

**AMENDED AND RESTATED BYLAWS
OF THE
MOOSE HOLLOW HOMEOWNERS ASSOCIATION**

**ARTICLE 1
PLAN OF UNIT OWNERSHIP**

1.1 Name and Location. These are the Bylaws of the Moose Hollow Homeowners Association, Inc., a Utah nonprofit corporation (the “**Association**”). The Association serves as the governing body for the residential condominium project located in Eden, Utah (the “**Project**”) known as the “Moose Hollow Luxury Condominiums” and “The Cascades at Moose Hollow.” The Project has been subjected to that certain Amended and Restated Declaration of Condominium of the Moose Hollow & Cascades at Moose Hollow Condominium Project, as may be amended from time to time, to which these Bylaws are attached as Exhibit “B”.

1.2 Principal Office. The principal office of the Association shall be the office portion of the Office/Pool Building, as more particularly identified under Section 7.3 of the Declaration.

1.3 Purposes. The Association has been formed to serve as a means by which the Owners may collectively take action regarding the administration, management and operation of the Project.

1.4 Applicability of Bylaws. The Association, all Owners and all persons using the Project (including any tenants or any other occupants of the Units) shall be subject to these Bylaws and to all Rules and Regulations that may be adopted by the Board on behalf of the Association pursuant to the Declaration and/or these Bylaws.

1.5 Composition of Association. The Association shall be composed of all Owners and the Association itself, to the extent the Association owns any Unit or Units within the Project. As set forth in the Declaration, each Owner shall be deemed a “**Member**” of the Association.

1.6 Incorporation of Association.

(a) The Association has been incorporated under the Utah Revised Nonprofit Corporation Act (Utah Code Section 16-6a *et seq.*) (the “**Nonprofit Corporation Act**”). The Articles of Incorporation of the Association shall be consistent with the Declaration and these Bylaws, and these Bylaws shall constitute the Bylaws of the incorporated Association.

(b) If the incorporated Association should ever be dissolved, whether inadvertently or deliberately, the Association shall automatically be succeeded by an unincorporated association of the same name. In that event, all of the property, powers and obligations of the incorporated Association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association, which vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any such successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the incorporated Association as if they had been made to constitute the governing documents of the unincorporated association.

1.7 Definitions. The words used in these Bylaws shall be given their normal, commonly understood definitions, except that capitalized terms shall have the same meaning as set forth in the Declaration to which these Bylaws are attached unless the context indicates otherwise.

ARTICLE 2
MEETING OF ASSOCIATION MEMBERS

2.1 Place of Meeting. The Association shall hold meetings at the Clubhouse as identified under Section 7.2 of the Declaration.

2.2 Annual Meetings. There shall be an annual meeting of the Members which shall be held no later than ninety (90) days after the first day of each fiscal year. The Board shall determine the exact date of the annual meeting. The Board shall deliver written notice of such annual meeting to the Members no later than thirty (30) calendar days prior to the date fixed for such meeting. Such notice may be delivered in any manner permitted under Section 20.3 of the Declaration. At or prior to such Annual Meeting, the Board shall furnish, or cause to be furnished, to each Member for their review: (i) a copy of the Annual Budget that has been adopted by the Board as set forth under Section 9.1.1 of the Declaration; and (ii) a statement of the actual Common Expenses incurred by the Association during the previous fiscal year. No later than twenty (20) days after the Annual Meeting, a copy of the Annual Budget shall be posted on the Association's website.

2.3 Special Meetings. Special meetings of the Members may be called at any time for the purpose of considering matters which require the approval of all or some of the Members, or for any other reasonable purpose. Such meetings may be called by written notice of the President of the Association upon the decision of the President, or pursuant to a written request signed by a majority of the Board, or by written request by Members cumulatively holding at least twenty-five percent (25%) of the total votes, which notice shall be delivered according to Section 2.4 below. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

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2.4 Notice of Meetings. Members must be provided with written notice of each annual or special meeting of Members either via U.S. mail, e-mail, or other electronic methods (including by posting on the Association's website) as specifically set forth under this Section 2.4.

2.4.1 Contents of Notice. Each notice shall include the following information: (a) the place, day and hour of the meeting; (b) a description of any matter or matters that must be approved by the Members at such meeting; and (c) in the case of a special meeting, the purpose of such meeting.

2.4.2 Delivery of Notice. Notice of any meeting shall be delivered to all Members entitled to vote at such meeting no later than thirty (30) calendar days but no more than sixty (60) calendar days before such meeting to each Member entitled to vote at such meeting. Such notice may be delivered to the Members in any manner permitted under Section 21.3 of the Declaration.

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2.5 Members of Record. Upon purchasing a Unit in the Project, an Owner shall become a Member of the Association and shall promptly furnish to the Association a copy of the recorded instrument by which ownership of such Unit has been vested in such Owner, which copy shall be maintained in the records of the Association. There shall be only one (1) Member for each Unit, regardless of the number of Owners for such Unit. A person purchasing a Unit under an executory contract or purchase agreement shall not be deemed the Owner of such Unit or a Member of the Association until such time as title to such Unit becomes vested in such person. For the purpose of determining Members entitled to receive notice of, or to vote at, any meeting of the Members, the Board may designate a record date, which shall be no less than thirty (30) calendar days and nor more than sixty (60) calendar days prior to the meeting, for determining Members entitled to receive notice of, or to vote at, the meeting. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed as the record date for determining Members entitled to receive notice of, or to vote at, the meeting. The persons or entities appearing in the records of the Association on such record date as the Members of record of Units in the Project shall be deemed to be the Members of record entitled to receive notice of, and vote at, the meeting of the Members.

