

13-143

BYLAWS*
OF

PARK PLACE HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

1. **NAME.** The name of the Corporation is Park Place Homeowner's Association, Inc. Hereinafter referred to as the "Association."
2. **LOCATION.** The principal office of the Corporation shall be located in the Association clubhouse at 1574 East Park Place North, Salt Lake City, Utah, 84121.

ARTICLE II

MEMBERSHIP AND FEES

1. **MEMBERSHIP.** Every person or entity who is a record owner of any Park Place unit is a Member of the Association, hereinafter referred to as Member(s), as provided for in Article III, section I, of the Declaration of Covenants, Conditions and Restrictions of the Park Place subdivision, a Residential Planned Unit Development (PUD). In whatever section herein the word "Member(s)" appears with the word "Resident(s)," the contents of that section shall apply equally to Members and Residents. A Resident shall include any person living in any unit (lot) within Park Place.
2. **FEES AND CHARGES.** All monthly membership fees are due on the first day of the month, and special assessments and other charges are due and payable on the first day of the month, unless otherwise scheduled. All payments received shall be applied to the oldest amount due.
3. **PENALTIES AND/OR SUSPENSION OF MEMBERSHIP RIGHTS.** A Member/Resident who has not paid in full the monthly membership fees, special assessment, fines, or any other charges levied by the Association, when due, is delinquent and shall be subject to penalties, fines and/or suspension levied as follows:
 - (a) A \$50 late fee may be charged if any payment is more than 20 days delinquent. An additional \$50 fee may be charged each subsequent month the account is in arrears.

* Effective October 14, 2010. Replaces previous versions of Bylaws.

(b) Members whose accounts are 60 or more days delinquent may be referred to the Association's attorney for appropriate action including filing of liens. All costs incurred by the Association shall be borne by the delinquent Member/ Resident involved, including but not limited to reasonable attorney's fees, court and collection costs.

(c) After delinquency of more than 60 days, the Members' rights, and his/her Residents' rights, to access and use the Association facilities, including, but not limited to the swimming pool, picnic area, tennis courts, RV center, rental of a Permit parking stall, and clubhouse, shall be suspended by the Board of Directors, hereinafter referred to as the "Board," after giving notice and an opportunity to be heard, until such time as all fees, assessments, fines, penalties, late fees and other charges have been paid in full and brought current.

(d) The notice shall inform the Owner: (1) that their right of access and use of Association facilities will be terminated if payment of the assessment is not received and shall be given to owner at least forty-eight (48) hours prior to termination of such right; (2) of the amount of the assessment due, including interest and late fees; and, (3) of their right to request an informal hearing to dispute the assessment by submitting a written request to the Board within fourteen (14) days after the date on which the Owner receives the notice. The hearing shall be conducted by the Board in accordance with the standards adopted by the Board pursuant to a resolution.

(e) The Board may also suspend Members/Resident's privileges for a period not to exceed 90 days for violation of any rules or regulations governing the use of the common areas and facilities.

(f) Any Member delinquent in payment of their Association fees, special assessments, fines, penalties and other charges shall be ineligible to vote, as per Article 2, Section 2 of the Association Articles of Incorporation.

4. MEMBERS RESPONSIBILITY. Each Member shall at all times be responsible and liable for the actions of his/her family, tenants, guest, contractors, employees, or contract purchases.

ARTICLE III

PROPERTY RIGHTS, RIGHTS OF ENJOYMENT

1. **USE AND ENJOYMENT.** Subject to Article II, Section 3 above, each Member shall be entitled to the use and enjoyment of the common areas and facilities as provided in the Declaration. Any non-Resident

Member may delegate, thereby relinquishing, his/her rights of enjoyment to the Members of his/her family, tenants, or contract purchasers, who reside on the property. The rights and privileges of such residents to whom use rights have been delegated are the same as those of the Member who relinquished such rights.

