

**BYLAWS OF
EAGLE RIDGE AT EDEN HILLS HOMEOWNERS ASSOCIATION
A UTAH NONPROFIT CORPORATION**

ARTICLE I. INTRODUCTION

1.01 NAME

The name of the corporation is EAGLE RIDGE AT EDEN HILLS HOMEOWNERS ASSOCIATION, hereinafter referred to as "Association."

1.02 PRINCIPAL OFFICE

The principal office of the Association is located at 933 Wall Avenue, Ogden, Utah 84404. The board of Trustees is hereby granted full power to change the principal office of the Association from one location to another within the State of Utah.

1.03 APPLICATION

These Bylaws are applicable to the planned residential unit development known as EAGLE RIDGE (the "Development"), located in the City of Eden, County of Weber, State of Utah. These Bylaws are also applicable to all Members of the Association and all tenants, employees and other persons who use the facilities of the Development in any manner.

1.04 DEFINITIONS

Unless otherwise specified in these Bylaws, the definitions set forth in Article I of the declaration for the Development (the "Declaration") recorded or to be recorded in the Office of the County Recorder or Weber County, Utah, apply to these Bylaws.

1.05 MEMBERSHIP RIGHTS

The qualification for membership provisions of Section 2 of Article III of the Declaration are hereby incorporated by reference.

ARTICLE II. MEETINGS OF MEMBERS

2.01 PLACE OF MEETINGS

All meetings of the Members shall be held at a place designated by the Board. This meeting place shall be within the Development or as close to it as possible. If no meeting place is designated, the meetings shall be held at the principal office of the Association. No meeting of the Members shall, unless unusual conditions exist, be held outside the County of Weber, State of Utah.

2.02 ANNUAL MEETINGS

The first meeting of the Members of the Association shall be held within six months after the closing of the first sale of a Lot within the Development. Thereafter, the annual meeting of the Members shall be held on the second Saturday of February of

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each succeeding calendar year at the hour of 7:30 pm. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the next Saturday that is not a legal holiday.

2.03 SPECIAL MEETINGS

Special meetings of the Members may be called for any lawful purpose by a majority of a quorum of the Board, the President of the Association, or by a written request signed by Members representing at least twenty percent (20%) of the total voting power of the Association. The special meeting shall be held not less than fifteen (15) nor more than ninety (90) days after adoption of the resolution or receipt of given pursuant to Section 2.04 of these Bylaws shall be transacted at the special meeting.

2.04 NOTICE OF MEETINGS

The Secretary of the Association shall give written notice of any Members' meeting to each Member of record. Except as otherwise provided in this Section 2.04, the notice shall be given at least ten (10) but not more than ninety (90) days before the meeting, by first class mail or by personal delivery. The notice shall be addressed to the Member at the address appearing on the books of the Association or at the address supplied by the Member in writing for this purpose. If there is no such address, notice shall be posted at the principal office of the Association or by publication at least once in a newspaper of general circulation in Weber County, Utah. The notice shall state the place, date and time of the meeting. If Trustees are to be elected at the meeting, the notice shall include the names of all those who are nominees at the time the notice is given. In the case of an annual meeting, the notice shall also state those matters that the Board, at the time the notice is given, intends to present for action by the Members. In the case of a special meeting, the following additional notice requirements apply: (i) the notice shall state those matters that the Board, at the time the notice is given, intends to present for action by the Members; and (ii) if the special meeting is called by Members pursuant to Section 2.03 of these Bylaws, the notice shall be given within twenty (20) days after receipt of the request for the meeting. If such twenty (20) day requirement is not satisfied, the Members who called the meeting may give the notice.

2.05 WAIVER OF NOTICE OR CONSENT OF ABSENTEES

The transactions of any meeting of Members, however called and noticed, shall be as valid as though taken at a duly called, noticed and held meeting if: (i) a quorum is present either in person or by proxy; and (ii) either before or after the meeting, each of the Members not present in person or by proxy signs a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes of the meeting. Any such waiver, consent or approval shall be filed with the corporate records or made a part of the minutes of the meeting.

2.06 VOTING RIGHTS

The voting rights of member ship provision set forth in Section 4 of Article III of

the Declaration is hereby incorporated by reference.