2.6 Voting Rights. As set forth under Section 4.3 of the Declaration, the total voting power of all Members shall be equal to the number of Units in the Project. Accordingly, assuming that all Members are entitled to vote on a particular matter (*i.e.* no Members have been denied the right to vote due to delinquent Assessments as set forth under Subsection 10.5.3 of the Declaration), the total number of votes of all Members shall be Two Hundred Sixteen (216). As set forth under Section 4.3 of the Declaration, there shall be one vote and one “voting representative” for each Unit. The Board shall be entitled to cast a vote on behalf of any Unit which has been acquired by or on behalf of the Association. Any such vote must be cast on behalf of the Unit consistent with a majority vote of the Board. The Board shall not be entitled to cast a vote on behalf of any Unit that has been acquired by or on behalf of the Association with regard to any election of Board members.

2.7 Proxies, Absentee Ballots and Rights of Mortgagees.

2.7.1 Proxies. Any vote may be cast by proxy. A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing, dated and signed by such Owner and shall be filed with the Secretary no later than one (1) week prior to the meeting at which such proxy is intended to be utilized. A proxy may only be assigned to and exercised by a person who is an Owner, except as otherwise provided under Section 2.8 below. No more than five (5) proxies may be assigned to and exercised by any one Owner. No proxy shall be valid after the meeting for which it was solicited. No proxy shall be valid if it purports to be revocable without notice.

An Owner may revoke his or her proxy by: (a) attending and voting at the meeting at which such proxy was intended to be utilized (as evidenced by the writing under which the proxy was authorized) and voting in person; or (b) signing and delivering to the Secretary (i) a writing stating that the appointment of the proxy is revoked; or (ii) a subsequent proxy appointment form; or (c) in the event of a vote that is being conducted by written ballot in lieu of a meeting pursuant to Section 2.14 below, signing and delivering to the Board a writing stating that the appointment of the proxy is revoked.

Every proxy shall automatically cease upon sale of the Unit associated with such proxy. A proxy must be for the entire voting right of a Unit with no divisions accepted. With regard to any Unit that is owned by more than one Owner, if any such Owners delivers to the Board a written objection to the proxy given for such Unit (which written objection must be received by the Board no later than three (3) calendar days prior to the meeting or vote at which such proxy is intended to be utilized) the proxy shall be deemed invalid and, if the Owners of such Unit are unable to collectively agree as to how their vote is to be cast, they shall lose their right to vote on the matter in question.

2.7.2 Absentee Ballots. Any vote may be cast by absentee ballot.

2.7.3 Mortgagee Rights. An Owner may pledge or assign the Owner's voting rights to a Mortgagee. In such a case, the Mortgagee or its designated representative shall be entitled to receive all notices to which the Owner is entitled hereunder and to exercise the Owner's voting rights from and after the time that the Mortgagee shall have given written notice of the pledge or assignment to the Board. Any first Mortgagee may designate a representative to attend all or any meetings of the Association.

2.8 Fiduciaries and Joint Owners.

2.8.1 Fiduciaries. An executor, administrator, guardian, or trustee may vote in person or by proxy at any meeting of the Association with respect to any Unit owned or held in such capacity, whether or not the same shall have been transferred to his or her name; provided, however, that the person shall satisfy the Secretary that he or she is the executor, administrator, guardian, or trustee holding the Unit in such capacity.

2.8.2 Ownership by Corporation, Partnership or Other Legal Entity. If a Unit is owned by a corporation, partnership, limited liability company or other form of legal entity, such corporation, partnership, limited liability company or other entity shall designate a person who is an officer of such corporation, a partner of such partnership, a manager or member of such limited liability company, or a principal or owner of such other legal entity to cast the vote for such Unit. Such written designation shall be given to the Secretary not less than three (3) days before the date any vote is to be cast. If no such designation is provided to the Secretary, the vote for such Unit may not be cast.

2.8.3 Joint Owners. Whenever any Unit is owned by two or more persons jointly, according to the records of the Association, then each co-Owner shall be deemed to have given each of the other co-Owners his or her proxy to cast the vote for such Unit, and any co-Owner may cast the vote for such Unit at any meeting or for any other purpose requiring the consent or approval of the Members herein, unless the Board has received a written protest from a co-Owner of such Unit not less than three (3) days prior to the date any vote or approval is to be cast or given. If the Board receives such a written protest, then none of the co-Owners of such Unit shall be entitled to vote without the approval of all co-Owners. In the event of disagreement among the co-Owners, the vote of the Unit shall be disregarded completely in determining the proportion of votes given with respect to the matter.

