is a chartered subdivision of the comprised of its members in go 6.2 A Charter shall Farmers Union for a County Un	Directors. Alt and meet with the Board of Directors and the reports of activities as may be required. Hee day-to-day operations and supervise staff ction of the President. Alt y, County-Wide and Local Unions Anty-Wide or a Local Union be Montana Farmers Union bood standing. The be issued by the Montana		

Voting Members of each by majority vote elect to become a chartered County Union or County-Wide Union. The fiscal year of a County Union, County-Wide or Local Union shall be the same as the state organization's fiscal year end March 31.

- 6.3 In order for a County, County-Wide or a Local Union to receive funds from the Montana Farmers Union, it must be active, holding not less than four (4) business meetings during the preceding fiscal year ending March 31 of each year. Minutes of each meeting shall be submitted to the Montana Farmers Union within 30 days following each meeting.
- 6.4 The officers of a County Union, County Wide or Local Union shall be a President, Vice-President, and Secretary-Treasurer. Officers shall be elected annually by the members of the union by majority vote by secret ballot. Voting will be cumulative.
- 6.5 A County Union, County-Wide or a Local Union may adopt bylaws provided they are not inconsistent with the provisions of these Amended Bylaws.
- 6.6 Division or consolidation of County, County-Wide or a Local Unions may be permitted by the Montana Farmers Union upon terms and condition adopted by its Board of Directors.
- 6.7 Each County, County-Wide or Local Union is encouraged to participate in a minimum of one educational activity annually on either the adult or youth level.

ARTICLE 7 – Members

7.1 The Montana Farmers Union shall be composed of members, who shall organize themselves

into County Union, County-Wide Local Unions, and Local Unions, or who may participate in the activities of the Montana Farmers Union as further provided in these Bylaws.

461

462

463

464

466

467

468

469

471

472

473

474

475

476

477

478

479

480

481

482

483

484

485

486

487

488

489

490

491

492

493

- 7.2 Members are classified as Eligible Voting Member, Associate Non-Voting Member, and Affiliate Member.
- 7.3 An Eligible Voting Member is a member who has paid all required dues and meets one or more of the following requirements:
 - a) Is a Montana resident sixteen (16) years of age or older and who produces an agricultural commodity used for food, feed, fuel, or fiber.
 - b) Is a Montana Torchbearer;
 - Is a Montana resident retired from producing agricultural commodity used for food, feed, fuel, or fiber.
 - d) Is the spouse of an eligible voting member;
 - e) Is a Montana resident between the ages of 16 and 25 whose parents are, or either parent is, an eligible voting member;
 - f) Is a Montana resident employed full-time by the Farmers Educational and Cooperative Union of America, commonly known as the "National Farmers Union", or any of its affiliated businesses;
 - g) Any person not eligible for voting membership under the above rules may become a voting member by paying dues and by being accepted as a member through an active local or county organization under criteria approved by the State Board of Directors.

Only Eligible Voting Members are eligible to hold office in the Montana Farmers Union, a County Union, a County-Wide Union, or a Local Union. Any voting member whose membership has been valid for at least 45 days prior to the start of the state annual meeting shall represent one vote

at the annual meeting.

498

499

507

508

517

518

524

525

529

530

533

- 7.4 An Associate Non-Voting Member is a Montana resident primarily engaged in an agricultural business or activity who supports the goals and principles of the Montana Farmers Union and who has paid all required dues but does not qualify as an Eligible Voting Member. Associate Non-Voting Members may participate in all social activities but have no voting privileges and may not hold elective office in the organization.
- 7.5 An Affiliate Member is a Montana resident who is not qualified to be an Eligible Voting Member or an Associate Non-Voting Member but is a policyholder of the National Farmers Union Insurance Companies. Affiliate members are not assessed dues but may not hold elective office in the organization, have voting privileges, or participate in the organization's social activities.
- 7.6 The Board of Directors may establish other categories of membership for persons who are not otherwise qualified for membership but have an interest in the organization through an affiliated entity. The Board of Directors may establish separate benefits and dues levels for each category of membership.
- 7.7 When possible, members shall also become members of the most convenient County Union, County-Wide or Local Union and have such membership therein for which they are eligible.
- 7.8 Each member shall be issued a membership card, which will designate his or her membership status.
 - 7.9 Dues for the Montana Farmers Union

shall be established annually by the Board of Directors of the Montana Farmers Union for Eligible Voting and Non Voting Associate Members and paid to the Montana Farmers Union. Dues shall include National Farmers Union dues, which shall be remitted to the National Farmers Union by the State Secretary–Treasurer for each due paying member. Any member failing to timely pay dues shall lose any voting and other rights of membership. Any Eligible Voting Member or Non–Voting Associate Member who is 65 years of age or older and who has paid dues consecutively for 25 or more years shall be assessed dues at one–half (1/2) the established rate.