2.07 RECORD DATE OF MEMBERSHIP

The Board shall fix, in advance, a record date or dates for the purpose of determining the Members entitled to notice of and to vote at any meeting of Members. The record date for notice of a meeting shall not be more than ninety (90) nor less than fifteen (15) days before the date of the meeting. The record date for voting shall not be more than sixty (60) days before the date of the meeting. The Board may also fix, in advance, a record date for the purpose of determining the Members entitled to exercise any rights in connection with any other action. Any such date shall not be more than sixty (60) days prior to the action.

2.08 QUORUM

At any meeting, the presence either in person or by proxy of Members entitled to cast at least fifty-one percent (51%) of the total voting power of the Association shall constitute a quorum for any action except as otherwise provided in the Articles, these Bylaws, or the Declaration. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, is approved by at least a majority of the number of Members required to constitute a quorum. If a quorum is not present at any time at a duly called meeting, a majority of those Members present in person or by proxy may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the meeting date, but no other business may be transacted. An adjourned meeting may be held without written notice, provided that notice is given by announcement at the original meeting. If no such announcement is made, or if the selected date is changed after adjournment, notice of the time and place shall be given to Members in the manner provided in Section 2.04 of these Bylaws. The quorum for the adjourned meeting shall be thirty-four percent (34%) of the total voting power of the Association.

2.09 PROXIES

At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance of its maker's membership, or upon receipt of written notice by the Secretary of the maker's death or judicially declared incapacity. No proxy shall be valid after the expiration of eleven months from its execution unless otherwise provided in the proxy. However, the maximum term of any proxy shall be three (3) years from its date of execution. The maker of the proxy may revoke it by delivering a written revocation to the Association, by executing a subsequent proxy and presenting it to the meeting, or by attending any meeting and voting in person.

Any revocable proxy covering any of the following matters that require a vote of the Members is not valid as to those matters unless it sets forth the general nature of the matter to be voted on:

- (a) Removing a Trustee without cause, pursuant to Section 3.06(b) of these Bylaws;
- (b) Filling Trustee vacancies pursuant to Section 3.07 of these Bylaws;
- (c) Entering into or approving a contract or transaction between the Association and one or more of the Trustees, or between the Association and any entity in which one or more of the Trustees has a material financial interest;
- (d) Amending the Articles or these bylaws to repeal, restrict, create or expand proxy rights;
- (e) Disposing of assets other than in the usual and regular course of corporate activities;
- (f) Approving the terms of any merger involving the Association; or
- (g) Electing to dissolve the Association.

2.10 ACTION TAKEN WITHOUT A MEETING

Any action that may be taken at a meeting of the Members, except for the election of Trustees, may be taken without a meeting provided the following ballot requirements are satisfied:

- (a) The Association shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall be solicited in the same manner as provided in Section 2.04 of these Bylaws for the giving of notice of meetings of Members.
- (b) The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, provide a reasonable time within which to return the ballot, indicate the number of responses needed to meet the quorum requirement, and state the percentage of approvals necessary to pass the measure submitted.
- (c) The proposed action shall be considered approved if:
 - (1) The number of votes cast by ballot within the specified time period equals or exceeds the quorum required to be present at a meeting authorizing the action; and
 - (2) The number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- (d) No written ballot may be revoked.

2.11 APPROVAL BY MEMBERS REQUIRED BY STATUTE

Any approval by the Members of the following proposals, other than unanimous approval by those entitled to vote, shall be valid only if the general nature of the approved proposal was stated in the notice of meeting or any waiver of notice of meeting:

- (a) Removing a Trustee without cause pursuant to Section 3.06(b) of these Bylaws;
- (b) Filling vacancies on the Board pursuant to Section 3.07 of these Bylaws;
- (c) Entering into or approving a contract or transaction between the Association and one or more of the Trustees, or between the Association and any entity in which one or more of the Trustees has a material financial interest;
- (d) Amending the Articles; or
- (e) Electing to dissolve the Association.

ARTICLE III. BOARD OF TRUSTEES

3.01 NUMBER

The affairs of the Association shall be managed and its duties and obligations performed by an elected Board of Trustees, consisting of three (3) persons who shall, with the exception of the initial Trustees, be Members of the Association.

