

RECORD OF CORPORATE ACTION TAKEN BY DIRECTORS OF
S.M.W. INC., d/b/a Shining Mountains West Owners Association at a meeting held
July 9, 2015 at the residence of Tom Casale, McAllister, Montana
and

EXTRACT OF MINUTES OF THAT MEETING

The meeting was held July 9, 2015 after notice to all the directors. Four directors were present, Tom Casale, Rosie Casale, Craig Schroder, and Michael Crabtree, The meeting was called to order, and the Directors proceeded to act upon the agenda items. In regular procedure as part of the business of the meeting the following resolution was presented.

WHEREAS this Association was one of two parties in a lawsuit SMW v Gromiller, Fifth Judicial District Court for Madison County, Cause No. DV-29-05-32 which was referred to the Montana Water Court for determination of various issues involving ownership of water rights appurtenant to land in the association, and ultimately the Montana Water Court determined several matters of importance to the Association and its members, and

WHEREAS by resolution adopted July 23, 2014, the Board of Directors of this Association, deeming further participation in the lawsuit not to be in the interests of the Association, and its members, directed attorney W.G. Gilbert, III of Dillon Montana to cease any participation in the lawsuit, which he did, and

WHEREAS now the case has reached its end after rulings by former Water Master Douglas Ritter, now Water Judge Douglas Ritter, and those rulings have been returned to the District Court of the Fifth Judicial District for Madison County, and

WHEREAS the Board has been advised that it is in the best interest of the Association and its members that the Water Court rulings, transmitted to the District Court, from the Water Court be entered into a judgment in the original action, SMW v. Gromiller, Cause No. DV-29-05-32 and

WHEREAS it has been proposed that the attorneys for Gromiller and SWM present a Consent Judgement to the District Court for entry in the case,

NOW THEREFORE BE IT RESOLVED by the Board of Directors of SMW Inc. that W. G. Gilbert, III, as attorney for SMW in the action, is hereby authorized to participate with the attorney representing Gromillers in executing and presenting a motion that the District Court issue a Consent Judgement, which judgment would, if issued by the Judge, incorporate the Water Court rulings into