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ARTICLES OF INCORPORATION

OF

COPPER BLOOM CONDOMINIUM HOMES OWNERS ASSOCIATION, INC.,

A Montana Non-Profit Corporation

For the purposes of forming a non-profit corporation pursuant to the Montana Non-Profit Corporation Act, the undersigned, acting as sole Incorporator, adopts the following Articles of Incorporation:

ARTICLE 1: NAME

The name of the Corporation is Copper Bloom Condominium Homes Owners Association, Inc.

ARTICLE 2: MEMBERS

The Corporation is a mutual benefit corporation. The Corporation will have members, as described in the Bylaws.

ARTICLE 3: PURPOSE AND POWERS

A. The purpose of the Corporation is to provide an entity for management of the affairs of, and to act as the association of co-owners for, that certain property submitted to condominium ownership, pursuant to the Montana Unit Ownership Act, known as a condominium complex and commonly referred to as "Copper Bloom Condominiums" (sometimes referred to as the "Condominium").

B. The Corporation shall have all powers and purposes granted or implied to an association of co-owners under the provisions of the Montana Unit Ownership Act, § 70-23-101, et seq., Montana Code Annotated, and as are granted or implied by the Declaration of Condominium establishing the Condominium and any other relevant condominium documents. All of such powers shall likewise constitute the lawful purposes of the Corporation.

C. In managing the affairs of the Condominium, the Corporation may join with the management of any other corporations managing a condominium in securing or providing services or facilities common, in whole or in part, to both or all, and in discharging the expense thereof.

D. The purposes of the Corporation are non-profit, not for private profit or gain, and no part of the Corporation's activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation. The Corporation is expressly prohibited from making any distributions of income to its members, directors,

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or officers, although members, directors, or officers may be reimbursed for expenses incurred while conducting the affairs of the Corporation. No dividends shall be paid to members at any time.

ARTICLE 4: REGISTERED OFFICE AND AGENT

The address of the initial Registered Office of the Corporation is 1439 West Babcock, Bozeman, Montana, 59715, and the name of its initial Registered Agent at such address is Tom W. Stonecipher.

ARTICLE 5: BOARD OF DIRECTORS

There shall be three (3) directors of the Corporation. A director may be removed from office at a special meeting of the members of the Corporation in such manner as may be provided in the Bylaws. The Incorporator shall appoint three (3) directors to serve until the annual meeting held in March, 2004.

ARTICLE 6: INCORPORATOR

The name and address of the Incorporator of the Corporation is:

Wells Development, L.L.C.
A Montana Limited Liability Company
Alan L. Wells, Member
3053 Center Point Road, N.E.
Cedar Rapids, IA 52406.

ARTICLE 7: BYLAWS

The initial Bylaws of the Corporation shall be adopted by its Incorporator; thereafter, the power to alter, amend, or repeal the Bylaws or adopt new bylaws is reserved to the members of the Corporation, in the manner the Bylaws provide.

ARTICLE 8: MEMBERS AND VOTING

Persons who from time to time own units in the Condominium, whether completed or uncompleted, shall be members of the Corporation, as the Bylaws provide, for so long as such persons own units in the Condominium, all of which rights and obligations thereof shall be governed by the provisions of the Bylaws to be adopted as provided in the preceding Article. The voting rights of the members shall be fixed, limited, enlarged, or denied to the extent specified in the Bylaws.

ARTICLE 9: DISTRIBUTION OF ASSETS UPON DISSOLUTION

In the event of dissolution and liquidation of the Corporation's assets, assets remaining for distribution, if any, shall be distributed to the members in accordance with

their proportionate shares of the ownership units existing in the Condominium, as determined by the Declaration of Condominium and/or the Bylaws. This distribution shall not be deemed to be a dividend or distribution of income.

ARTICLE 10: AMENDMENT

Articles 7 and 8 may be amended only by unanimous vote of all of the members of the Corporation. Any other amendment to these Articles may be made as provided in the Montana Non-Profit Corporation Act and the amendments thereto, except that such amendments may not, of themselves, contravene the Declaration of Condominium as it exists or may be amended.

ARTICLE 11: INDEMNIFICATION

The Corporation reserves the right to indemnify officers and directors, in its discretion, as permitted in its Bylaws.