2. **SALE OR OTHER CONVEYANCE.** Members must give the Association written notice within 10 days, of the selling, leasing or other conveyance of their lot to other parties, and must indicate those terms and conditions of such pending conveyance that may have bearing upon the Association and its functions. In addition, Members must have the purchaser or proposed Resident submit a notice of residency to the Association, within 10 days of purchasing or leasing. Non-compliance with either of these requirements may result in a fine being levied against either party.

ARTICLE IV

BOARD OF DIRECTORS

1. **NUMBER AND ELIGIBILITY.** The affairs of this Association shall be managed by a Board of seven (7) directors. Only one person per household unit may serve as a Member of the Board of Directors at any given time

2. **TERM OF OFFICE.** The term of each director shall be two (2) years. No person may be elected by the Members for more than two consecutive terms on the Board. Terms for Directors shall be planned so as to schedule election of three (3) or four (4) Directors each year.

3. **REMOVAL.** Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association present and voting, either in person or by proxy, at the annual meeting or a special meeting called for that purpose. Any director who shall be absent from three (3) consecutive regular and/or special Board meetings, with or without prior notice, shall be automatically removed from the Board unless determined otherwise by the Board.

4. **VACANCIES.** In the event of a vacancy on the Board, the Secretary shall advertise

the vacancy by flyer to all Members. The Secretary shall request that the names of all Members interested and willing to be a candidate to serve on the Board be submitted to the Vice President, for action by the Nominating Committee, by a date determined by the Vice President. The Board, by a plurality vote, shall then elect a replacement director, who shall serve for the unexpired term of his/her predecessor. If the vacancy occurs, or has been announced that it shall occur, within sixty (60) days of the annual meeting, and it shall not be necessary in the opinion of the remaining Board Members to fill the vacancy immediately, then the replacement Member shall be elected at the Annual Meeting.

5. **COMPENSATION.** No director shall receive compensation for any services rendered to the Association as a Director. However, Directors may be reimbursed for their reasonable and Board approved expenses incurred in the performance of their duties.

6. **ACTION TAKEN WITHOUT A MEETING.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting if a quorum of members of the Board, in writing, either: (1) vote for the action; or, (2) vote against the action or abstain from voting and waive the right to demand that action not be taken without a meeting. Subject to the above, action taken under this provision is effective by obtaining the written approval of a majority of all the Directors. In both situations, separate minutes of actions taken will be provided.

7. **NOMINATING COMMITTEE.** There shall be a standing nominating committee composed of the Vice President and at least two other persons not on the Board, appointed by the president for a two year term.

(a) The committee chairperson shall be the vice-president.

(b) The committee shall make as many nominations for election to the Board as it shall in its discretion determine appropriate.

(c) Nominations may also be made from the floor at the Annual Meeting or other meetings duly called for the election of Directors.

8. **ELECTION COMMITTEE.** There shall be a standing election committee composed of the Secretary and at least two other persons not on the Board appointed by the President for a 2 year term.

(a) The chairperson of the committee shall be the Secretary.

(b) The duties of the committee shall be to establish voting procedures and count ballots.

9. **ELECTION.** Election to the Board shall be by secret ballot at the Annual Meeting of the Members of the Association or at any special meeting called for that purpose.

Only candidates' names selected by the Nominating Committee shall be listed on the ballot and they shall be listed in alphabetical order. At such election, the Members or their proxies may cast one (1) vote for each vacancy on the Board. The person or persons receiving the largest number of votes shall be elected. In the case of a tie vote, the tie shall be broken by drawing of lots. If for any reason both one (1) and two (2) year seats become vacant at the same time, the newly elected Directors shall determine who occupies which seat by a drawing of lots. The Secretary shall announce the results at the voting meeting, if possible, if not, such results shall be posted by the Secretary on the clubhouse outdoor bulletin Board no later than two days after such election.