3.02 NOMINATION

Except in the case of the initial Trustees, nominations for election to the Board of Trustees may be made by any of the following:

- (a) A nominating committee appointed by the Board at least sixty (60) days prior to an annual meeting of Members, provided the Board receives the committee's nomination or nominations at least thirty (30) days prior to the annual meeting of Members;
- (b) A written petition signed within eleven (11) months preceding the annual meeting by Members representing at least twenty percent (20%) of the voting power of the Association. The petition shall identify the nominee, contain that person's written consent to serve as a Trustee, and be delivered to the Secretary of the Association at least thirty (30) days prior to the annual meeting; or
- (c) Any Member who is present in person, or by the proxy of any Member who is present by proxy, at the annual meeting of Members at which the Trustee is elected.

3.03 ELECTION

The initial Trustees shall be those persons named in the Articles, who shall serve

until the first annual meeting of the Members. At the first annual meeting of the Association, the Members shall fill, by election, all positions on the board of Trustees. Subsequent elections shall also be held at the annual meetings. However, if an annual meeting is not held or does not include an election, the election may be held at a special meeting of Members called for that purpose. Voting for Trustees shall be by secret written ballot. At an election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these Bylaws. Each Member entitled to vote on the election may cumulate his or her votes and give one candidate a number of votes equal to the number of Trustees to be elected multiplied by the number of votes to which the Member is entitled, or distribute the Member's votes on the same principle among as many candidates as the Member thinks fit; provided, however that no Member shall be entitled to cumulate votes for a candidate or candidates unless the candidate's name or candidates' names have been placed in nomination prior to voting and a Member has given notice at the meeting prior to the voting of the Member's intention to cumulate votes. If any Member has given this notice, all Members may cumulate their votes for candidates in nomination. The persons receiving the highest number of votes shall be elected.

3.04 SPECIAL ELECTION PROCEDURE

Notwithstanding any other provision of these Bylaws and commencing with the first election of Trustees at an annual meeting of the Association, for so long as a majority of the voting power of the Association resides in Declarant, at least on (1) Trustee shall have been elected solely by the votes of Members other than Declarant. If, at any such election, Members other than Declarant do not have a sufficient percentage of the voting power to satisfy that requirement, the one position on the board shall be filled by the candidate receiving the highest number of votes cast by Members other than Declarant. Any remaining positions on the Board shall be filled in accordance with normal voting procedures.

3.05 TERM

Each Trustee shall hold office until the election of his or her successor or until the Trustee's death, removal, resignation or judicial adjudication of mental incompetence. The term of office of the two (2) Trustees receiving the highest number of votes at the first annual meeting shall be two (2) years and the term of office of the remaining Trustee shall be one (1) year. Thereafter, at each annual meeting, any vacancies on the Board created by death, resignation, removal, judicial adjudication of mental incompetence, or expiration of term shall be filled. The term of office of each Trustee elected to fill a vacancy created by the expiration of the term of office of the preceding Trustee shall be two (2) years. The term of office of any Trustee elected or appointed to fill a vacancy created by any event other than the expiration of the predecessor Trustee's term shall be the balance of the unserved term of the predecessor. Any person serving as a Trustee may be reelected and there shall be no limitation on the number of terms a Trustee may serve.

3.06 REMOVAL

Trustees may be removed as follows:

(a) The Board may declare vacant the office of a Trustee on the occurrence of any of the following events:

- (1) The Trustee is declared of unsound mind by a final order of court;
- (2) The Trustee is convicted of a felony; or
- (3) The Trustee has failed to attend three (3) or more consecutive meetings of the Board.

(b) One (1) or more Trustees may be removed prior to the expiration of their terms, without cause, at an annual or special meeting of Members. Any removal without cause shall be approved by (i) a majority of the total voting power of the Association for so long as the Development consists of 20 Lots, or (ii) by the vote of Members representing a majority of a quorum of Members if the Development consists of more than 20 Lots. Notwithstanding the foregoing, unless the entire Board is removed from office by the vote of the Members, an individual Trustee shall not be removed prior to the expiration of his or her term of office if the number of votes cast against the removal would be sufficient to elect the Trustee if voted cumulatively at an election at which the same number of votes were cast and the entire number of Trustees authorized at the time of the Trustee's most recent election were then being elected. A Trustee who has been elected to office solely by the votes of Members other than Declarant as required by Section 3.04 of these Bylaws may be removed from office prior to the expiration of his or her term only by the vote of at least fifty-one percent (51%) of the voting power of Members other than Declarant. If a Trustee is removed at a meeting, a new Trustee may be elected at the same meeting.