2.9 Quorum of Owners. At any meeting of the Owners, those Owners who are represented for any purpose at such meeting and entitled to vote shall constitute a quorum. Once an Owner is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, that Owner is considered present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is or shall be set for that adjourned meeting.

2.10 Binding Vote. The vote of more than fifty percent (50%) of the Owners present (whether in-person, by proxy, or by absentee ballot) at a meeting at which a quorum is constituted shall be binding upon all Owners for all purposes except where a higher percentage vote is required by law, the Declaration, or these Bylaws.

2.11 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, form of proxies and the method of ascertaining Owners present shall be deemed waived if no objection is made either at the meeting or within thirty (30) calendar days of the date of the meeting.

2.12 Order of Business. The order of business at annual meetings of the Association shall be according to the order established by the President, and by way of example, may include the following: (a) calling of the roll and certifying of proxies; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees, if any; (f) election of Board members; (g) unfinished business; (h) new business or such other matters as the President deems appropriate; and (i) adjournment.

2.13 Meeting Procedure. When any dispute arises as to conduct of meetings of Members, the Association agrees to follow rules of order as established in the latest edition of "Robert's Rules of Order."

2.14 Action by Written Ballot in Lieu of a Meeting.

2.14.1 Action by Written Ballot. At the discretion of the Board, any action, except removal of Board members, that may be taken at any annual or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Owner who is entitled to vote on the matter not less than fifteen (15) calendar days prior to the date on which the ballots must be received by the Association in order to be counted.

2.14.2 Form and Effect of Ballot. The written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. If approved by the Board, any Owner who has the right to vote at an annual meeting, but cannot personally attend such meeting, may be permitted to submit his or her vote via electronic transmission in a manner satisfying the requirements of the Nonprofit Corporation Act.

2.14.3 Information Required in Ballot Solicitations. All solicitations for votes by written ballot must:

- (1) State the number of responses needed to meet any applicable quorum requirements and the total percentage of votes needed for approval (including a statement that matters may approved by a majority of votes present or by proxy at any duly constituted meeting at which a quorum is present).
- (2) Specify the period during which the Association will accept written ballots for counting, which period shall end on the earliest of the following: (a) the date on which the Association has received a sufficient number of approving ballots to pass the proposal; (b) the date on which the Association has received a sufficient number of disapproving ballots to render the proposal impossible of passage; or (c) a date certain on which all ballots must be returned to be counted.

2.14.4 Determination of Vote. The outcome of a vote by written ballot in lieu of a meeting shall be determined by the Board within seventy-two (72) hours of the deadline for return of ballots, or in the event the ballot return date is postponed, within forty-eight (48) hours of the postponed date. Matters that may be voted on by written ballot shall be deemed approved or rejected as follows:

- (1) If approval of a proposed action would otherwise require a meeting at which a certain quorum must be present and at which a certain percentage of total votes cast is required to authorize the action, the proposal will be deemed as approved when the date for return of ballots has passed, a quorum of Owners has voted and the required percentage of approving votes has been received. Otherwise, the proposal shall be deemed to be rejected.
- (2) If approval of a proposed action otherwise would require a meeting at which a specified percentage of Owners must authorize the action, the proposal shall be deemed to be approved when the percentage of total votes cast in favor of the proposal equals or exceeds such required percentage. The proposal shall be deemed rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and such required percentage has not been met.
- (3) Votes may be counted from time to time before the final return date to determine whether the proposal has passed or failed by the votes already cast on the date they are entered.

2.14.5 Owner Notification of Ballot Results. The Board shall notify the Owners (via mail, email or the Association's website) of the results of the ballot meeting no later than twenty (20) calendar days after the ballots have been counted.

ARTICLE 3
BOARD OF DIRECTORS – SELECTION, TERM OF OFFICE & REMOVAL

3.1 Number and Qualifications.

(a) The affairs of the Association shall be governed by a Board of Directors composed of five (5) Directors. The term of office shall be three (3) calendar years, and the expiration of such terms may, to the extent practical or possible, be offset or staggered such that the normal number of vacancies in any given calendar year will not be a majority of the positions on the Board.

(b) A Board member must be an Owner or the co-Owner of a Unit. However, multiple Owners of the same Unit may not simultaneously serve as Board members. An officer of a corporation, a partner of a partnership, a member or manager of a limited liability company, a trustee of a trust, or a personal representative of an estate may serve on the Board if the corporation, partnership, limited liability company, trust or estate owns a Unit.

3.2 Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, may be filled for the balance of the term of each Board membership by vote of a simple majority of the remaining Board members even though they may constitute less than a quorum. If the remaining Board members are unable to achieve a simple majority to fill a vacancy of the Board, that Board vacancy shall be filled by a vote of all Owners pursuant to the Association’s process for electing Directors. Each person so elected to fill a vacancy of the Board shall complete the term of the vacated Board position.