10. **REGULAR MEETINGS.** Regular meetings of the Board shall be held at least during 10 months of each year with the date, time, and place to be determined by the Board or at the call of the President and posted on the clubhouse outdoor bulletin Board at least 10 days prior to any regular meeting. All board meetings shall be open to all Association Members/Residents and Board invitees. The participation of all attendees shall be reasonably limited by the Board in its sole discretion.

Disorderly conduct by any attendee may result in expulsion from the meeting and/or a fine, as provided in the rules and regulations.

11. **SPECIAL MEETINGS.** Special meetings of the Board shall be held when called by the President or any two (2) Directors, after no less than three (3) days and no more than ten (10) days notice to each Director of the date, time and place of meeting. Such notice shall also be posted by the Secretary on the Clubhouse outdoor bulletin board at the same time as the notice is given to the Board Members.

12. **LOCATION OF MEETING.** Board meetings shall be held at the clubhouse unless otherwise indicated in the notice

13. **QUORUM.** A majority of the directors must be in attendance at any Board meeting to constitute a quorum for the transaction of business. Every act or decision done or made by the Directors present at a duly held meeting at which a quorum is present, shall be regarded as the act of the Board. No Board Member shall be allowed to vote by proxy. If no quorum shall be present, the Directors present may conduct any essential and urgent business of the Association, which if not acted upon at that meeting, could be deemed to be detrimental to the Association.

14. **POWERS AND DUTIES.** The business and affairs of the Association shall be managed by its Board. The duties of the Board shall be as provided in the Declaration, the Articles and these Bylaws, and as determined by the Board itself, which duties shall be consistent with those documents and the laws of the state of Utah.

15. **COMMITTEES.** The Board may establish and disband committees as it deems appropriate. These committees shall perform duties and have powers as determined by the Board. The President shall appoint the Chairperson and the other committee Members. Subsequent vacancies created by resignation or dismissal by the Board of a Member for cause or any other situation resulting in such a vacancy shall be filled by appointment of a new Member or Members by the President as soon as reasonably possible after the vacancy's occurrence.

16. **RULES AND REGULATIONS.** The Board shall adopt and promulgate community Rules and Regulations for the benefit of the Members and for the protection of their property, which Rules and Regulations shall be consistent with the Bylaws, Declaration, Articles of Incorporation and State Law. Compliance with Association Rules and Regulations is in the interest and for the benefit of all residents. The Board shall consider and investigate complaints from members, but may follow up and determine the nature and degree of enforcement, consequences and penalties for violations of Rules and Regulations as they deem appropriate -- based on the needs and interests of the overall Association.

17. **OPEN MEETINGS; EXECUTIVE SESSIONS.**

(a.) Open Meetings. Except as provided in Subsection (b) of this section, all meetings of the Board shall be open to lot Owners. However, no Owner shall have a right to participate in the Board meeting unless the Owner is also a member of the Board. The president shall have the authority to exclude an Owner who disrupts the proceedings at a Board meeting.

(b.) Executive Sessions. In the discretion of the Board, the following matters may be considered in executive session:

- (1) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;
- (2) Personnel matters, including salary negotiations and employee discipline;
- (3) The negotiation of contracts with third parties;

- (4) Collection of unpaid assessments; and
- (5) Planning and discussions to prepare business to be reviewed or actions to be taken in Open meetings.

(c) Executive Session Procedure.

- (1) Except in the case of an emergency, the Board shall vote in an open meeting whether to meet in executive session. If the Board votes to meeting in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.
- (2) A contract or an action considered in executive session does not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes.