Dated this 11 day of July, 2002.

WELLS DEVELOPMENT, L.L.C.
A Montana Limited Liability Company

By: Alan L. Wells, Member
Alan L. Wells, Member
Incorporator

CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, the undersigned, designated in Article 4 as the Registered Agent for this corporation, hereby accept that appointment.

Dated this 16 day of July, 2002.

Tom W. Stonecipher
Tom W. Stonecipher



BYLAWS
OF
COPPER BLOOM CONDOMINIUM HOME OWNERS ASSOCIATION, INC.
(A nonprofit corporation organized
under the Montana Nonprofit Corporation Act)

ARTICLE I

SCOPE AND DEFINITIONS

1. The following are Bylaws of Copper Bloom Condominium Home Owners Association, Inc., a nonprofit corporation organized under The Montana Nonprofit Corporation Act and situated in Bozeman, Gallatin County, Montana (the "Association"), which govern the council of co-owners of Copper Bloom Condominium Homes, a condominium subject to the Montana Unit Ownership Act.

2. The term "Condominium" means that property, subject to the Montana Unit Ownership Act, known as Copper Bloom Condominium Homes, situated and located on the following described real estate in Gallatin County, Montana, to-wit:

Lots 1 and 2 of Block 10 of the River Rock Subdivision, Phase 2A, a tract of land located in the SW ¼ of Section 3, Township 1 South, Range 4 East, P.M.M., Gallatin County, Montana, according to the official plat thereof on file and of record in the office of the County Clerk and Recorder, Gallatin County, Montana (Plat Reference: J-292).

As and if additional buildings are submitted to the Condominium, this corporation shall likewise function as the council of co-owners of the entire Condominium as thus supplemented and enlarged.

3. The term "person" includes a corporation, trust, or other entity or representative. All references in the plural or singular shall include the other according to context, and all references to gender shall include male, female, or neuter according to context.



4. The Condominium is subject to the Declaration of Condominium for Copper Bloom Condominium Homes (the "Declaration") dated the same date as these Bylaws. These Bylaws and the Declaration shall, upon being recorded with the Clerk and Recorder of Gallatin County, Montana, govern and control the administration of the Condominium. These Bylaws supplement the Declaration, and the Declaration is made a part hereof by reference. The definitions set forth in the Declaration apply to the terms used in these Bylaws unless the context states or clearly implies otherwise. All Unit owners, their guests, and any renters or sub-lessees, present and future, shall have the rights, obligations, and responsibilities described in these Bylaws and shall be subject to the provisions thereof. These Bylaws shall be deemed to be covenants imposed upon the land and Units, Buildings, and Garage Structures, the common elements and the limited common elements of the Condominium, and the use thereof.

By the acquisition of an ownership interest in a Unit in the Condominium, the owner accepts, ratifies, and agrees to comply with these Bylaws.

ARTICLE II

MEMBERS AND VOTING RIGHTS

1. Subject to the qualifications set forth in paragraph 2 below, the owners of record of the Units lawfully submitted to condominium ownership under the Unit Ownership Act shall constitute the members of the Association, and membership shall automatically cease when the record ownership of such Unit is terminated. An "owner of record" has ownership of a Unit in any real estate tenancy relationship recognized by the state of Montana. A purchaser of a Unit pursuant to a contract for deed, and a lessee of a Unit, may be considered an owner of record of a Unit for voting purposes only if the contract for deed or the lease specifically so states, and a copy of the signed document is delivered to the secretary or presiding officer of the Association. The Developer of the Condominium shall be a member and have the rights of membership with respect to completed Units owned by the Developer and to all proposed but un-built Units of the Condominium.

2. If ownership is acquired or terminated by instrument of transfer but not of record, or, if acquired or terminated other than by way of instrument of transfer (such as by death, judicial act, or dissolution), the person acquiring or succeeding to ownership shall present the board of directors of the Association evidence satisfactory to it of facts evidencing lawful ownership status. A fiduciary or other official acting in a representative capacity shall exercise all membership rights and privileges of the owner or property right in respect to



which he is serving.

