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Blackwood Land Fund, LLC
115 West Kagy Blvd, Ste L
Bozeman MT 59715

AMENDED BYLAWS OF BLACKWOOD GROVES OWNERS ASSOCIATION

ARTICLE I PURPOSE AND APPLICATION

These Amended Bylaws of BLACKWOOD GROVES OWNERS ASSOCIATION (the "Association") are adopted pursuant to Article XIII of the Bylaws of Blackwood Groves Owners Association recorded in the office of Gallatin County Montana Clerk and Recorder as Doc. No. 2787242. These Amended Bylaws shall, upon being recorded with the Clerk and Recorder of Gallatin County, State of Montana, govern and control the administration of the Association. In the event of any inconsistency between these Amended Bylaws and the Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Blackwood Groves Subdivision, these Bylaws shall control. All Owners, their guests, invitees, agents, and any renters present and future, shall have the rights and responsibilities described in these Amended Bylaws and shall be subject to the provisions thereof.

The acquisition of an ownership interest of a Lot in BLACKWOOD GROVES SUBDIVISION (the "Property") signifies that the owner accepts, ratifies, and agrees to comply with these Bylaws.

ARTICLE II MEMBERSHIP

"Member" shall mean and refer to each Lot or Unit Owner, including the Declarant while it or an affiliate owns a Lot or Unit, in the Property. Membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot or Unit in the Property.

Persons owning a Lot or Unit, an interest in a Lot or Unit, or any real estate tenancy relationship recognized by the State of Montana, in the Property (collectively, an "Owner") shall be a member of the Association. An Owner may not decline membership in the Association. Membership begins concurrently with the acquisition of an ownership interest in a Lot or Unit and terminates at the time such ownership interest is terminated. Such termination shall not relieve any owner of a liability for obligations incurred while a member of the Association; further, membership in the Association does not negate or impair any owners' legal remedies, right to bring legal action, or defenses to any actions involving the Association, other Owners, or the Management, which may arise from or be incidents of ownership.

ARTICLE III OBLIGATIONS

Each Owner shall be obligated to comply with these Bylaws and the Declaration of Covenants, Conditions and Restrictions for Blackwood Groves. Such obligations shall include, but are not limited to, the paying of assessments levied and the adherence to the protective covenants. Failure of any owner to abide by these Bylaws, and all rules and regulations adopted by the Board, the Declaration, the City of Bozeman, and the State of Montana, shall be grounds for appropriate legal action by the Association or by an aggrieved Owner against such noncomplying owner.

ARTICLE IV MEETING AND VOTING

There shall be a regular meeting of the Association annually on the third Wednesday in January of each year, commencing in the year the Association is established, or thereafter, on such other date properly announced by the Association. So long as the Declarant or its affiliate owns any Lot or Unit in the Property, the Declarant shall appoint the Board of Directors until the Declarant turns to Board over to the Association.

A quorum of the members constitutes owners of not less than ten percent (10%) of the land area in the Property, as defined in the recorded covenants.

Pursuant to these Bylaws, the Association may hold special meetings at any time. Such special meetings may be called by the Declarant, the Chairman of the Association, by the Board of Directors, a signed request by the Manager, or a petition signed by fifteen percent (15%) of the Owners. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the petition or request may be brought before such meeting.

A. Notice.

Notice of all meetings, regular or special, shall be mailed, personally delivered or sent by email (if Owner has consented in writing to notices being sent by email and provided an email address) by the Association's Secretary to every Owner of record at his/her/its address of record at least ten (10) business days prior, but not more than sixty (60) days prior, to the time for holding such meeting. Such notice shall specify the date, time, and place of the meeting and shall provide for the voting of each Owner by proxy or by written ballot, and to deliver the ballot by electronic voting, at the discretion of the Owner. The delivery of a notice in the manner provided in this paragraph shall be considered as notice served. If delivered electronically, such notice shall be deemed delivered upon the Association's transmittal of the electronic communication to the Owner at the authenticated electronic identification designated by the Owner for such communications. The Association shall maintain a list of the Owners, pursuant to Montana Code Ann. § 35-2-906, which list shall include the authenticated electronic identification designated by each Owner. The "authenticated electronic identification" shall mean an e-mail address or other electronic identification designated by an Owner for electronic communications.

ARTICLE V VOTING INTEREST

A. Procedures.

Each Owner at Association meetings shall have the voting percentage as set forth in the recorded covenants and Exhibit C to the recorded covenants.