18. Meetings by Telephonic or Electronic Communication.

In the event of an emergency, meetings of the Board may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Board participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

ARTICLE V

MEETING OF MEMBERS

- 1. **ANNUAL MEETINGS.** Annual meetings of the Members shall be held during the first quarter of each calendar year. The date, the time, and the place of the Annual meeting will be determined by the Board.
- 2. **SPECIAL MEETINGS.** Special Member meetings may be called at any time by the President or by a majority of the Board, and must be called upon written petition of at least 25% of those Members who are entitled to vote. Any request or petition for a special meeting must include the purpose of the meeting and only that purpose may be considered at such a meeting
- 3. **NOTICE OF MEETINGS.** Written notice of each meeting shall be given by the

Secretary or other person authorized by the Board to call the meeting, by delivering, to the unit, or mailing a copy of such notice, postage prepaid, no less than ten (10) days and no more than thirty (30) days before such meeting to each Member/Resident and delivered to or addressed to the Member's/Resident's address last appearing on the books of the Association. Such notice shall specify the place, date, and hour of the meeting, and, in case of a special meeting, the purpose of the meeting. All such notices shall also be posted by the Secretary on the Clubhouse Bulletin Board at the same time as delivery and/or mailing of the notice.

4. **QUORUM.** A simple majority of Members, eligible to vote, per Article II, Section 2, of the Association's Articles of Incorporation, present either in person or by proxy, constitutes a quorum for the transaction of Association business at any Annual or Special meeting of the Association. If no quorum shall be present the Members present may conduct any essential urgent business of the Association, which if not acted upon at that meeting, could be deemed to be detrimental to the Association.

5. **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 prior to or at the meeting for which the proxy is valid. Every proxy shall be revocable a) by the Member any time prior to the subject meeting, b) if the subject Member attends, and c) shall automatically cease to be valid upon sale or other conveyance by the Member of his/her lot. Proxies may be given to anyone. Proxy forms will be available at the Association office and delivered and mailed with the meeting notice.

6. **LOCATION OF MEETINGS.** Member meetings may be held at such places within the State of Utah, County of Salt Lake, as may be designated by the Board.

7. **VOTING.** Only one vote per lot at any Annual or special Member meeting, or by proxy, shall be allowed, as per Article II, Section 2, Articles of Incorporation.

8. **FIDUCIARIES AND JOINT OWNERS.**

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

(b) Joint Owners. Whenever any Unit is owned by two or more persons jointly, according to the records of the Association, the vote of the lot may be exercised

by any one of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one co-owner 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 lot shall be disregarded completely in determining the proportion of votes given with respect to the matter.

9. ORDER OF BUSINESS.

The order of business at annual meetings of the Association shall be:

- (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, as determined appropriate;
- (e) Reports of committees, as determined appropriate;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment.

10. MEETING PROCEDURE.

Unless other rules of order are adopted by resolution of the Board:

- (a) Meeting of the Association shall be conducted according to the latest edition of Robert's Rules of Order published by the Robert's Rules Association.
- (b) A decision of the Association may not be challenged because the appropriate rules of order were not used unless a person entitled to be heard was denied the right to be heard and raised an objection at the meeting in which the right to be heard was denied.
- (c) A decision of the Association is deemed valid without regard to procedural errors related to the rules of order one year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

11. ACTION BY WRITTEN BALLOT IN LIEU OF A MEETING.

- (a) Action By Written Ballot. At the discretion of the Board, any action, except election or removal of directors, that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Owner that is entitled to vote on the matter not less than twenty (20) days prior to the date on which the ballots must be received by the Association in order to be counted.

(b) Form and Effect of Ballot

- (1) The written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action.
- (2) A written ballot may not be revoked.

(c) 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.
- (2) Specify the period during which the Association will accept written ballots for counting, which period shall end on the earliest of the following unless the vote is pursuant to the secrecy procedure described in Subsection (d) of this section:

- (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.

(d) Secrecy Procedure. The Board may elect to conduct a vote pursuant to this section by a secrecy procedure whereby a written ballot is accompanied by:

- (1) A secrecy envelope;
- (2) A return identification envelope to be signed by the owner; and
- (3) Instructions for marking and returning the ballot.

(e) Determination of Vote. The outcome of a vote by written ballot in lieu of a meeting shall be determined by the Board within forty-eight (48) 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 to be 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 to be 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) Except as provided in Subsection (e)(4) of this section, 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.