3. If more than one person owns an interest in the same Unit, all such persons shall be members and remain jointly and severally liable for all membership obligations. In such cases, or if more than one fiduciary or other official is acting on behalf of the owner of a Unit, the vote entitled to be cast with respect to that Unit shall be cast by the person or persons named on a certificate signed by all owners or fiduciaries or other officials. If such certificate is not executed and filed with the Association, the vote entitled to be cast with respect to that Unit shall not be counted or voted for purposes of a quorum or in determining the outcome of any vote unless all owners, or fiduciaries, or officials are present and concur in the casting of such vote. This restriction, however, shall not affect the total number of votes outstanding and entitled to be cast, which shall be equal to the number of owned and proposed Units in the Condominium, nor shall it affect any percentage of such total number of votes as is required for any purpose as set forth in any of the Condominium Documents.

4. The total number of votes outstanding and entitled to be cast by all members is equal to the number of owned and proposed Units in the Condominium. Each Unit shall be entitled to one (1) vote. If there is more than one owner of a Unit, the owners shall be entitled to one (1) vote collectively. All votes cast by members collectively owning one Unit shall be cast as one (1) vote and may not be divided.

ARTICLE III

MEMBERSHIP MEETINGS

1. The annual meeting of the members shall be held on the second Tuesday of May each year at 8:00 p.m., Mountain Time, provided the first annual meeting shall not be held until such date in the year 2004. Pursuant to the provisions of Article VI, Paragraph 4, of the Declaration, the Developer has retained the right but not the obligation to name all directors until the annual meeting to be held in March, 2004. The provisions of this paragraph shall not inhibit the calling or holding of any special meeting.

2. The annual meeting and any special meetings shall be held within Gallatin County, Montana, and all such meetings, annual or special, shall be held at such particular time and place (which may or may not be at the Registered Office of the corporation), as is set forth in the notice.

3. At any annual or special meeting, the presence of members in

person or by proxy who are entitled to cast a majority of the total number of votes outstanding as determined by the Declaration shall constitute a quorum for the transaction of business. All action taken by the members or submitted to them for consideration shall be carried or approved upon the favorable vote of a majority of the votes represented and entitled to be cast at the meeting unless a different rule is provided herein or by the Articles of Incorporation, the Declaration, or any agreement to which the Association is a party. If neither the president nor vice-president is available to preside, a chairman shall be elected.

4. A special meeting of the members may be called by the president or, in the event of his absence or disability, by the vice-president, by one-third (1/3) of the directors, or by such number of members who are entitled collectively to cast at least twenty-five percent (25%) of the total number of votes outstanding and entitled to be cast.

5. It shall be the duty of the secretary or his designate to give written notice to members of the time and place of the annual meeting. The person or persons calling a special meeting pursuant to Paragraph 3 shall give like written notice of the time and place of such special meeting. All notices shall set forth the purpose or purposes for which the meeting will be held and no action shall be taken at a special meeting which is not directly related to the purposes of the special meeting as defined in said notice.

6. At all meetings, the order of business shall consist of the following:
- (a) election of chairman, if required;
 - (b) calling roll and certifying of proxies;
 - (c) proof of notice of meeting or waiver of notice;
 - (d) reading and disposal of any unapproved minutes;
 - (e) reports of officers, if applicable;
 - (f) reports of committees, if applicable;
 - (g) election of inspectors of election, if applicable;
 - (h) election of directors, if applicable;
 - (i) unfinished business;



- (j) new business; and
- (k) adjournment.

Robert's Rules of Order shall govern unless specifically superseded.

7. At all membership meetings, the presence of an owner and the exercise of the voting rights of the owner by proxy shall be permitted and recognized, provided such proxy must be in writing and signed by all persons possessing an ownership interest in the Unit in question and shall set forth the period for which the proxy is to be in force and effect. The decision of the board of directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal to the members.

8. Notice shall be given by mailing (First Class U.S. Mail) or delivering the same not less than ten (10) nor more than fifty (50) days prior to the date of the meeting. A mailed notice shall be deemed duly given if addressed to the member at the address of his Unit within the Condominium, unless at the time of giving of such notice the member has, in writing, directed a different mailing address to be carried on the rolls of the Association. If a Unit is owned in common or jointly, notice is duly given to the person named in the certificate required by Paragraph 3 of Article II.