3.3 Removal of Board Members.

(a) At any annual or special meeting of the Members, other than a meeting by written ballot conducted pursuant to Section 2.14 above, any one or more of the Board members may be removed with or without cause. If a Board member is to be removed without cause, a majority of all Members must vote in favor of such removal (and not just a majority of the Members present in person or by proxy at a meeting of Members). If a Board member is to be removed for cause, a majority of the Members present in person or by proxy at a duly constituted meeting must approve such removal. At any meeting where a Board member is removed, a successor Board member may be elected to fill such vacancy by a majority of the Members present at such meeting. The notice of a meeting called to remove a Board member must state that the removal is to be considered and any Board member whose removal has been proposed by the Owners may be given an opportunity to be heard at the meeting. As used herein, “for cause” shall include the Board (i) being convicted or pleading “no contest” to felony or a crime of moral turpitude, (ii) being delinquent in the payment of his or her dues or other fees to the Association for a period of more than two (2) months, (iii) chronically failing to abide by the rules and regulations of the Association, (iv) embezzling, misappropriating or misusing any funds of the Association, or (v) engaging in any other serious misconduct relating to his or her conduct as a Board member.

(b) The Board may remove a member of the Board for cause by the vote of a majority of all Board members then in office. In addition to what constitutes “for cause” in Section 3.3(a) above, “for cause” for purposes of this Section 3.3(b) shall also include (i) suing, or being sued by the Association or the Board or (ii) being absent from three (3) consecutive regular meetings of the Board. Any vacancy on the Board resulting from the removal of a Director pursuant to this Section 3.3(b) shall be filled as provided in Section 3.2 of these Bylaws.

3.4 Compensation. No Board member shall receive compensation for any service he or she may render to the Association. However, any Board member may be reimbursed for reasonable actual expenses incurred in the performance of his or her duties.

ARTICLE 4 NOMINATION AND ELECTION OF DIRECTORS

4.1 Nominations. Not less than thirty (30) days prior to the annual meeting of Members, the Board shall notify all Members regarding the number of seats on the Board that will be open for election at such meeting and the procedures for nominating persons to serve on the Board.

Nominations and elections shall be administered as follows:

(a) Nominations for positions on the Board must be made by a statement filed with the Secretary of the Association no later than thirty (30) days prior to the Annual Meeting. Any Owner may nominate himself or herself.

(b) Information regarding each nominee, along with voting ballots, shall be emailed to all Owners no later than two (2) weeks prior to the Annual Meeting. Any Owner may request that information regarding nominees, along with the voting ballot, be delivered to such Owner via regular mail, provided such request is delivered to the Board in writing.

(c) Completed and signed ballots must be received by the Board no later than the date of the Annual Meeting. Ballots may either be mailed, scanned and emailed, or submitted to the Board at the Annual Meeting.

(d) Each Owner, or such Owner’s proxy, shall cast towards the list of nominees a number of votes equal to the number of Board positions that are being filled (*i.e.* if one Director is being elected, each Owner, or such Owner’s proxy, shall cast one vote; if two Directors are being elected, each Owner, or such Owner’s proxy, shall cast two votes, etc.) An Owner may not, however, cast more than one vote for the same nominee. Any ballot that contains more than one vote for a particular nominee shall be deemed null and void. If just one Director position must be filled, the nominated Owner receiving the largest amount of votes shall be elected. If two (or more) Director positions must be filled, then the two (or more) nominees receiving the largest amount of votes shall be elected.

(e) Election results shall be announced via email within 24 hours of the adjournment of the Annual Meeting. Election results shall also be posted at the clubhouse and on the Association’s website (if any).

4.2 Qualification of Board Members. Only natural persons who are Owners and over the age of twenty-one (21) may serve on the Board; provided, however, if a Unit is owned by a corporation, trust, partnership, limited liability company or other form of legal entity, then an officer of such corporation, a trustee of such trust, a partner of such partnership, a member or manager of such limited liability company, or an owner or principal of such other legal entity may be nominated and serve on the Board. If a Unit is owned by two (2) or more Owners, only one of such co-Owners may serve on the Board at any one time.

4.3 Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, shall be filled for the balance of the term of each Board membership by vote of a simple majority of the remaining Board members even though they may constitute less than a quorum. If the remaining Board members are unable to achieve a simple majority to fill a vacancy of the Board, that Board vacancy shall be filled by a vote of all Owners pursuant to the Association's process for electing Directors. Each person so elected to fill a vacancy of the Board shall complete the term of the vacated Board position.

4.4 Compensation. No Board member shall receive compensation for any service he or she may render to the Association as a Board member or officer. However (A) any member of the Board may be reimbursed for reasonable actual expenses incurred in the performance of his or her duties, and (B) the services of any member of the Board may be retained by the Association in another capacity and receive compensation for such services.

No entity or person may be retained as an independent contractor or otherwise receive any compensation for services provided to the Association unless expressly approved by a majority of the Board members. Any Owner may be retained to provide the services of a Manager and be paid for rendering such services.

ARTICLE 5 MEETINGS OF THE BOARD OF DIRECTORS

5.1 Initial Meeting Following Election. At the first meeting of the Board following an annual meeting of Members at which new Board members were elected, the Board shall elect a member of the Board to serve as President, Vice President, Secretary and Treasurer in accordance with Section 7.2 below and may conduct any other Association business.

5.2 Regular Meetings. The Board shall hold regular Board meetings no less than twice per year. The Board must meet no later than thirty (30) days following the Annual Meeting in order to determine officer positions. Regular meetings of the Board may be held upon no less than one (1) week advance notice.