(4) Written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

(f) Owner Notification of Ballot Results. Each Owner shall be notified within ten (10) days after the ballots have been counted, by mail or other delivery of written notice, of the results of the ballot meeting or that a quorum of ballots was not returned.

12. ACTION WITHOUT A MEETING.

(a) Any action that may be taken at any annual, regular or special meeting of the Association, may be taken without a meeting and without solicitation of written ballots pursuant to Section 11 above, if the action is taken by all of the owners entitled to vote on the action.

(b) The action must be evidenced by one or more written consents describing the action taken, signed by all of the owners entitled to vote on the action, and delivered to the Association for inclusion in the minutes or filing with the Association records.

(c) Action taken under this section is effective when the last owner signs the consent, unless the consent specifies an earlier or later effective date. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

ARTICLE VI

OFFICERS

1. **ENUMERATION OF OFFICERS.** The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer and such officers as the Board may from time to time create by resolution. All of the officers of the Association shall be Members of the Board.
2. **ELECTION OF OFFICERS.** The election of officers shall take place at a meeting of the new Board which shall take place as soon as is reasonably possible following each annual meeting of the Members.
3. **TERM.** The officers of the Association shall be elected annually by the Board. The President, Secretary, and Treasurer shall not serve more than two consecutive one year terms in each such respective office.
4. **REMOVAL.** Any officer may be removed from office with cause by the Board.
5. **VACANCIES.** A vacancy in any elective office shall be filled by election by the Board. In case of a tie the winner shall be determined by drawing lots. The officer elected to such vacancy shall serve the remainder of the term of the officer he/she replaced.
6. **MULTIPLE OFFICES.** The President shall not hold any other Association elected office while serving as President of the Association.
7. **DUTIES.** The duties of the officers are as follows:
 - (a) **President.** The President shall be the chief executive officer of the Association, whose duties shall include:
 - (1) Presiding at Member and Board meetings.
 - (2) Seeing that orders and resolutions of the Board, not specifically assigned by them or another Member of the Board, are carried out.
 - (3) Signing, for the Association, of all leases, mortgages, deeds, contracts, agreements and other documents approved by the Board.
 - (4) Reviewing all bank statements and other documents to which the Board is a party.
 - (5) Supervising the property manager, Association manager, office manager, maintenance supervisor, maintenance contractor and

other positions as assigned by the Board.

(6) Performing such other duties, not in conflict with any other governing document of the Association, as assigned by the Board.

(7) Appoint chairpersons and members to serve on all Association committees, normally for two year periods.

B) **Vice President.** The duties of the Vice President shall include:

(1) Acting in the place and stead of the President in the event of his/her absence, inability or refusal to act.

(2) Serving as the chairperson of the nominating committee.

(3) Performing such other duties as assigned by the Board. Any action taken by the Vice President when acting in the place and stead of the President shall have the same effect as if taken by the President.

C) **Secretary.** The duties of the Secretary shall include:

(1) Serving as the chairperson of the election committee.

(2) Serving notice of Board and Member meetings as provided herein.

(3) Keeping the minutes and proceedings of the Board and Member meetings.

(4) Post all Member meeting and Board meeting minutes to the Association website within seven days of approval by the Board.

(5) Keeping current records of the Members of the Association, together with their addresses and phone numbers.

(6) Advertise Board vacancies in writing to all Members/Residents requesting names of persons willing to be a candidate be submitted to the Vice President.

(7) Maintain corporate records.

(8) Performing other such duties as assigned by the Board.

D) **Treasurer.** The duties of the Treasurer shall include,

(1) Overseeing, performing or causing to be performed, the financial related duties of that office, including but not limited to keeping the Board and Members apprised of the financial state of the Association,

(2) Supervising the bookkeeper/bookkeeping,

(3) Serving as the Board liaison with independent accountants

- employed or contracted with by the Board,
- (4) Serving as chairperson of the financial committee,
 - (5) Performing such other duties as assigned by the Board.