9. Members may act by written ballots to the extent permitted by the Montana Non-Profit Corporation Act.

ARTICLE IV

BOARD OF DIRECTORS

1. The corporation and its affairs shall be governed, managed, and administered by a board of directors. The initial board of three (3) directors shall be appointed by the Incorporator of the Association. From and after the annual meeting of the members to be held in May, 2004, the board of directors shall be selected from the members of the Association. An officer or designated agent of a corporate member may serve as a director.

2. From and after the annual meeting to be held in May, 2004, the board of directors shall be three (3) in number, and at that meeting the term of the initial directors shall expire and the full complement of three (3) directors shall be elected. Thereafter the term of office for each director shall be three (3)

years, except that at the annual meeting in March, 2004, one (1) director shall be elected for a one-year term, one (1) director shall be elected for a two-year term, and one (1) director shall be elected for a three-year term so that at each annual meeting subsequent to the first annual meeting the terms of office of one-third (1/3) of the board shall expire and a new director shall be elected accordingly, but there shall be no limitation on the number of terms during which a director may serve. All directors shall serve until their successors are duly designated and qualified.

3. Election of directors shall be by ballot in which votes are cast in favor of as many directors as there are vacancies to fill. Voting will not be cumulative. The person having a majority of the votes cast shall be elected. If no person receives a majority vote, as many additional ballots shall be taken as may be required and, in each such case, the nominee receiving the least number of votes in the previous ballots shall be eliminated from further consideration.

4. Vacancies in the board of directors may be filled until the date of the next annual meeting by vote of the majority of the directors remaining in office, whether those remaining constitute a quorum or not.

5. The initial directors appointed by the Incorporator shall not be subject to removal. Thereafter a director may be removed from office at a special meeting of members called for such purpose if seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast are voted in favor of such removal.

6. A majority of the board of directors may, by resolution, set a time and place for regular meetings of the board of directors and no notice thereof shall be required until such resolution is rescinded. Special meetings of the directors may be called by the president or any two (2) directors. Not less than two-days' notice shall be given, personally or by mail, next day delivery service, telephone, or facsimile, which notice shall state the time, place, and purpose of the meeting.

7. The board of directors, by resolution approved by all members thereof, may designate from among its membership an executive committee or other committees and by such resolution provide the extent and manner to which the same may have and exercise the authority of the board.

8. The board of directors may act by written consents, without a meeting, to the extent permitted by the Montana Nonprofit Corporation Act.

ARTICLE V

OFFICERS

1. The officers of the Association shall be the president, who shall be a director, the vice-president, who shall be a director, and the treasurer and secretary, who may or may not be directors but who must be members, all of whom shall be elected annually by the board of directors, except that the initial officers shall be appointed by the Incorporator and shall serve until the first annual membership meeting in May, 2004, and the initial officers who serve until the annual meeting in May, 2004, need not be members or directors of the corporation. The board of directors may, from time to time, create and fill other offices and designate the powers and duties of those offices. Each officer shall have the powers and duties usually vested in such office, and such authority as is committed to the office by the Bylaws or by specific grant from the board, but subject at all times to the provisions of the Bylaws and to the control of the board of directors. More than one office may be held by a single person.

2. The president shall be the chief executive officer of the Association. He or she shall preside at all membership meetings and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the corporation.

3. The vice-president shall preside over membership meetings in the absence or disability of the president, and shall otherwise exercise the powers and duties of the president in the event of the absence or disability of the president, and shall generally assist the president and exercise such other powers and duties as are prescribed by the directors.

4. The secretary shall keep the minutes of all proceedings of membership meetings and directors' meetings and shall have custody and control of the minute book of the corporation, and shall keep or be in charge and control of the records of the corporation except those of the treasurer, and shall give notice where required or directed to do so.

5. The treasurer shall have control of the funds and other property of the Association, shall keep the financial books and records thereof, and shall pay vouchers approved by the board or designate some person under his or her control to do so.

6. Compensation of all officers and employees shall be fixed by the directors. This provision shall not preclude the board of directors from employing



a director as an employee, nor from contracting with a director for management of the Condominium.