5.3 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Board members, after not less than one (1) week notice to each Board member by mail or electronic mail. The notice must state the time, place, and purpose of the meeting.

5.4 Meeting Procedures.

(a) Meetings of the Board shall be conducted by the President

(b) A decision of the Board is deemed valid without regard to any procedural errors related to the rules of order unless the error is reflected in the meeting minutes or appears on the face of the Board resolution (if any) memorializing the Board's decision.

5.5 Open Meetings: Executive Sessions.

(a) Open Meetings. Except as provided under Subsection 5.5(d), each Board meeting shall be open to each Owner or the Owner's representative if the representative has been designated by the Owner to the Board in writing.

(b) Notice of Board Meetings. As set forth under Section 57-8-57 of the Condominium Act, no later than 48 hours prior to any Board meeting, the Association must give written notice of the meeting via email to each Owner who has requested notice of Board meetings, unless: (1) notice of the meeting is included in a meeting schedule that was previously provided by the Board to the Owner; or (2) the purpose of the meeting is to address an emergency and each Board member receives notice of the meeting less than 48 hours before such meeting.

(c) Delivery and Contents of Notice. A notice of any Board meeting, as described under Subsection 5.5(b), above, must:

- (1) be delivered to the Owner by email, to the email address that the Owner provides to the Board or the Association;
- (2) state the time and date of the Board meeting;
- (3) state the location of the Board meeting; and
- (4) if a Board member may participate by means of electronic communication, provide the information necessary to allow the Owner to participate by the available means of electronic communication.

(d) Executive Sessions. The Board may close a Board meeting to attendance by any Owner or any Owner's representative in order to:

- (1) consult with an attorney for the purpose of obtaining legal advice;
- (2) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings;
- (3) discuss a personnel matter;
- (4) discuss a matter relating to contract negotiations, including review of a bid or proposal;
- (5) discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; or
- (6) discuss a delinquent Assessment or fine.

(e) Owner Comments/Conduct. At each Board meeting, the Board must provide each Owner a reasonable opportunity to offer comments. However, the Board may limit such comments to specific time period(s) during the meeting. The Board shall have the authority to dismiss from a Board meeting any Owner who disrupts the proceedings of such meeting. The Board shall also have the authority to exclude from a Board meeting any Owner who disrupted the proceedings of the previous Board meeting that Owner attended.

(f) Failure to Comply. Any failure of the Association or the Board to comply with any portion of Subsections 5.5(a) through (e) shall be subject to the enforcement procedures set forth under Section 57-8-57(8) of the Condominium Act.

5.6 Meetings Via Electronic Communication. As set forth under Subsection 57-8-3(26) of the Condominium Act, any member or all members of the Board may choose to participate in any meeting of the Board by means of electronic communication. Per Subsection 57-8-3(26) “means of electronic communication” refers to an electronic system that allows individuals to communicate orally in real time via web conferencing, video conferencing or telephone conferencing.

5.7 Waiver of Notice. Any Board member may, at any time, waive notice of any meeting of the Board in writing, and the waiver shall be deemed equivalent to the giving of the notice. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice by the Board member, except where the Board member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Board members are present at any meeting of the Board, no notice to Board members shall be required and any business may be transacted at the meeting.

This Section 5.7 is intended to be consistent with the requirements of Section 16-6a-815 of the Nonprofit Corporation Act. In the event Section 16-6a-815, as may be periodically amended, provides “waiver of notice” requirements that in any way differ from those contained in this Section 5.7, then the requirements of Section 16-6a-815 shall control.

5.8 Quorum and Acts. At all meetings of the Board a majority of the existing Board members shall constitute a quorum for the transaction of business and the acts of the majority of the Board members present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. Any unfinished business upon such adjournment of a Board meeting may only be transacted at a subsequent regular or special meeting of the Board that has been properly held by giving notice and conducting such meeting as required by these Bylaws.

5.9 Action Taken Without A Meeting. The Board members shall have the right to take any action in the absence of a meeting which they could take a regular or special meeting by obtaining the written approval of all the Board members in accordance with Section 16-6a-813 of the Nonprofit Corporation Act, as amended from time to time. Any action so approved shall have the same effect as though taken at a meeting of the Board members.

ARTICLE 6
POWERS, RIGHTS, AND DUTIES OF THE BOARD

6.1 General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law, the Declaration or by these Bylaws directed to be exercised and done by the Owners.