ARTICLE VII

RECORDS, ACCOUNTING, AND FINANCIAL MANAGEMENT

1. **GENERAL RECORDS.** 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 Utah Revised Nonprofit Corporation Act in the manner prescribed by a resolution adopted by the Board.

- (a) The Board and managing agent or manager, if any, shall keep detailed records of the actions of the Board and managing agent or manager; minutes of the meetings of the Board; and minutes of the annual meeting of the Association.
- (b) The Board shall maintain a Book of Resolutions containing the rules, regulations, and policies adopted by the Association and Board.
- (c) The Board shall maintain a list of Owners and may maintain information on Mortgagees of Lots. The list of Owners shall specify whether the Owner is an Owner in Good Standing or a Suspended Owner.
- (d) Proxies and ballots must be retained for one (1) year from the date of determination of the vote.

2. RECORDS OF RECEIPTS AND EXPENDITURES

The Board or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Association, itemizing the maintenance and repair expenses of the Common Areas or Association property and any other expenses incurred. Receipts may be filed by vendor, member or business, or chronologically.

3. ASSESSMENT ROLL.

The Assessment roll shall be maintained in a set of accounting books in which there shall be an account for each lot. The account shall designate 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.

4. **INSPECTION.** All financial records of the Association, except accounts of Members, shall be available for inspection by any Member during the Board established and posted business hours of the Association office, upon three business day's notice.

5. **FISCAL YEAR.** The fiscal year of the Association shall be the calendar year.
6. **ACCOUNTING AND ACCOUNTING RECORDS.** A financial statement shall be prepared at least each calendar quarter by the treasurer and made available to Members upon request. Original accounting records and original working papers shall not be removed from the principal office of the Corporation. If needed, the treasurer, Association CPA, or legal counsel may take copies of original Association documents from the Association office. All keys, access codes and passwords to the computer, including all disks, programs and devices, shall be furnished to the Board President and the Treasurer. The keys, access codes and/or the passwords shall not be changed without prior approval of the Board .
7. **FUNDS AND INVESTMENTS.** Association funds and investments are the property of the Members collectively. Investment criteria for Association funds must have safety of the principal and maturity dates allowing accessibility for bona fide Association requirements, as the primary consideration. Savings accounts, CDs and other such deposits must be placed only with top rated banks or financial institutions and be protected by the Federal Deposit Insurance Corporation, or, alternatively, invested in US Treasury bills or notes with maturity dates coinciding with Association fund requirements and safety from market fluctuations. Any such investments must be approved by a super majority (five of seven) of the Board.
8. **BANK STATEMENTS.** All checking and savings account statements shall be sent to the Association address. The statements shall be made available upon receipt to the President and Treasurer for review.
9. **DOCUMENT PROTECTION:** the Board shall provide adequate fireproof protection for current and past business records.
10. **EXPENDITURES.** Any capital expenditure in excess of \$20,000 that is not in the approved annual budget shall require the approval of the Members at the Annual meeting or a special meeting duly called for that purpose. The Board at regular or special meetings shall approve any expenditure over \$500 and up to \$20,000 that are not in the approved annual budget. The President may approve expenditures up to \$500.
11. **AUTHORIZED SIGNATURES.** The President, Vice President, Treasurer and Secretary, only, shall be authorized to sign bank signature cards and checks on behalf of the Association. No other person shall be authorized or allowed to sign checks on Association accounts. Two authorized signatures shall be required on each Association check issued, unless such check is for less than \$100 for which

only one authorized signature shall be required.

12. **FINANCIAL DATA.** Current Association bank statements and record of disbursements from the Association check register shall be made available for review by the Directors at each regularly scheduled meeting of the Board. Board Members are responsible for awareness and understanding of these and other Association financial records.

13. **MEMBER REQUESTED AUDIT.** Any Member may request a supplemental audit of the Association and this shall be done at the requesting Member's expense. However, if one-third of the Members approve, by written and signed ballot, the expense will be borne by the Association.