3.07 VACANCIES

Any vacancy on the Board caused by the death, resignation or adjudication of mental incompetence of a Trustee shall be filled by the remaining Trustees. The successor shall serve for the unexpired term of his or her predecessor. The board shall not fill a vacancy on the Board caused by the removal of a Trustee except with the vote or written assent of a majority of each class of Members.

3.08 COMPENSATION

A Trustee shall not receive any compensation for any service he or she may render to the Association; provided, however, that a Trustee may be reimbursed for actual out-of-pocket expenses reasonably incurred by the Trustee in the performance of his or her duties.

3.09 POWERS AND DUTIES

The Board's powers and duties shall include, but shall not be limited to, the

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following:

- (a) Enforcement of the applicable provisions of the Declaration, the Articles, these Bylaws, any Rules and Regulations, and any other instruments governing the ownership, management and control of the Development (the "Governing Instruments");
- (b) Payment of taxes and assessments that are, or could become, a lien on all or a portion of the Common Areas;
- (c) Contracting for casualty, liability and other insurance on behalf of the Association;
- (d) Contracting for goods and services for the common areas, facilities and interests of the Association, subject to the limitations set forth in Section 3.10(a) of these Bylaws;
- (e) Delegation of its powers to any committees, Officers or employees of the Association expressly authorized by the Governing Instruments;
- (f) Preparation of budgets and financial statements for the Association as prescribed in the governing Instruments;
- (g) Formulation of Rules and Regulations for the use and operation of the common areas and facilities owned or controlled by the Association;
- (h) Initiation and execution of disciplinary proceedings against Members for violations of the Governing Instruments in accordance with the procedures set forth in the Governing Instruments;
- (i) Entering any Lot or improvement on a Lot to perform necessary construction, maintenance or emergency repair work for the benefit of the common areas or the Members in the aggregate;
- (j) Election of Officers of the Association; and
- (k) Filling of vacancies on the Board of Trustees except for a vacancy created by the removal of a Trustee;

3.10 LIMITATIONS ON POWERS

Notwithstanding the provisions of Section 3.09, the Board shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of each class of Members or, when Class B Membership no longer exists, with the approval of a majority of the total voting power of the Association as well as the approval of a majority of the total voting power residing in Members other than Declarant:

(a) Entering into a contract with a third person under which the third person will furnish goods and services for the common areas or the Association for a term longer than one (1) year, with the following exceptions:

(1) A contract with a public utility if the rates charged are regulated by a public utilities commission, provided that the term shall not exceed the shortest term for which the utility will contract at the regulated rate;

(2) Prepaid casualty and/or liability insurance of not more than three (3) years duration, provided that the policy provides for short rate cancellation by the insured;

(3) Lease agreements for furniture, fixtures or equipment of not more than five (5) years duration, provided that the lessor under the agreement is not an entity in which the Declarant has a direct or indirect ownership interest; and

(4) Agreements for cable television services and equipment or satellite dish television services and equipment for a term of up to five (5) years, provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest;

(b) Incurring aggregate expenditures for capital improvements to the common areas in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(c) Selling during any fiscal year property of the Association having an aggregate fair market value in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(d) Paying compensation to Trustees or to Officers of the Association for services rendered in the conduct of the Association's business; provided, however, that the Board may reimburse a Trustee or Officer for expenses reasonable incurred in carrying on the business of the Association; and

(e) Filling a vacancy on the Board of Trustees created by the removal of a Trustee.

ARTICLE IV. MEETINGS OF TRUSTEES

4.01 REGULAR MEETINGS

Regular meetings of the Board of Trustees shall be held at least semiannually, at a time and place within the Development fixed by resolution of the Board. Notice of the time and place of the meeting shall be posted at a prominent place or places within the common areas and shall be communicated to the Trustees not less than fourteen (14) days prior to the meeting; provided, however, that notice need not be given to any Trustee who has signed a waiver of notice or a written consent to

holding of the meeting.

4.02 SPECIAL MEETINGS

Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two Trustees other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of any special meeting must be given to each Trustee not less than three (3) days prior to the date fixed for the meeting; provided, however, that notice need not be given to any Trustee who has signed a waiver of notice or a written consent to holding of the meeting. A copy of the notice shall also be posted in a prominent place or places in the common areas of the Development, if practicable.