7. Any deed or contract for sale of real estate or lease (or assignment of such contract or lease) may be executed by the president or vice-president and any officer other than the president or vice-president. Any lien held by the Association may be released by any of the officers of the Association. The board of directors may, in addition, authorize the execution of the kinds of instruments above-mentioned or other instruments required to be executed on behalf of the Association in such manner as it shall by resolution direct.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association (including those existing under the common law and statutes, the Articles of Incorporation, the Bylaws, and the documents establishing the Condominium), shall be exercised by the board of directors. Such powers and duties of the directors shall be exercised in accordance with the provisions of the Declaration that governs the use of the land, and shall include in addition to those elsewhere provided for, but shall not be limited to, the following:

1. To make and collect assessments against members for all common expenses.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. The maintenance, upkeep, repair, replacements, and operation of the Condominium property including all common areas, elements and facilities, and Units, as applicable, and the construction of new improvements or alterations if authorized, and making or providing for payments for all such work and approving or delegating to the treasurer authority to approve vouchers therefor.
4. The reconstruction, repair, restoration, or rebuilding of the Condominium property and of any Units as applicable after casualty or otherwise, as provided in the Declaration.
5. To make and amend regulations restricting the use and occupancy of the property in the Condominium and in their discretion to permit or forbid an



action or conduct as discretion is committed to them in the Condominium Documents.

6. To enforce by legal means the provisions of the Condominium Documents, the Articles of Incorporation, the Bylaws, and the regulations for the use of the property in the Condominium.

7. To contract for management of the Condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Condominium Documents to have approval of the board of directors or the membership of the Association; to employ, designate and remove any personnel necessary for the maintenance, repair, and replacement of the common areas and facilities.

8. To pay taxes and assessments which are liens against any part of the Condominium other than individual Units and the appurtenances thereto, and to assess the same against the Units subject to such liens.

9. To carry insurance as required by the Declaration.

10. To pay the cost of all utility or other services rendered to any of the Condominium property that is not billed directly to owners.

11. To interpret and apply the provisions of the Condominium Documents in matters of dispute between owners or between owners and the Association, which determination shall be binding on the owners; to conduct or supervise all votes or determinations by members other than a membership meeting.

12. To acquire title to and ownership of, in the name of the Association, Units within the Condominium upon judicial sale, and on behalf of all owners to sell, lease, or mortgage such Units and to borrow funds for any legitimate purpose and to assign as security therefor the assessment receivables due the Association, provided the board of directors may in no manner affect or encumber the common elements of the Condominium or any Unit or the fractional interest appurtenant to such Unit (except such Units and the interests appurtenant thereto as the Association has acquired upon judicial sale) and provided further, the authority of the board of directors to borrow in excess of five thousand dollars (\$5,000.00) other than in connection with the mortgage of an acquired Unit to the amount of the loan value thereof shall be exercised only in the event of approval of owners entitled to cast seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast. For purposes of



permitted conveyance, lease, or encumbrance of Units or assessment receivables, the board of directors shall be regarded as the irrevocable agent and attorney in fact for all owners and members.

ARTICLE VII

COMMON EXPENSES; ASSESSMENT AND COLLECTION -

1. The common expenses of the Association include all those legitimately assumed by it in connection with its powers, duties, and obligations as set forth in any of the Condominium Documents and as are necessary or implied in connection with the powers and duties of the board of directors and the provisions of The Unit Ownership Act. Snow removal and lawn care in connection with common land shall be assumed by the Association as common expense.

2. Assessments against the Units and the owners thereof shall be made by the Association in order to provide funds for the discharge of all common expenses of the Association, which assessments, in addition to being and constituting a lien against the individual Units and the appurtenances thereto, shall also be a personal liability of the Unit owner and if more than one owner, jointly and severally as to each. All assessments and funds collected therefrom shall be charged or credited to the owner's account. Unless specifically otherwise provided, as for example in the case of "special" assessments, each Unit and owner shall be liable and subjected only to the proportionate share of the total common expense and assessment made by the assessment and derived by multiplying the total assessment by the percentage interest of ownership of the common elements which is appurtenant to that Unit, as set forth in the Declaration. Certain common expense for increased insurance premiums or on account of the failure of an owner to provide insurance or maintenance as provided by the Declaration or other defaults shall be recovered by an assessment made only against a particular Unit and the Unit owner or owners, which assessments are referred to in the Condominium Documents as "special" assessments and shall be made in the necessary amounts and without regard to the fractional interest formula. The expense of utilities which are not separately metered to each Unit is a common expense but the assessments may be made either according to the fractional interest appurtenant to each Unit or as "special" assessments on some other equitable prorated basis as the board of directors may determine.