6.2 Specific Powers. In addition to powers authorized by the Declaration, these Bylaws or by resolution of the Association, the Nonprofit Corporation Act or other applicable law, and subject to Section 6.3 of these Bylaws, the Board shall have the power to:

(a) adopt, publish, amend and modify rules and regulations governing the use of Common Areas, including any improvements, facilities and amenities located thereon, and the personal conduct of the Owners and their tenants or guests thereon, and to establish penalties and fines for the infraction thereof;

(b) suspend the voting rights and the right to use of any recreational facilities located on any Common Area by any Owner (including such Owner's tenants, guests or invitees) during any period in which such Owner shall be in default in the payment of any fine or Assessment levied by the Association against such Owner;

(c) engage the services of a property manager or property management company, accountants, attorneys or other professionals, employees or agents and to pay to said persons a reasonable compensation therefore;

(d) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(e) supervise all officers, agents, managers and employees of the Association, and see that their duties are properly performed;

(f) operate, maintain, repair, improve and replace the Common Areas;

(g) determine and pay the Operating Expenses;

(h) assess and collect the proportionate share of Operating Expenses from the Owners;

(i) enter into contracts, deeds, leases or other written instruments or document for and in behalf of the Association and to authorize the execution and delivery thereof by the appropriate officers;

(j) open bank accounts on behalf of the Association and designate the signatures for such bank accounts pursuant to a resolution adopted by the Board;

(k) purchase, hold, sell, convey, mortgage or lease any interest in real property for and in behalf of the Association subject to the restrictions, limitations and provisions of the Declaration;

(l) bring, prosecute and settle litigation for itself, the Association and the Project, provided it shall make no settlement which results in any uninsured liability against the Board, the Association, or the Project in excess of \$20,000 without prior written approval of a Majority of the Owners;

(m) obtain insurance for the Association with respect to the Units, the Common Areas and/or the Common Improvements, as well as Worker's Compensation Insurance and any other insurance the Board deems appropriate, all in such amounts, with such coverage and subject to such deductibles as the Board determines to be appropriate;

(n) repair or restore the Project (or any portion of the Project) following damage or destruction, or a permanent taking by the power of, or power in the nature of, eminent domain or by an action or deed in lieu of condemnation, not resulting in the removal of the Project from the provisions of the Acts;

(o) purchase or lease, and sell or otherwise acquire or dispose of, on behalf of the Association, items of personal property necessary to convenient in management of the business and affairs of the Association and the Board and in the operation of the Project, including without limitation furniture, furnishings, fixtures, maintenance equipment, appliances and office supplies;

(p) keep adequate books and financial records so that the Board can reasonably and regularly assess the financial status and strength of the Project. Such books and records may include, by example and without limitation, financial reports normally presented by the property manager to the Board, such as budget-to-actual reports for each fiscal quarter and fiscal year, quarterly reports of Owners who are delinquent in their payment of Assessments or any Additional Charges, fiscal quarterly and fiscal annual statements of Association's bank account balances, Association reserves reports, and Special Assessment reports (as applicable), and any other relevant financial reports;

(q) borrow funds and enter into promissory notes, provided that any such action has been approved in writing by a Majority of the Owners;

(r) sell portions of the Common Areas, provided that any such action has been approved in writing by at least seventy-five percent (75%) of the Owners;

(s) approve and sign checks and issue payment vouchers;

(t) pay off or otherwise satisfy any liens against any portion of the Project; and

(u) do all other acts necessary for the operation and maintenance of the Property, including the maintenance and repair of any Unit if the same is necessary to protect or preserve the Project.

6.3 Association Contract Requirements.

(a) Minimum Required Bids. The Board shall not execute any contract or agreement on behalf of the Association (i) for any goods or services that exceed \$5,000 in any single instance or (ii) that has a term of more than one year, unless the Board has first made a reasonable attempt to obtain at least two (2) bids from vendors or contractors qualified to provide such goods or services. The requirements of this Subsection 6.3(a) shall not apply (A) if the Board is unable to identify or locate more than one (1) such qualified vendor or contractor that is able or willing to provide the goods or services being sought; or (B) in the event of emergency maintenance or repairs as described under Subsection 6.3(c) below.

(b) Minimum Required Signatures. No member of the Board of Directors (including the President or Vice-President) may unilaterally obligate or bind the Board or the Association regarding the acknowledgement of, performance of, or payment under any contract, agreement or any other document. Any written contract, agreement or document must either be signed by at least two (2) members of the Board of Directors, or approved via email by at least three (3) members of the Board. If a particular contract, agreement or other document is approved via email, that contract, agreement or other document may be signed by the Manager on behalf of the Association. Under no circumstances, however, may the Manager sign any contract, agreement or other document that obligates the Association to pay more than \$5,000 for any goods or services. The provisions of this Subsection 6.3(b) do not apply to the signing of checks on behalf of the Association. Any such Association checks must be signed by either the President or Vice-President and must also be co-signed by the Manager.

(c) Emergency Maintenance or Repairs. The Manager is prohibited from signing any contract, agreement or other document whatsoever on behalf of the Board or the Association. However, the language of this Subsection 6.3(c) shall not prevent the Manager from performing emergency maintenance or repairs, or from engaging or retaining the maintenance or repair services of any third party, as deemed necessary by the Manager in order to prevent or mitigate any harm or injury to any portion of the Project, any Owners, any tenant, guest or other occupant of any Unit, or any other individuals or property that may be located on the Project. The Manager must notify the Board regarding the Manager's performance of any such emergency maintenance or repairs, or the engagement of any such maintenance or repair services by any third party, no later than twenty-four (24) hours after such emergency maintenance or repairs have been commenced.