4.03 QUORUM

A majority of the Board shall constitute a quorum and, if a quorum is present, the decision of a majority of the Trustees present shall be the act of the Board.

4.04 OPEN MEETINGS

Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that association Members who are not on the board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the board.

4.05 EXECUTIVE SESSION

The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a sensitive nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

4.06 ADJOURNMENT

A majority of the Trustees present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of the adjournment shall be given, prior to the time of the adjourned meeting, to the Trustees who were not present at the time of the adjournment.

4.07 ACTION TAKEN WITHOUT A MEETING

The Board may take actions without a meeting if all of the Trustees consent in writing to the action to be taken. If the Board resolves by unanimous written consent to take action, an explanation of the action taken shall be posted at a prominent place or places within the common areas within ten (10) days after the written consents of all Trustees have been obtained.

ARTICLE V. OFFICERS

5.01 ENUMERATION OF OFFICERS

The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The Board may appoint additional officers pursuant to Article X of these Bylaws. Any number of offices may be held by the same person.

5.02 APPOINTMENT AND TERM

The Officers of the Association, except those Officers appointed in accordance with Article X of these Bylaws, shall be elected annually by the Board. Any vacancies shall be filled by the Board at any time, not necessarily on an annual basis, that it deems proper. Each Officer shall hold his or her office at the pleasure of the Board.

5.03 RESIGNATION AND REMOVAL

The Board may remove any Officer from office either with or without cause. An Officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation by the Board shall not be necessary to make it effective.

5.04 COMPENSATION

An Officer shall not receive any compensation for any service he or she may render to the Association; provided, however, that any Officer may be reimbursed for actual out-of-pocket expenses reasonable incurred by the Officer in the performance of his or her duties.

ARTICLE VI. PRESIDENT

6.01 ELECTION

At the first meeting of the Board immediately following the first annual meeting of the Members, the Board shall elect one Trustee to act as President.

6.02 DUTIES

The President shall:

(a) Preside over all meetings of the Members and of the Board;

(b) Sign as President all deeds, contracts and other written instruments that have been approved by the board, unless the Board, by duly adopted resolution, authorizes the signature of a lesser Officer;

(c) Call meetings off the Board whenever he or she deems it necessary, in accordance with rules and notice requirements imposed by the Board and the Governing Instruments;

(d) Have, subject to the advice of the Board, general supervision, direction and control of the affairs of the Association; and

(e) Discharge any other duties required of him or her by the Board.

ARTICLE VII. VICE PRESIDENT

7.01 ELECTION

At the first meeting of the Board immediately following the first annual meeting of the Members, the Board shall elect on Trustee to act as Vice President.

7.02 DUTIES

The Vice President shall:

(a) Act in the place and stead of the President in the event of his or her absence, inability or refusal to act; and

(b) Exercise and discharge any other duties required of him or her by the Board. In connection with any such additional duties, the Vice-President shall be responsible to the President.

ARTICLE VIII. SECRETARY

8.01 ELECTION

At the first meeting of the Board immediately following the first annual meeting of the Members, the Board shall elect a Secretary, who need not also be a Trustee.

8.02 DUTIES

The Secretary shall:

(a) Keep a record of all meetings and proceedings of the Board and of the Members;

(b) Keep the seal of the Association, if any, and affix it on all papers requiring the seal;

(c) Serve all required notices of meetings of the Board and the Members;

(d) Keep current records showing the names and addresses of all Members; and

(e) Sign as Secretary all deeds, contracts and other written instruments that have been approved by the Board, if the instruments require a second Association

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signature and the Board has not passed a resolution authorizing another Officer to sign in the place and stead of the Secretary.

ARTICLE IX. TREASURER

9.01 ELECTION

At The first meeting of the Board immediately following the first annual meeting of the Members, the Board shall elect one Trustee to act as Treasurer.

9.02 DUTIES

The Treasurer shall:

- (a) Receive and deposit all of the funds of the Association in any bank or banks selected by the Board;
- (b) Be responsible for and supervise the maintenance of books and records to account for Association funds and other Association assets;
- (c) Disburse and withdraw Association funds in the manner specified by the Board; and
- (d) Prepare and distribute the financial statements for the Association required by the Declaration.

ARTICLE X. SUBORDINATE OFFICERS

10.01 APPOINTMENT

The Board may appoint, at any time, any subordinate Officers that the business of the Association may require.