3. (a) Where a mortgagee or purchaser of a Unit obtains title as a result of foreclosure of a first mortgage, such mortgagee or purchaser,

and his or her successors and assigns, shall not be liable for the assessments chargeable to such Unit due prior to the acquisition of title and such unpaid assessment shall be deemed to be common expenses collectible from all owners, including the mortgagee or purchaser, his or her successors and assigns. The owner of a Unit acquired pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments whether generally or "specially" levied against a Unit and the grantor or prior owner, but without prejudice to the right of such grantee or devisee to recover from the prior owner the amounts paid.

(b) A first mortgagee, upon request, shall be entitled to written notification of any default in the performance of the mortgagor of any obligation created by the Declaration, the Articles of Organization, or any other document affecting the Condominium, which default is not cured within sixty (60) days.

4. The board of directors shall adopt a budget for each fiscal year period as it elects to report on for income tax purposes which shall include the estimated funds required to defray the following common expenses:

(a) Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted (except expenditures chargeable to reserves or additional improvements), including a reasonable allowance for contingencies and working funds, and the assessment for current expense may sometimes be referred to as the working capital assessment and the funds as the working capital fund. Any balance in this fund at the end of each year may be applied to reduce the assessments for current expense for the succeeding year.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually and for replacement of common property required on account of depreciation or obsolescence.

(c) Reserve for replacement, which shall include generally funds for repair, reconstruction, and the like required because of damage, destruction, or other hazards.

Upon the determination of each budget, the directors shall each year levy an assessment for the amount assessed against each Unit at least thirty (30) days prior to the one-year period covered by the budget and assessments.

Notwithstanding the foregoing requirement of regular assessments, the board of directors may discontinue a regular annual assessment or reserve for replacement, or transfer such portion to another fund or account, if in its judgment the amount remaining is sufficient to satisfy the best interests of the members.

5. The board may also make and levy, from time to time, assessments for common emergency or extraordinary expenses. Emergency assessments and "special" assessments shall be due and payable according to the terms fixed by the board. Funds for emergency expenses may be raised by emergency assessment and/or by regular but separate reserve accounts and assessments for such purposes.

6. The regular annual assessments made for current expense and deferred maintenance and replacement reserves or for any other purpose shall be due from and paid by the Unit owners as to their shares thereof in twelve (12) equal monthly installments payable on the first day of each month during the applicable one-year period. If any installment of any assessment of any kind or character is in default for more than thirty (30) days, the board of directors may accelerate the remaining installments payable over the year and declare the entire amount thereof due and payable within twenty (20) days after written notice thereof is mailed to the owner in default at his address carried upon the corporate records. When the Association has acquired a Unit, the assessment otherwise due and payable, reduced by the amount of income which may be derived from the leasing of such Unit by the Association, shall be apportioned and assessments for the Unit levied ratably among all other owners according to their percentage interests in the common elements.

7. At the time of the recording of the Declaration or when the certificate of occupancy for a Building has been issued or as the board of directors determines, in its discretion, that a Building and improvements have been substantially completed and are ready for occupancy, the board of directors shall immediately meet and adopt an interim budget and make such assessments of whatever character as are necessary in order to provide for the expenses and obligations of the Association as determined by the Condominium Documents during the period of any fractional calendar year or any fractional year as may remain until the commencement of the initial one-year period contemplated by Paragraph 4 of this Article, which assessments shall be effective as of the date of the certificate of occupancy or such determination made by the board.

8. If prior to the date of its annual meeting in May, 2004, the

Association requires capital, the Developer may loan to it any sums required in excess of the assessments for which the Developer is liable as a Unit owner, in which event the requirement of Article VI, Paragraph 12, of approval by a seventy-five percent (75%) vote shall not apply.