6.4 Disclosure of Interest.

(a) It shall be the affirmative duty of each Board member to disclose to the Board any conflict of interest which such Board member may have with respect to any matter under consideration by the Board or with respect to any matter under consideration by the Board with respect to any dealings the Association has with outside entities or businesses. Board nominees shall provide a resume to include a statement of business activities prior to being seated on the Board. The required resume will also specifically indicate all full and partial ownership of the nominee in any Unit(s) as well as the extent of rental involvement (including the number of Units managed). A Board member is deemed to have a potential conflict of interest if the Board member has any relationship (or such relationship exists by a spouse, child or parent of the

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Board member) as a close friend, relative, owner, partner, shareholder, officer, director, employee or agent, with any entity or person with whom the Association is doing or contemplating doing business.

(b) Because the Members of the Association are primarily individuals who view the Association's objectives as providing quality services to the Members, it shall be a conflict of interest for any Board member to vote on any Board decision from which said Board member or any person or entity with whom said Board member has a relationship described above, expects a profit. A Board member may not vote on an issue when he/she has such a conflict of interest.

(c) Any person who has served as a Board member is prohibited from becoming an employee, officer and/or agent of the Association for a period of one (1) year following his/ her termination as a Board member. This restriction may be waived on an individual case basis by unanimous consent of the Board.

ARTICLE 7 OFFICERS AND THEIR DUTIES

7.1 Designation and Qualification.

(a) Designation. The officers of the Association shall include a President, ~~Vice-President~~, Secretary and a Treasurer.

(b) Qualifications. ~~Each officer must~~ be a member of the Board. Any Board member may be an officer.

(c) Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices specified in Subsection 7.1(a).

(d) Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

7.2 Election and Vacancies. The officers of the Association may be elected by the Board at the first meeting of each new Board held in accordance with Section 5.1 above or any Board meeting thereafter to serve until their respective successors are elected at the next organizational meeting. If any office becomes vacant by reason of death, resignation, removal, disqualification or any other cause, the Board shall elect a successor to fill the unexpired term at any meeting of the Board.

7.3 Resignation. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

7.4 Compensation of Officers. No officer who is a member of the Board may receive any compensation from the Association for acting as an officer, unless the compensation is

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authorized by a vote of a Majority of the Owners. The Board may fix any compensation to be paid to any officers who are not also Board members.

7.5 Duties of Officers. The duties of the officers are as follows:

(a) President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board. The President shall have all of the general powers and duties which are usually vested in the office of President of a homeowners association.

(b) Vice-President. The Vice-President (if any) shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Association, have charge of such books and papers as the Board may direct, and in general, perform all of the duties normally incident to the office of Secretary.

(d) Treasurer. The Treasurer shall have responsibility for the Association's funds and securities not otherwise held by the Manager, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. The Treasurer shall be responsible for causing the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board and disbursing funds as directed by resolution of the Board.

ARTICLE 8 INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS

Each Board member or Association committee member, or Association officer shall be indemnified by the Association and the Owners against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of holding or having held such a position, or any settlement thereof, whether or not he or she holds such position at the time such expenses or liabilities are incurred except in such cases wherein such person is adjudged (by a court of competent jurisdiction) guilty of willful misfeasance, malfeasance or nonfeasance in the performance of his or her duties; provided, however, that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association.

ARTICLE 9
RECORDS AND AUDITS

The Association shall maintain within the State of Utah, all documents, information and other records of the Association in accordance with the Declaration, these Bylaws and the Nonprofit Corporation Act in the manner prescribed by a resolution adopted by the Board.

9.1 General Records.

(a) The Board or Manager, if any, shall keep records of the actions of the Board and Manager, minutes of the meetings of the Board, and minutes of the meeting of the Association.

(b) The Board or Manager, if any, shall maintain records containing the rules, regulations, and policies adopted by the Association and Board.

(c) The Board or Manager, if any, shall maintain a list of Owners. The list of Owners may specify whether or not the Owner is an Owner in good standing.

(d) The Association shall retain within the State of Utah all records of the Association for not less than the period of time specified and required under applicable law.

9.2 Records of Receipts and Expenditures. The Manager, if any, shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Project, itemizing the maintenance and repair expenses of the Common Areas or Association property and any other expenses incurred.

9.3 Assessment Roll. The Assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. The account shall designate the Unit number, the name and address of the Owner or Owners, the amount of each Assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

9.4 Financial Reports and Audits.

(a) An annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be rendered by the Board to all Owners and to all Mortgagees of Units who have requested the same in writing no later than ninety (90) calendar days following the end of each fiscal year. Such report may be provided by mail, email or posting on the Association's website.

(b) Concurrent with the reserve analysis described under Section 9.4 of the Declaration, the Board shall, at the expense of the Association, obtain an audit or other financial review of the Association's books and records, and shall either cause a copy of the results of such audit or other financial review to be available for review by the Owners, or shall post the results of such audit or other financial review on the Association's website. The Board may not conduct the audit or other financial review itself, and must retain the services of a qualified independent financial entity.

9.5 Inspection of Records by Owners.

(a) Except as otherwise provided in Section 9.6 below, all records of the Association shall be reasonably available for examination by an Owner and any Mortgagee of a Unit pursuant to rules adopted by resolution of the Board or if no such resolution has been adopted, pursuant to the Nonprofit Corporation Act.