10.02 DUTIES

The Board shall prescribe the term of office, authority and duties of subordinate Officers. Those duties may include the right to act in the place and stead of any Officer other than the President and the Treasurer.

ARTICLE XI. BOOKS AND RECORDS

11.01 REQUIRED BOOKS AND RECORDS

The Association shall maintain at its principal office:

- (a) Copies of the Governing Instruments, as last amended;
- (b) Adequate and correct books and records of account.

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(c) Written minutes of the proceedings of its Members, of its Board, and of committees of its Board; and

(d) A membership register containing the name, address and class of membership of each Member.

11.02 INSPECTION RIGHTS

The above books and records shall be made available for inspection as follows:

(a) Any Member shall have the right to inspect the Governing Instruments at the principal office of the Association at any reasonable time during office hours;

(b) Any Member shall have the right to inspect the books and records described in Section 11.01(b)-11.01(d) and to copy them at any reasonable time and for a purpose reasonable related to his or her interest as Member. This right is subject to the power of the Board to set reasonable times for inspection, notice requirements, and fees to cover the cost of making copies of the documents requested by a Member; and

(c) Every Trustee shall have the absolute right to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association at any reasonable time. The right of inspection by a Trustee includes the right to make extracts and copies of documents.

ARTICLE XII. NONLIABILITY AND INDEMNIFICATION

12.01 DEFINITION OF AGENT

For purposes of this Article, "Agent" means any present or former Trustee or Officer or any other employee or agent of the Association.

12.02 NONLIABILITY

Except as provided by law, no right, power or responsibility conferred on the Board or the Architectural Committee by the governing Instruments shall be construed as a duty, obligation or disability charged upon any Agent. No Agent shall be liable to any party (other than the Association or a party claiming in the name of the Association) for injuries or damage resulting from the Agent's acts or omissions within what the Agent reasonably believed to be the scope of his or her Association duties ("Official Acts"), except to the extent that the injuries or damage result from the Agent's willful or malicious misconduct. No Agent shall be liable to the Association (or to any party claiming in the name of the Association) for injuries or damage resulting from the Agent's Official Acts, except to the extent that the injuries or damage result from the Agent's negligence or willful or malicious misconduct.

12.03 INDEMNIFICATION

the Association shall pay all expenses actually and reasonable incurred by, and satisfy any judgment or fine levied against, any Agent as a result of any action or threatened action against the Agent to impose liability on the Agent for his or her Official Acts, provided that:

- (a) The Board determines that the Agent acted in good faith and in a manner the Agent reasonable believed to be in the best interests of the Association;
- (b) In the case of a criminal proceeding, the Board determines that the Agent had no reasonable cause to believe his or her conduct was unlawful; and
- (c) In the case of an action or threatened action by or in the right of the Association, the Board determines that the Agent acted with the care (including reasonable inquiry) that an ordinarily prudent person in a like position would use under similar circumstances.

12.04 APPROVAL BY BOARD

Any determination of the board required under this Article must be approved by a majority vote of a quorum consisting of Trustees who are not parties to the action or threatened action-giving rise to the indemnification. If the Board fails or refuses to make any such determination, the determination may be made by the vote or written consent of a majority of a quorum of the Members, provided that the Agent to be indemnified shall not be entitled to vote.

12.05 PAYMENTS

Payments made pursuant to this Article shall include amounts paid and expenses incurred in settling the action or threatened action. This Article shall be construed to authorize payments and indemnification to the fullest extent now or hereafter permitted by applicable law.

12.06 INSURANCE

The Association may purchase and maintain insurance in behalf of its Agents to the extent and under the circumstances provided in the Declaration.

ARTICLE XIII. AMENDMENTS

13.01 AMENDMENT OF BYLAWS

So long as a two-class voting system is in effect, any amendment of these Bylaws shall require the vote or written consent of Members representing fifty-one percent (51%) of a quorum of Members of each class. After conversion of the Class B Membership to Class A Membership, these Bylaws may be amended by the vote or written consent of (i) fifty-one percent (51%) of a quorum and (ii) fifty-one percent (51%) of the votes of Members other than the Declarant. Notwithstanding the foregoing, the percentage of a quorum or of the voting power of the

Association or of Members other than the Declarant necessary to amend a specific clause or provision in these bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision.