Each Owner in good standing is entitled to vote on all matters affecting the general business of the Association. Action presented at an Association meeting with a quorum, shall be deemed approved if it receives a majority of the votes cast. No member shall be entitled to vote during any period in which such member is in default in the payment of any assessment levied by the Association as set forth in the Declaration. The Association shall be permitted to act by the vote of Owners consenting in the form of a record provided electronically or by written ballot and to deliver a written ballot by electronic delivery if an Owner gives consent for such electronic delivery. "Vote" or "voting" shall include, but not be limited to, giving consent in the form of a record provided electronically or by written ballot and written consent. An Owner's consent to receive notice by electronic communication in a certain manner shall constitute consent to receive a ballot by electronic communication in the same manner.

Whenever a quorum is present at a meeting of the Association or the Board of Directors, those present may do any and all acts they are empowered to do unless specific provisions of these Bylaws, the Declaration, Rules and Regulations, if adopted, or the laws of the State of Montana direct otherwise. An Owner voting electronically pursuant to this section shall be counted as being 'in attendance' at the meeting to determine a quorum.

B. Proxies.

Every person entitled to vote shall have the right to do so either in person, or by written proxy, signed by such person, and filed with the secretary of the Association. A proxy shall be deemed signed if the member's name is placed on the proxy, (whether by manual signature, typewriting, telegraphic transmission, facsimile or otherwise) by the member or the member's attorney-in-fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it prior to the vote pursuant to that proxy by a writing delivered to the Association stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Association before the vote pursuant to that proxy is counted; provided however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy unless otherwise provided in the proxy.

C. Record Date.

In order that the Association may determine the members entitled to notice of, or to vote at, any meeting or entitled to exercise any rights in respect of any other lawful action, the Board of Directors may fix, in advance, a record date which shall not be more than sixty (60) nor less than

ten (10) days before the date of such meeting. Members of record at the close of business on the record date are entitled to notice and vote or to exercise their rights notwithstanding any transfer of any Lots on the books of the Association after the record date, except as otherwise provided by agreement or in the Montana Nonprofit Corporation Act.

ARTICLE VI BOARD OF DIRECTORS

The governance of the Association shall be by a Board of Directors consisting of at least three (3) Directors and a maximum of seven (7), elected by the Owners except for the Declarant's reserved rights hereunder. The Directors need not be Owners. Such Board of Directors shall have all powers and responsibilities attendant to the general administration and control of the Association. Additionally, the Board of Directors shall have the authority to carry into effect the powers and duties specified by these Bylaws.

So long as Declarant or its affiliate is an Owner in the Property, the Declarant shall appoint the Board and determine the number of Directors up to a maximum of seven (7) Directors. At the first meeting after turn-over by the Declarant, and at all subsequent annual meetings, one (1) member of the Board shall be elected to serve a one (1) year term. The remaining Members of the Board shall be elected for two (2) year terms and all subsequent elections for membership to the Board shall be for two (2) year terms. Their terms of office shall begin immediately after election.

A. Meetings.

Meetings of the Board of Directors may be held at any place designated in the notice of the meeting, or if not stated in the notice or there is no notice, designated in the Bylaws or by resolution of the Board of Directors. Immediately following, and at the same place as, each annual meeting of members, the Board of Directors shall hold without call or notice other than this bylaw a regular meeting for organization, election of officers and the transaction of other business. Other regular meetings of the Board of Directors shall be held without notice as from time to time may be fixed by the Board of Directors.

B. Special Meetings; Notice.

Special meetings of the Board of Directors may be called at any time by the chairman or the secretary or any two Directors. Notice of the time and place of all special meetings shall be given to each Director by any of the following means:

- (i.) By personal delivery, or by telephone, fax, or email at least forty-eight (48) hours prior to the meeting; or
- (ii.) By first-class mail, postage prepaid, at least four days prior to the meeting.

C. Waiver of Notice.

The transactions of any meeting of the Board of Directors, however called and noticed and

wherever held, are as valid as though it had been held at any meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice or a consent to meeting or approving the minutes thereof. All such waivers, consents, and approvals shall be filed with corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed waived by any Director who attends the meeting without protesting before or at its commencement the lack of notice.

D. Participation by Telephone or Virtual Meeting.

Members of the Board of Directors may participate in a meeting through conference telephone, virtual meeting, or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting constitutes presence in person at such meeting.