(b) The Board shall maintain a copy, suitable for the purposes of duplication, of the following: (1) the Declaration, Bylaws and any amendments in effect or supplements thereto, and Rules and Regulations of the Association; (2) the most recent financial statement prepared pursuant to Section 9.4 above; and (3) the current Annual Budget of the Association.

(c) The Association, within five (5) business days after receipt of a written request by an Owner, shall furnish the requested information required to be maintained under Subsection 9.5(b), subject to a reasonable fee for furnishing copies of any documents, information or records described in this Section 9.5. The fee may include reasonable personnel costs incurred to furnish the information.

(d) The Board, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this Section 9.5. The fee may include reasonable personnel costs incurred to furnish the information.

9.6 Records Not Subject to Inspection. Records kept by or on behalf of the Association may be withheld from examination and duplication to the extent the records concern:

(a) personnel matters relating to a specific identified person or a person's medical records;

(b) contracts, leases and other business transactions that are currently under negotiation to purchase or provide goods or services;

(c) communications with legal counsel that relate to matters specified in Subsections (a) and (b) of this Section 9.6, and any other communications with legal counsel that are protected by any privilege, including the attorney client privilege;

(d) disclosure of information in violation of law;

(e) documents, correspondence or management or Board reports compiled for or on behalf of the Association or the Board by its agents or committees for consideration by the Board in executive session held in accordance with these Bylaws;

(f) documents, correspondence or other matters considered by the Board in executive session held in accordance with these Bylaws; and

(g) files of individual Owners, other than those of a requesting Owner or requesting Mortgagee of an individual Owner, including any individual Owner's file kept by or on behalf of the Association.

9.7 Notice of Sale or Mortgage. Immediately upon the sale or Mortgage of any Unit, the Owner shall promptly inform the Secretary or Manager of the name and address of the purchaser, vendee or Mortgagee.

ARTICLE 10 AMENDMENTS

10.1 Adoption. Amendments to these Bylaws may be approved by the Association at a duly constituted meeting or meeting by written ballot in lieu of a meeting conducted pursuant to these Bylaws. Approval by at least sixty-seven percent (67%) of the voting rights in the Association is required for any amendment to be adopted. The approval of sixty-seven percent (67%) of the voting rights in the Association shall be required for any amendment or change to the material provisions of the Bylaws pertaining to voting rights.

10.2 Execution and Recording. An amendment shall not be effective until certified by the President and Secretary of the Association as being adopted in accordance with these Bylaws, acknowledged and recorded with the Recorder's Office.

10.3 Challenge to Validity. No action to challenge the validity of an adopted amendment may be brought more than one (1) calendar year after the amendment is recorded.

ARTICLE 11 LITIGATION

11.1 Action Brought on Behalf of the Association.

If any action is brought by one or more but less than all Owners on behalf of the Association and any form of recovery is achieved, the plaintiffs' expenses, including reasonable court costs and legal counsel fees, shall be a Common Expense; provided, however, that if such action is brought against the Owners or against the Board, the officers, employees, or agents thereof, in their capacities as such, with the result that the ultimate liability asserted would, if proved, be borne by all the Owners, the plaintiffs' expenses, including court costs and legal counsel fees, shall not be charged to or borne by the other Owners, as a Common Expense or otherwise.

11.2 Complaints Brought Against the Association, Board, or Officers.

Complaints brought against the Association, the Board or other officers, employees or agents thereof, in their respective capacities as such or the Project as a whole, shall be directed to the Board, which shall promptly give written notice thereof to the Owners and any Eligible Mortgagees and shall be reasonably defended by the Board, and the Owners and all Mortgagees shall have no right to participate other than through the Board in such defense. Complaints against one or more, but less than all Owners, shall be directed to such Owners, who shall promptly give written notice thereof to the Board and to the Eligible Mortgagees having an interest in such Lots, and shall be defended by the Owners of such Lots.

ARTICLE 12
MISCELLANEOUS

12.1 Notices.

(a) Association. All notices to the Association or the Board shall be delivered as set forth under Section 20.2 of the Declaration.

(b) Owners. All notices to the Owners shall be delivered as set forth under Section 20.3 of the Declaration.

12.2 Nonprofit Association. This Association is not organized for profit. Accordingly, no Member, member of the Board or person from whom the Association may receive any property or funds, shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any members of the Board. The foregoing, however, shall neither prevent nor restrict the payment or compensation to the Manager or reimbursing certain Members or members of the Board as specifically set forth in the Declaration or these Bylaws.

12.3 Waiver, Precedent and Estoppel. No restriction, condition, obligation, or provision contained in these Bylaws or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

12.4 Invalidity: Number: Captions. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

12.5 Fiscal Year. Each fiscal year of the Association shall begin on January 1st and end on December 31st.

12.6 Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. These Bylaws are intended to comply with the requirements of the Condominium Act and the Nonprofit Corporation Act. If any of the provisions of these Bylaws conflict with such Acts, the provisions of the Act will apply.

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officers on this _____ day of _____, 2018.

_____, President

_____, Secretary

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