14. **FINANCIAL COMMITTEE.** There shall be at all times a standing financial committee composed of a Chairperson and at least two other persons not on the Board who shall be appointed by the President to serve up to two year terms.

(a) The chairperson of the finance committee shall be the elected treasurer.

(b) The financial committee will have access to all books, records, documents and other material, that in their discretion, are necessary for the conduct of their financial oversight and to ensure all financial transactions are in accordance with the Association regulations.

(c) The finance committee shall arrange for a detailed financial audit (commonly termed fraud audits due to the detail involved) each year, and will also conduct operational audit(s) as deemed necessary to the Committee. All financial audits shall be conducted in accord, as nearly as is reasonably practical, with tests, reviews and procedures generally followed by independent public accountants and by qualified internal auditors performing such audits. Other checks that may be indicated may also be used by the financial committee. Written reports will be prepared and submitted to the Board and Members by the committee within 30 days of the completion of such audits.

15. **ANNUAL BUDGET.** An Annual budget shall be prepared each year.

(a) The President and Treasurer shall prepare and submit to the Board a proposed budget for the forthcoming fiscal year no later than December 1st of each year.

(b) The Board shall approve the annual budget for the forthcoming fiscal year at least 30 days prior to the Annual Membership meeting.

(c) The approved annual budget shall be presented to the Members at the Annual Association meeting.

16. INSPECTION OF RECORDS BY OWNERS.

(a) Except as otherwise provided in Section 9.7 below, all records of the Association shall be reasonably available for examination by an Owner, any Mortgagee of a Unit, any lender and the holders and insurers of the first Mortgage on any Unit, pursuant to rules adopted by resolution of the Board of Directors.

Furthermore, the Association shall make available current copies of the Declaration, Bylaws, other rules and regulations of the Association, and the most recent annual audited financial statement, if such is prepared, to any prospective purchaser into the Association.

(b) The Board of Directors 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 9.5 above.

(3) The current operating 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 (b) of this section.

(d) The Board of Directors, 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. The fee may include reasonable personnel costs incurred to furnish the information.

17. 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.
- (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 of Directors by its agents or committees for consideration by the Board of Directors in executive session held in accordance with Section 5.5(b) above.
- (f) Documents, correspondence or other matters considered by the Board of Directors in executive session held in accordance with Section 5.5(b) above.
- (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.

ARTICLE VIII

GENERAL

1. **KEYS.** The Board shall have the responsibility to safeguard the Association property and Keys.

2. **DAMAGE, CLAIMS AND INSURANCE COVERAGE.**

- (a) Each Member/Resident is responsible for the damage caused by him/her, his/her family, friends, guests or invitees, and shall indemnify the Association and hold it harmless there from.
- (b) Each Member/Resident shall be responsible for and shall maintain adequate homeowner/s and liability insurance, at their expense.
- (c) In the event of dual coverage of a loss or claim, the insurance of the Member/Resident shall in all instances be deemed to provide primary coverage.
- (d) Claims of Members/Residents must, in all instances, first be submitted to the claimant's insurance carrier without regard to the insurance of the Association. No Member/Resident may make a claim against the Association for property damages to his/her unit or personal property located therein if he/she is uninsured or his/her claim has been denied by his/her insurance carrier, unless the loss or damage was caused by the Association. Although covered by the Association's insurance policy, the Board may refuse to submit the claim of a Member/Resident to the

Association's insurance carrier if, in the sole discretion of the Board,

- (1) The damage or loss claimed was caused by the Member/Resident, his/her family, friends, guest or invitees,
- (2) The submission might result in the cancellation of the Association's insurance policy, or
- (3) Substantial increase in its premium, such that it would be unfair or inequitable to submit the claim, or,
- (4) The individual gain to be realized by the submission of the claim would be significantly disproportional to the common loss to be suffered.