13.02 RESTATEMENT

Upon any amendment of the Bylaws in accordance with this Article, the Secretary of the Association shall cause the written Bylaws to be restated in their entirety, giving effect to such amendment. Each restatement of the Bylaws shall be consecutively numbered; via, "First Amended and Restated Bylaws of the Ridge Association, a Utah Nonprofit Corporation."

ARTICLE XIV. TAX-EXEMPT STATUS

14.01 TAX-EXEMPT STATUS

The Board and Members of the Association shall conduct the business of the Association in such a manner that the Association shall qualify and be considered an organization exempt from federal and state income taxes pursuant to Internal Revenue Code Section 528 and Section 59-14A-25(b) UTAH CODE ANN., as the same may from time to time be amended.

14.02 FILING

The Board shall file or have filed any annual election for tax-exempt status that is required under federal state law and shall cause the Association to comply with the federal and state statutes, rules and regulations pertaining to those exemptions.

**CERTIFICATE OF SECRETARY
OF
EAGLE RIDGE AT EDEN HILLS HOMEOWNERS ASSOCIATION
A Utah Nonprofit Corporation**

I hereby certify that I am the duly elected and acting Secretary of the above Corporation and that the foregoing Bylaws, comprising sixteen (16) pages, constitute the Bylaws of the Corporation as duly adopted at a meeting of the Board of Trustees of the Corporation held on 3/10/99.

Dated: 3/12/99


Secretary

Dated: March 12, 1999

"Declarant"

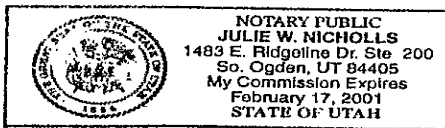
OPHEIKENS AND COMPANY, INC.

By Orluff Opheikens
Orluff Opheikens, President

STATE OF UTAH)
) ss
COUNTY OF WEBER)

On the _____ day of March, 1999, before me, a notary public, personally appeared ORLUFF A. OPHEIKENS, personally known to me to be the person who executed the within instrument as President of OPHEIKENS & COMPANY, INC., the corporation named therein, and acknowledged to me that the corporation executed it.

WITNESS MY HAND AND OFFICIAL SEAL.



Julie W. Nicholls
NOTARY PUBLIC

BOUNDARY DESCRIPTION

A PART OF THE SOUTHEAST 1/4 OF SECTION 21, T7N, R1E, SLB&M, BEGINNING AT A POINT ON THE WEST LINE OF PATIO SPRINGS UNIT NO.1 CLUSTER SUBDIVISION, SAID POINT BEING SOUTH 639.85 FEET AND WEST WEST 742.44 FEET FROM THE EAST QUARTER CORNER (WCS BRASS CAP 1981) OF SAID SECTION 21 (BASIS OF BEARING N 00°20'47" E FROM SAID CORNER TO THE NE CORNER OF SAID SECTION 21); THENCE AS FOLLOWS:

COURSES:

S 00°16'43" W	1361.83 FT.	ALONG SAID WEST PATIO SPRINGS WEST LINE; THENCE
N 88°02'35" W	268.29 FT.	THENCE;
N 78°18'42" W	60.59 FT.	THENCE;
N 69°40'27" W	390.37 FT.	THENCE;
N 25°38'33" E	181.11 FT.	THENCE;
N 11°22'41" W	338.70 FT.	THENCE;
S 78°37'19" W	171.08 FT.	TO A NON-TANGENT CURVE TO THE LEFT; THENCE
NORTHWESTERLY	6.21 FT.	ALONG SAID CURVE TO A TANGENT LINE (DELTA=01°23'43", R=255.11, T=3.11, CH=6.21', CHB=N 10°40'50" W); THENCE;
N 11°22'41" W	307.19 FT.	TO A TANGENT CURVE TO THE LEFT; THENCE;
NORTHWESTERLY	121.87 FT.	ALONG SAID CURVE TO A NON-TANGENT LINE TO THE RIGHT (DELTA=13°10'31", R=530.00, T=61.21, CH=121.61, CHB=N 17°57'57" W); THENCE;
N 76°14'57" E	963.90 FT.	TO THE P.O.B.
		CONTAINS: 19.511 ACRES (INCLUDING COMMON AREA) AND 17 LOTS

Eagle Ridge Cluster Ph 1

~~22-139-0001~~ THROUGH ~~22-139-0017~~

22-139-0001-0018