E. Quorum and Action at Meeting.

A majority of the authorized number of Board of Directors shall constitute a quorum for the transaction of business. Each Director shall have one (1) vote. Subject to the Montana Nonprofit Corporation Act, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors.

F. Action Without Meeting.

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all Members of the Board of Directors individually or collectively consent in writing to the action. Such written consent shall have the same force and effect as a unanimous vote of the Board of Directors.

G. Committees.

The Board of Directors may, by resolution adopted by a majority of the authorized number of Directors, designate one or more committees, each consisting of two or more Directors and each of which, to the extent provided in the resolution and as limited by the Montana Nonprofit Corporation Act, shall have all the authority of the Board of Directors. Further the Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Each committee shall serve at the pleasure of the Board of Directors.

H. Meetings and Action of Committees.

Meeting and action of committees shall be governed by, and held, and taken in accordance with, the provisions of this Article VI of these Bylaws, with such changes in context of these Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its Members except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of

committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt such other rules to govern any committee consistent with these Bylaws.

**ARTICLE VII
OFFICERS OF THE BOARD OF DIRECTORS**

After turn-over from the Declarant, the Association shall elect from its membership or otherwise a Board of Directors which shall consist of a Chairman and Secretary/Treasurer, who shall serve an officer term of at least one (1) year. If no new person is elected to an officer position after expiration of term, the officer may remain in office until a replacement is elected or appointed.

After one hundred percent (100%) of the Lots or Units have been transferred to third parties, unless turned over sooner by the Declarant, at the next annual meeting of the Association, nominations for positions on the Board of Directors shall be accepted from any of the Owners present. Voting shall take place by ballot. For the avoidance of doubt, Lots or Units transferred to an affiliate of Declarant shall not constitute a transfer to a third-party.

**ARTICLE VIII
LIABILITY**

Members of the Board of Directors and their officers, assistant officers, agents, and employees acting in good faith on behalf of the Association:

- (1) shall not be liable to the Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their willful misconduct or bad faith;
- (2) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such;
- (3) shall have no personal liability in tort to any Owner or any person or entity, except for their own willful misconduct or bad faith;
- (4) shall have no personal liability arising out of the use, misuse or condition of the Property which might be assessed against or imputed to them as a result of or by virtue of their capacity as such.

**ARTICLE IX
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

The Board of Directors shall have the following powers and duties:

- A. To call annual meetings of the Association and give due notice thereof
- B. To conduct elections of the Board of Directors
- C. To enforce the Declaration and Bylaws of Blackwood Groves Subdivision by appropriate action.
- D. To issue and adopt rules and regulations for the use and occupancy of the Common Areas and for the occupancy of the Lots consistent with the recorded covenants.
- E. To provide for the management of the Association by hiring or contracting with suitable and capable management and personnel (the "Manager") for the day-to-day operation, maintenance, upkeep, and repair of the Common Areas.
- F. To levy assessments as allowed by the Declaration, these Bylaws, and the State of Montana, and to provide for the collection, expenditure, and accounting of the assessments.
- G. Adopt fines and policies as may be required to support the recorded covenants.
- H. To pay for the expenses of the maintenance, repair, and upkeep of the general Common Areas and to approve payment vouchers either at regular or special meetings.
- I. To delegate authority to the Manager for the routine conduct of Association business, however, such authority shall be precisely defined with ultimate authority at all times residing in the Board of Directors
- J. To provide a means of hearing grievances of Owners and to respond appropriately thereto.
- K. To meet at regularly scheduled times and to hold such meetings open to all Owners or their agents.
- L. To prepare, adopt and present an annual budget to the Association in order to determine the amount of the assessments payable by the Owners to meet the expenses of the Association, and allocate and assess such charges among the Owners. To levy and collect special assessments whenever, in the opinion of the Board of Directors, it is necessary to do so in order to meet increased operating or maintenance expenses, costs, or additional capital expenses, or because of emergencies.
- M. To take appropriate legal action to collect any delinquent assessments, payments or amounts due from Owners, or from any person or persons owing money to the Association, and to levy a penalty and to charge interest on unpaid amounts due. However, other than for the collection of delinquent assessments or accounts, the Board of Directors shall not initiate any litigation or lawsuit without prior notice to the Association.
- N. To defend in the name of the Association any lawsuits wherein the Property and/or Association is a party defendant.