(e) The deductible shall be the responsibility of and shall be paid by the party who would be liable for the loss, damage, claim, or repair in the absence of insurance, and, in the event of multiple responsible parties, the loss shall be allocated in relation to the amount each party's loss bears to the total. Provided, however, if the loss or damage is caused by an act of god or nature or by an element beyond the control of the Association, then the claimant shall be responsible for and shall pay the deductible anything to the contrary notwithstanding.

3. **MEMBERSHIP DOCUMENTS.** A binder containing a complete set of The Association documents consisting of the Rules and Regulations, Bylaws, Declaration of Covenants, Conditions and Restrictions and Articles of Incorporation shall be initially furnished to each unit. Updates of the documents or portions thereof will be furnished to all Members as changes are adopted. The binder and its contents are the property of the Association and shall remain with the unit for the benefit of purchasers, lessees and other residents. Replacement binders or contents may be purchased from the Association Office at a reasonable price determined by the Board.

4. **COMMUNICATIONS/CORRESPONDENCE.** Any and all official communications of the Association by the Board, employees or other persons on behalf of the Association must be in writing on Association letterhead and bear the signature of the President, and/or others in their capacities as representatives of the Association. All such communications shall reflect and comply with Association and Board policies.

ARTICLE IX

AMENDMENTS

1. These Bylaws may be amended, repealed or added to by a majority vote of all the Board at any regular Board Meeting or at a special meeting duly called for that purpose. These Bylaws and any amendments or additions thereto may also be amended, or replaced by the majority vote of the Members, present in person or by proxy, at any Annual or special meeting duly called for that purpose. Any amendment, addition or repeal of the Bylaws shall be distributed to the Members as soon as reasonably possible and shall become effective upon such distribution.
2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

ARTICLE X

INDEMNIFICATION

1. The Association shall indemnify every officer, director, and committee Member against any and all expenses, including legal fees, reasonably incurred by or imposed upon such officer, director, or committee Member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board to which he/she may be a party by reason of being or having been an officer, director, or committee Member).
2. The officers, directors, and committee Members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, criminal act or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee Member may be entitled. The Association shall, as a common expense, maintain adequate

general liability and officers' and directors' liability insurance to fund this obligation if such insurance is reasonably available.

ARTICLE XI MISCELLANEOUS.

1. NOTICES.

(a) Association. All notices to the Association or the Board shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board may hereafter designate from time to time.

(b) Owners.

(1) Except as otherwise provided in the Declaration, these Bylaws or law, all notices to any Owner shall be sent to such address as may have been designated by him or her, from time to time, in writing to the Board of Directors, or if no address has been designated, then to the Owner's Unit.

(2) If a Unit is jointly owned or the lot has been sold under a land sale contract, notice shall be sent to a single address, of which the secretary has been notified in writing by such parties. If no address has been given to the secretary in writing, then mailing to the Unit shall be sufficient.

2. 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.

3. 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.

4. 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.

CERTIFICATION

I, the undersigned, do hereby certify: (1) that I am the duly elected President of the Park Place Homeowner's Association, Inc., A Utah Corporation, and (2) that the foregoing Bylaws constitute the Bylaws of said Corporation, as duly adopted at a meeting of the Board of Directors thereof.

Date Approved: 12 October, 2010



Signed

Donald P. Brown
President
Park Place Homeowner's Association

Date distributed to Members and effective: 14 October 2010

x 

x 1/9/12

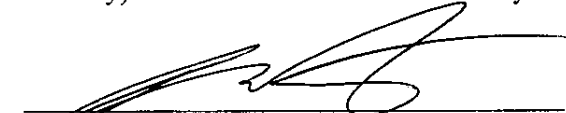
x Annette Woods

Acknowledgment Certificate

State of Utah)

County of Salt Lake §

On this 9th of January, in the year 2012, before me, Josh Hamilton
a notary public, personally appeared, Annette Woods
proved on the basis of satisfactory evidence to be the person(s) whose name(s) (is/are)
subscribed to this instrument, and acknowledged (he/she/they) executed the same. Witness my
hand and official seal.


NOTARY PUBLIC



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