

# Exhibit 17

Begin forwarded message:

**From:** Daniel O'Connell <[dko@mac.com](mailto:dko@mac.com)>  
**Subject:** Summary of GLA Legal liability regarding GLA actions to disqualify Kathleen Rakela  
**Date:** October 10, 2017 at 2:48:39 PM MDT  
**To:** Charlette Mizzi <[mizzi@wispwest.net](mailto:mizzi@wispwest.net)>, Daniel Kehoe <[dkehoe@wispwest.net](mailto:dkehoe@wispwest.net)>, GLA Mailbox <[info@glamontana.org](mailto:info@glamontana.org)>, [kehoe@wispwest.net](mailto:kehoe@wispwest.net), Kevin Newby <[newbykg@gmail.com](mailto:newbykg@gmail.com)>, Charlene Murphy <[charlenegla007@gmail.com](mailto:charlenegla007@gmail.com)>, Richard Johnson <[richardjohnsongla@gmail.com](mailto:richardjohnsongla@gmail.com)>, Leo Keeler <[leo.gla@akwildlife.com](mailto:leo.gla@akwildlife.com)>, Dennis Riley <[drileygla@gmail.com](mailto:drileygla@gmail.com)>, Gerald Dubiel <[gpDubiel@gmail.com](mailto:gpDubiel@gmail.com)>, Regina Wunsch <[wunsch@wispwest.net](mailto:wunsch@wispwest.net)>, Newman Brozovsky <[newmangla@gmail.com](mailto:newmangla@gmail.com)>, Paul Rantallo <[paulrantallo@gmail.com](mailto:paulrantallo@gmail.com)>, Mark Seaver <[markseaver@verizon.net](mailto:markseaver@verizon.net)>  
**Cc:** Alannah Griffith <[Alanah@GriffithLawGroup.com](mailto:Alanah@GriffithLawGroup.com)>

Date: October 10, 2017

To: GLA Board members and GLA Attorney-Alannah

From: Val O'Connell

Re: Legal liability regarding GLA Board actions and vote last night to disqualify Kathleen Rakela from the GLA 2017 annual Board election ballot

Though this is sufficient, it is by no means the only legal liability to the GLA Board that I would like to summarize below. Again for the record, I have no personal ties to Rakela. The GLA Board on October, 9, 2017 voted 8-4 to disqualify Kathleen Rakela from the GLA Board annual election ballot already mailed out to South Glastonbury members, which vote was due to her violating Covenant 10.04 failure to disclose transfer of property to her relative. However, the GLA Board vote last night violated state law conflict of interest statute section 5 below, since Directors— Riley, Seaver, Newby are competing candidates against Rakela; which have an obvious conflict against her. Yet it was reported that they disagreed claiming no conflict of interest, and all three voted against Rakela last night. However, eliminating their vote is still a majority vote unless "material facts of the transaction and the director's interest are [NOT] disclosed" per 35-2-418 section (3)(b) below. Material facts were not disclosed, and there are other legal issues to consider.

1) Specifically, material facts were not disclosed before the vote in question to disqualify Rakela, because all three candidates do have a viable conflict of interest and should not even have participated in the discussions that certainly swayed others to vote against her. Also material facts were not disclosed before the vote when Mark Seaver said BEFORE the vote that 'anyone who does not vote against Rakela is themselves violating the Covenants also.' This false information is nowhere in state law or our covenants; which GLA Covenants instead allow the Board to waive any Covenant violation under section 12.01.. This Seaver statement yet had the possible or likely effect of swaying the Board by intimidation and threatening the Board to vote against Rakela to remove her from the ballot based on this false statement by a GLA opposing candidate no less. This false statement alone is not fair and could thus disqualify the Board vote by itself in a legal capacity, unless a new vote is taken with this error disclosed.

2) Also as my earlier email to the Board explained, if the GLA refuses to tell members that Rakela is still eligible as a write-in candidate, then this is another legal liability for the GLA Board as my emails sent to the Board this morning explained. Most members who are told that she is disqualified would reasonably believe she is not eligible as a write-in candidate. Thus the GLA, to be fair, has a duty to tell members that she corrected the error and is now eligible as a write-in candidate.

3) Also as my earlier email to the Board explained, the GLA Board refused to discuss or even consider the fact that GLA Covenant 12.01 allows the Board to waive Rakela's accidental Covenant violation. One could thus legally argue that GLA actions lead by opposing candidates against Rakela are harmful to the community and voting members too since Rakella is eligible as a write-in candidate. The Board did not even fairly consider waiving the Covenant violation, then wastes funds to notify members of this Rakela ballot nullification, which further harms the community to delay the election, all to nullify Rakella's vote after ballots were mailed out again because Rakella is eligible as a write-in candidate.

4) Also since Rakela is still eligible candidate as a write-in, GLA also may be in violation of their duty under GLA Bylaw VI.C. as follows, because this problem has yet to be handled in a fair, efficient, and cost-effective manner, "The Board shall also establish such other Rules as it deems appropriate to conduct the nomination of Directors in a fair, efficient and cost-effective manner." Nor is it fair to Rakela and members if the GLA now refuses to tell them that Rakela is still eligible as a write-in candidate.

5) Last but not least, need I remind you again and again of the GLA Articles of Inc. cited below require the GLA Board to act in good faith and fair dealing with the GLA Association AND its members. Obviously, facts outlined above show several instances of GLA breach of duty, and breach of good faith and fair dealing regarding a member and voting members, unless these issues are corrected.

I WILL ASSUME THIS REPORT TO THE GLA BOARD IS A FAIR AND ACCURATE STATEMENT OF THE EVENTS AND FACTS IN QUESTION, UNLESS OTHERWISE DISPUTE IN WRITING BY THE GLA BOARD MAJORITY HAVING NO CONFLICT OF INTEREST. UNLESS GLA TAKES ACTION TO CORRECT THIS, I BELIEVE LEGAL ACTION AGAINST THE GLA IS LIKELY AND WARRANTED.

Sincerely,

Val O'Connell

**35-2-418. Director conflict of interest.** (1) A conflict of interest transaction is a transaction with the corporation in which a director of the corporation has a direct or indirect interest. A conflict of interest transaction is not voidable or the basis for imposing liability on the director if the transaction was fair at the time it was entered into or is approved as provided in subsection (2) or (3)... A transaction in which a director of a mutual benefit corporation has a conflict of interest may be approved if:

(3)(a) the material facts of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board and the board or committee of the board authorized, approved, or ratified the transaction; or

(3)(b) the material facts of the transaction and the director's interest were disclosed or known to the members and they authorized, approved, or ratified the transaction.

(5) For purposes of subsections (2) and (3), a conflict of interest transaction is authorized, approved, or ratified, if it receives the affirmative vote of a majority of the directors on the board or on the committee who have no direct or indirect interest in the transaction. However, a transaction may not be authorized, approved, or ratified under this section by a single director.

## ARTICLE VIII

### LIMITATION OF LIABILITY

Members of the Board of Directors of the Corporation shall not be liable to the Corporation or to members of the Corporation for monetary damages for breach of a director's duties to the Corporation and its members, provided that this provision does not eliminate or limit the liability of a director:

1. For a breach of the director's duty of loyalty to the Corporation or its members;
2. For acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
3. For a transaction from which a director derived an improper personal economic benefit; or
4. Pursuant to M.C.A. Sections 35-2418, 35-2435, or 35-2436.