- O. To enter into contracts necessary to carry out the duties herein set forth.
- P. To establish a bank account for the Association, and to keep therein all funds of the Association. Withdrawal of monies from such accounts shall only be by checks signed by such persons as are authorized by the Board of Directors.
- Q. To act for and carry on the administration and affairs of the Association as authorized and prescribed by the Declaration and these Bylaws, and to do all those things which are necessary and reasonable in order to carry out the governance and operation of the Association.
- R. To arrange, keep, maintain, and renew the insurance for the Association and the Common Areas.
- S. To receive and make payment for common utility expenses, including the power bill, for the Common Areas. The Common Area expenses shall be paid by the Owners as part of their assessment, with the method of payment to be determined by the Board of Directors.
- T. To carry out the duties and responsibilities of the Board of Directors in all other matters as may be authorized, needed, or required by the Declaration.
- U. To make repairs, alterations, additions, and improvements to the Common Areas consistent with managing the Association in a first-class manner and in the best interest of Owners.
- V. To provide the perpetual maintenance of the Common Areas and landscaping, the parking areas, sidewalk, tracts and driving lanes, and to make any assessments for such maintenance as provided herein. Such maintenance shall specifically include the control of noxious weeds.

ARTICLE X VACANCIES AND REMOVAL

After turn over by the Declarant, should a vacancy occur on the Board of Directors, the Board of Directors, subject to the exception described below, shall appoint a member of the Association to serve for the unexpired term. Such vacancy shall be filled no later than the next regular Board of Directors meeting after which it occurs. Should such vacancy not be filled by the Board of Directors at the next regular meeting of the Association, the Association may fill such vacancy.

At any regular or special meeting of the Association, any member of the Board of Directors may be removed by a majority of the votes available for election of the Board of Directors. Such vacancy shall be filled by the Association. Such removal matter must be announced in the notice of such regular or special meeting. The personal delivery of such notice by the Secretary of the Association shall be considered notice served.

ARTICLE XI COMPENSATION

No member of the Board of Directors shall receive any compensation for acting as such. Nothing herein, however, shall be construed to preclude compensation being paid to Managers hired by the Board of Directors.

ARTICLE XII MANAGERS

The Manager shall be appointed and/or removed by the Board of Directors. The Manager (or any member of the Board of Directors or Association handling Association funds or having power to withdraw or spend such funds) shall be bonded if required by the Board of Directors and shall maintain the records of the financial affairs of the Association. Such records shall detail all assessments made by the Association and the status of payments of the assessments by all Owners. All records shall be available for examination during normal business hours to any Owner or his assigned representative. All functions and duties herein provided for the Manager may be performed by the Board of Directors, or the Chairman, if the Board of Directors should decide not to have a Manager.

A. Accounts.

The receipts and expenditures of the Association shall be under the direction of the Manager and shall include a provision for current expenses which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or betterments. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year. Other budget items may be provided for in the discretion of the Manager.

B. Budget.

The manager shall prepare and submit to the Board of Directors each calendar year, a budget, which must be approved and adopted by the Board of Directors. The budget shall include the estimated funds required to defray expenses and to provide and maintain funds for the foregoing accounts according to Generally Accepted Accounting Practices.

C. Financial Report.

An audit and financial report of the accounts of the Association may be made annually by a Certified Public Accountant, if required by the Board of Directors, and a copy of the report shall be furnished to each member by March 1st of each year for which the audit is made.

The Manager shall generally operate and manage the Association for and on behalf of the Owners and shall have such other powers and authority as the Board of Directors may designate. If there is no Manager or if the Manager resigns, is terminated or his contract expires, the Board of

Directors shall perform all the duties of the Manager.

**ARTICLE XIII
AMENDMENT OF BYLAWS**

The Declarant may amend the adopted Bylaws. After Declarant turn-over of the Association, amended Bylaws may be adopted by the Members at their annual meeting, or at any meeting of the Members called for that purpose, by a vote of seventy-five percent (75%) of the Members. These Bylaws may be amended at any regular or special meeting of the Association providing that a copy of the proposed revision is included in the notice of such meeting.

After turn-over, upon a vote of over seventy-five percent (75%) of the Owners the amendment shall be declared adopted. The Secretary shall as soon as practicable after adoption, prepare a copy of these Bylaws as amended for certification by the Chairman and Secretary of the Association. Such amended and certified Bylaws shall then be filed and recorded in the office of the Clerk and Recorder of Gallatin County, State of Montana. Bylaws as amended shall become effective at the time of such recording.