9. The amount of all sums assessed to, and payable by, an owner but not timely paid and remaining unpaid shall constitute a lien on the Unit or of such owner prior to all other liens, except tax liens on the Unit in favor of any assessing Unit or special district and all sums payable on a first mortgage or trust indenture of record, which lien may be foreclosed by the Association in the manner and with the consequences provided in § 70-23-607 of the Unit Ownership Act. In event of foreclosure the owner shall be required to pay a reasonable rent for the Unit if he or she remains in possession. The Association may sue for money judgment for unpaid assessments or sums due without foreclosing or waiving any lien which it holds. In the event of suit or foreclosure, the Association shall be entitled to collect reasonable attorneys' fees from the owner.

10. The Association shall at all times maintain complete and accurate written records of each Unit owner and the address of each, and setting forth the status of all assessments, accounts, and funds pertinent to that Unit owner. Any person other than an owner may rely on a certificate made from such records by an officer or agent of the Association as to the status of all assessments and accounts.

11. Notwithstanding anything to the contrary in these Bylaws, any regular annual assessment or common emergency or extraordinary expense assessment may not be increased by more than fifty dollars (\$50.00) per month without the approval of the members at a special or annual meeting by a vote provided for in Article III, Paragraph 2.

ARTICLE VIII

TAXES

1. Real estate taxes assessed against the Condominium shall be assessed against the individual Units by the assessing authorities and shall be paid by the Unit owners. Each owner's assessment shall include the owner's fractional share of the common elements as set forth in the Declaration. Each Unit owner when assessed shall be liable to pay all of such taxes assessed and the Association shall have no responsibilities to pay the same but may do so as provided in Article VI, Paragraph 8, of these Bylaws.



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2. If any personal taxes are assessed against a Unit owner, such owner shall be solely responsible for the payment of the taxes. If any personal taxes are assessed against the Association, such taxes shall be paid by the Association as a part of the Association's common expenses.

ARTICLE IX

REFERENDUM

Any vote or determination required or permitted to be made by the members of the Association and not required by law or any of the Condominium Documents to be made at a meeting of the members may be taken or made pursuant to a referendum ballot. Such a ballot may be initiated by one-third (1/3) of the board of directors or upon the written petition of owners who are entitled collectively to cast at least twenty-five percent (25%) of the total number of votes outstanding. If such referendum is initiated, the secretary shall prepare and mail to each member a ballot returnable in no less than ten (10) nor more than fifty (50) days from the date of mailing. If prior or subsequent to such petition a special membership meeting has been called to consider the same subject matter, the special meeting shall prevail and the referendum vote shall not be tallied.

ARTICLE X

AMENDMENT

1. Except as provided in these Bylaws, these Bylaws may be amended, altered, or repealed or new bylaws may be adopted by the members at a special or annual meeting of or upon a written ballot by the members upon the affirmative vote of seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast, all in accordance with the Declaration and these Bylaws. No amendment, alteration, or action taken to repeal these Bylaws and adopt new bylaws shall change the provisions of the Declaration and these Bylaws which equate membership with Unit ownership, define the total number of votes, and base for each Unit the number of votes, liabilities for assessments, and interests in funds including insurance proceeds of the Association on the fractional interest appurtenant to that Unit unless unanimous consent of the Unit owners and their mortgagees is secured. Any amendment, alteration, or action taken to repeal these Bylaws and adopt new bylaws which affect the Developer's rights shall be void unless the written consent of the Developer is given.



2. No amendment may be adopted at either a special or regular membership meeting not included in the notice of the meeting; provided, however, if notice of the proposed amendment has been given, a different amendment relative to the subject matter of the notice may be adopted by those present, in person or by proxy, and possessing the requisite percentage of the total number of votes outstanding and entitled to be cast, and, provided further, no vote by proxy may be counted unless the proxy expressly provides for such contingency. More than one (1) proposed amendment may be included in the notice of a meeting.

3. To the extent provided in The Unit Ownership Act, no modification or amendment of these Bylaws shall be effective unless set forth in an amendment to the Declaration executed and recorded in the manner set forth in the Declaration and that code section, and an amendment to these Bylaws shall constitute an amendment to the Declaration as provided for by law.

4. Unless required by the specific provisions of the Condominium Documents or by law, an amendment to the Declaration not affecting the subject matter of these Bylaws shall not be considered an amendment of these Bylaws.