537

547 548

552

553

556

557

558

569

570

- 7.10 Each active County Union, County-Wide and Local Union shall annually receive \$5.00 per eligible voting member from the Montana Farmers Union's general funds.
- 7.11 Assessment of County Union, County Wide Union and Local Union dues shall be left to the discretion of each such organization.
- 7.12 Any member engaged in conduct detrimental to the best interest of Montana Farmers Union, shall, upon decision of the Executive Board, be expelled as per the vote. An expelled member shall have the right to appeal in writing within 10 days to the Board of Directors of the Montana Farmers Union, whose vote on a two-thirds applicable union secretary shall report the names of members expelled to the County, County Wide and Local secretaries, as well as the grounds, therefore. A member who has been expelled may not apply for reinstatement for a period of one year from the date his or her expulsion was final.
- 7.13 Any member in good standing who wishes to transfer membership from a Local Union to

another Local Union shall notify the Montana Farmers Union in writing of the request, which must be granted by the proposed Local Union to be joined. The Local Union secretary shall notify the Montana Farmers Union.

ARTICLE 8 - Property

- 8.1 The Montana Farmers Union may purchase, lease, or otherwise acquire any and all property which it is legally authorized to own or lease, and sell, lease, or otherwise dispose of any or all of such property, in the manner provided by law and these Amended Bylaws.
- 8.2 All property, real or personal, acquired for the use of the Montana Farmers Union, whether obtained with dues, educational funds, unrestricted donations, services rendered or from a Farmers Union organizational fundraising activity, shall be held in the name of the Montana Farmers Union. In the event that MFU ceases to have an organizational subdivision in a county, the dues, educational funds, unrestricted donations, services rendered of from a Farmers Union organizational fundraising activity shall pass in trust to the MFU.
- 8.3 Members of a Montana Farmers Union County, Local, or County-Wide Local Union may independently purchase property if they do not use funds directly derived from Farmers Union dues, cooperative educational funds, services of such unit, or funds raised at or through fundraising activity sponsored by the State, County, Local, or County-wide Local unit of the Montana Farmers Union, and take it in a name other than Montana Farmers Union. In that event such property shall belong to the persons or organizations which purchased the same and, upon the County, Local or County-wide Local Union which used such property

577

578

579

580

586

587

597

becoming defunct, such property shall not as a matter of course be transferred to the Montana Farmers Union, but shall be disposed of by the record owners, as such owners see fit. The Montana Farmers Union or any unit thereof shall not be responsible for such property. Montana Farmers Union Locals may lease such property from the owner for Farmers Union activities.

ARTICLE 9 - Indemnification of Directors, Officers and Employees

9.1 The Montana Farmers Union shall not indemnify a director unless:

- A determination has been made in accordance with the procedures set forth in the Montana Corporation Act that the director met the standard of conduct set forth below, and
- ii. Payment has been authorized in accordance with the procedures set forth in the Act based on a conclusion that the expenses are reasonable, the Montana Farmers Union has the financial ability to make the payment, and the financial resources of the Montana Farmers Union should be devoted to this use rather than some other use by the State Union.
- iii. He or she conducted himself or herself in good faith; and
- iv. He or she reasonably believed:
 - a) In the case of conduct in his or her official capacity with the State Union that his or her conduct was in its best interests;
 - b) In all other cases, that his or her conduct was at least not opposed to its best interests; and

The State Union shall not indemnify a director:

- In connection with a proceeding by or in the right of the State Union in which the director was adjudged liable to it; or
- ii. In connection with any other proceeding charging improper personal benefit to him or her, whether or not

involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

- 9.2 If a determination is made, following the procedures of the Montana Corporation Act, that the director has met the following requirements; and if an authorization of payment is made, following the procedures and standards set forth in the Montana Corporation Act, then the State Union shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:
 - The director furnished the State Union a written affirmation of his or her good faith belief that he or she has met the standard of conduct described in this Article;
 - ii. The director furnishes the State Union a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment) and;
 - iii. A determination is made that the facts then known to those making the determination would not preclude indemnification under this Article or the provisions of the Montana Corporation Act.
- 9.3 The Board of Directors may indemnify and advance expenses to any officer, employee or agent of the State Union who is not a director of the State Union, to any extent consistent with public policy, as determined by the general or specific action of the Board of Directors.
- 9.4 Notwithstanding any other provisions of these Amended Bylaws, the State Union shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she is or was director of the State Union against reasonable expenses incurred by the directors in

connection with the proceeding.

688

ARTICLE 10 - Amendment

689 690 691

10.1 These bylaws may be amended at any State Union annual meeting by a majority vote of those Eligible Voting Members in attendance and voting. A written copy of any proposed amendment shall be presented at the State Union annual meeting and a copy thereof made available to each qualified member not less than 24 hours before the vote thereon is taken. In the event that written copies of proposed bylaw changes are not presented to the annual meeting qualified members, a two-thirds majority vote will be required for passage.

699 700

10.2 The major legal document of the Montana Farmers Union is its Bylaws. The Local, County, and State Organizations shall function under these Bylaws using the Revised Robert's Rules of Order.

702 703

2020 Montana Farmers Union Bylaws Committee

Walter Schweitzer

Erik Somerfeld

7 Eric Bergman

os Jennifer Bishop

9 Ben Peterson