**ARTICLE XIV
ASSESSMENTS**

Owners shall be assessed for Association expenses based the Exhibit C attached and incorporated in the recorded covenants. Such assessments shall be collected and paid according to the terms and under the procedures more particularly set forth in the Declaration. The amount of assessments described above, and any other assessments allowed by these Bylaws, the Declaration, and by the State of Montana, shall be fixed by the Board of Directors. Notice of each Owner's assessments shall be mailed to said Owner at his/her address of record.

**ARTICLE XV
MISCELLANEOUS**

A. Records and Inspection Rights.

The Association shall keep such records (including member's lists, accounting books, minutes of meetings and other records) as required by the Montana Nonprofit Corporation Act, and these records shall be open to inspection by the Directors and Members of the Association to the extent permitted by the Montana Nonprofit Corporation Act.

B. Availability

The Association shall make available to Owners, lenders and the holders and insurers of the first mortgage on any Lot or Unit, current copies of the declaration, Bylaws and other rules governing the Association, and other books, records, and financial statements of the Association. The Association also shall be required to make available to prospective purchasers' current copies of the declaration, Bylaws, other rules governing the condominium, and the most recent annual audited financial statement if such is prepared.

C. Checks. Drafts. Evidence of Indebtedness.

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness, issued in the name of, or payable to, the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

D. Execution of Corporate Contracts and Instruments.

The Board of Directors may authorize any officer or officers or agent or agents, or appoint an attorney or attorneys-in-fact, to enter into any contract or execute any instrument in the name of, and on behalf of, the Association, and this authority may be general or limited to specific instances; and unless so authorized or appointed, or unless afterwards ratified by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose of for any amount.

E. Transfer of Control.

Except for those rights specifically reserved by Declarant, the Declarant shall relinquish all retained rights to appoint Members of the Board of Directors, and all such rights and authority shall pass to the Owners within the project, upon one hundred percent (100%) of the Lots or Units being sold or otherwise transferred by Declarant to a third party. For the avoidance of doubt, Lots or Units transferred to an affiliate of Declarant shall not constitute a transfer to a third-party.

The foregoing requirement shall not affect the Declarant's rights, as an Owner, to exercise the vote allocated to Lots or Units which it owns.

F. Association's Rights and Restrictions.

The Association is granted a right of entry upon Lot and Common Areas to affect emergency repairs, and a reasonable right of entry thereupon to effect other repairs, improvements, replacement, or maintenance deemed necessary.

The Association is granted the right to grant utility easements under, through or over the Common Areas, which are reasonably necessary to the ongoing development and operation of the Blackwood Groves Subdivision.

ARTICLE XVI
THE DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR BLACKWOOD GROVES (“DECLARATION”)

The undersigned has filed, along with these Bylaws, a Declaration whereby the Property is known as BLACKWOOD GROVES SUBDIVISION. The Declaration shall govern the acts, powers, duties, and responsibilities of the Association of Owners.

The definition of terms set forth in the Declaration shall apply throughout these Bylaws and the interpretation thereof.

By virtue of these Bylaws and the Declaration, each Owner has the right to membership in the Association of Owners and any Owner may be on the Board of Directors of the Association.

The Association and its Board of Directors shall have the primary and final authority on all matters solely affecting the property, subject to the laws, rules and regulations of the City of Bozeman, the County of Gallatin, and the State of Montana.

IN WITNESS WHEREOF, the undersigned, as the Declarant and owner of record of all of the property and 100% of the voting interests of the Association as of the date hereof, appoints the following three (3) people to serve on the initial Board of Directors and as officers until the first annual meeting of the Association, to-wit:

Grant Syth
David Gordon
Matt Hausauer

And, the Declarant hereby declares and affirms the adoption of the foregoing Bylaws on the _____ day of November, 2022.

Blackwood Land Fund, LLC, a Delaware
limited liability company
By: Blackwood Management, LLC, Manager

By: Grant Syth, Managing Member

STATE OF MONTANA)
 : ss
County of Gallatin)

On this _____ day of _____ 202____, before me a Notary Public in and for the State of Montana, personally appeared Grant Syth, known to me to be Managing Member of Blackwood Management, LLC, a Delaware limited liability company, the Manager of Blackwood Land Fund, LLC, a Delaware limited liability company, and the person who subscribed their names to the within instrument and acknowledged to me that they executed the same pursuant to the authority vested in them.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year above written.

Notary for State of Montana

Printed Name