ARTICLE XI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify any director or officer of the Association, any former director or officer, and any such person who, at the request of the Association, is serving or has served as a director, officer, employee, agent, or trustee of another corporation, partnership, joint venture, trust, or other enterprise, and their heirs, executors, and administrators, against all expense, liability, and loss (including attorneys' fees, judgments, fines, taxes, penalties, and amounts paid in settlement) actually and reasonably incurred by the indemnitee as to action or inaction allegedly affecting the Condominium occurring in the person's official capacity or in another capacity while holding the office, to the full extent permitted from time to time by applicable law, subject, however, to the remaining provisions of this Article. The obligation of the corporation under this Article shall be subject to the terms and conditions of a plan of indemnification adopted by a majority of the board of directors. Any such plan may limit or condition the obligation of the corporation, may grant contract rights to indemnitees, may limit indemnification to persons serving in specified offices, may provide procedural and substantive rights to indemnitees and may be amended, modified or terminated by a majority of the board of directors. A plan of indemnification may obligate the corporation to indemnification which is

less than the full extent permitted by applicable law and may contemplate future change in applicable law.

Indemnification under this Article shall be applicable to all actions regardless of the date or dates of any alleged transactions or occurrences giving rise to such actions unless the plan of indemnification provides to the contrary. No amendment, modification, or termination of a plan of indemnification shall affect any right of indemnification arising out of a transaction or occurrence entered into or occurring prior to the effective date of such change in the plan. In the event the board of directors terminates a plan of indemnification without adopting another plan, indemnification under this Article shall be to the full extent allowed by applicable law until another plan has been adopted by the board of directors.

Indemnification under this Article or a plan of indemnification shall not restrict the power of the corporation to provide for indemnification in any other manner and shall not obligate the corporation to acquire and maintain insurance or to otherwise provide funds to meet its obligations.

ARTICLE XII

ARBITRATION

Any dispute, controversy, or disagreement under this Declaration or the Bylaws of the Association shall be resolved by arbitration pursuant to the Uniform Arbitration Act, § 27-5-111, et. seq., Montana Code Annotated (the "Act"). The arbitration shall be conducted by and under the rules of the American Arbitration Association, to be held in Gallatin County, Montana. Arbitration shall be commenced within fourteen (14) days from the date that there are irreconcilable differences between a member and the Association by the aggrieved member sending written notice to the Association at its registered office or to a director of the Association at the director's last known address. The mailing of such notice by registered or certified mail shall commence the arbitration proceedings and any award or decision in arbitration shall be binding upon the parties as provided in the Act. The arbitration award or decision may be entered as a judgment in the Montana Eighteenth Judicial District Court, Gallatin County, Montana, as provided in the Act. The arbitrator does not have authority to amend the Declaration, the Articles of Incorporation, or the Bylaws. The expenses of arbitration shall be shared equally by the parties to the arbitration.

ARTICLE XIII

GENERAL PROVISIONS

1. The invalidity of any portion or provision of these Bylaws shall not affect the validity of the remaining provisions or portions hereof.
2. The Association shall not have a corporate seal.
3. Each member shall have the obligations as such member as are imposed upon him or her by the Condominium Documents as an owner, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the Condominium property, except as the same may attach only against his or her appurtenant interest and be removable as such.
4. The board of directors may, in its discretion, issue written evidence of membership, but the same shall be evidence of membership only and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such assignment, hypothecation, or transfer of the Unit.
5. So long as a Unit is owned by the Developer, the Developer shall only be subject to assessment for "current" expense. Upon acquisition of such a Unit from the Developer, however, such Unit shall then be subject to assessment for "reserves" for a prorated balance during the fiscal year in question and the payment in the same amount as previously assessed against the Unit not owned by the Developer and to assessment and, in addition, the lien for any emergency assessments in the same manner as if such Unit had not been Developer-owned at the time such assessments were made.

IN WITNESS WHEREOF, the undersigned, as the Incorporator of the Association, hereby appoints the following persons to serve on the board of directors and to serve as the officers named until the first annual meeting of the Association, to-wit:

	<u>Name</u>	<u>Officer Position</u>	<u>Address</u>
1.	Alan L. Wells	President and Secretary	3791 Cottage Reserve Road Solon, IA 52333

