

14053189 B: 11391 P: 724 Total Pages: 26
12/15/2022 11:56 AM By: kkennington Fees: \$70.00
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BYLAWS

FOR

GRAYSTONE ARMS
CONDOMINIUM

IN

SALT LAKE CITY,
SALT LAKE COUNTY, UTAH

Effective on the Date of Recording with the Salt Lake County Recorder

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BYLAWS OF GRAYSTONE ARMS CONDOMINIUM
Homeowners Association
2760 Highland Drive
Salt Lake City, Utah 84106

The Bylaws of the Graystone Arms Condominium HOA are created to help manage the Association, give direction to current and future management groups and clarify specific areas of operations of the Association. These Bylaws will include procedures for electing and appointing officers of the Management Committee, the protocols for the Management Committee to call owner meetings, length of a term of the Management Committee members, voting methods, responsibilities and duties of the Management Committee, standards for amendments to the Association's governing documents and guidelines for insurance on the facility. The Bylaws are a living document and may be changed or updated from time to time. The Bylaws do not invalidate the adopted CC&Rs or any of Utah State Law which govern the Graystone Arms Condominium.

These Bylaws affect the real property and condominium units identified on Exhibit A attached hereto and incorporated herein by reference.

ARTICLE I
DEFINITIONS

The terms used herein shall have the meanings indicated. Any term used which is defined by the Utah Condominium Ownership Act shall, to the extent permitted by the context thereof, have the meaning ascribed by the Act.

1.1 **"Act"** means the Utah Condominium Ownership Act, Utah Code 57-8-1 et seq. as amended and expanded by the laws of Utah.

1.2 **"Assessment"** means any charge imposed by the Management Committee including:

- a. common expenses on or against a Unit Owner pursuant to the provisions of the governing documents; or
- b. an amount that the Association and the Management Committee assesses to a Unit Owner under the terms of the Act.

1.3 **"Association of Unit Owners" or "Association"** means all of the Unit Owners:

- a. acting as a group in accordance with the Declaration and Bylaws; and/or

- b. organized as a legal entity in accordance with the Declaration.

1.4 "Building" means a building containing units and comprising a part of the property of the Graystone Arms Condominium.

1.5 "Bylaws" means the bylaws enacted by the Association to provide a framework for its operation and management.

1.6 "Common Areas and Facilities", unless otherwise provided in the declaration or lawful amendments to the declaration, means:

- a. the land included within the condominium project;
- b. the foundations, columns, girders, beams, supports, main walls, roof, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances, and exits of the building;
- c. the basements, yards, gardens, parking areas and storage spaces;
- d. the installations of central services such as power, light, cold water;
- e. the elevators, tanks, pumps, motors, fans, compressors, ducts, all apparatus and installations existing for common use;
- f. such community facilities as may be provided for in the Declaration; and
- g. all other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

1.7 "Common Expenses" means:

- a. all sums lawfully assessed against the Unit Owners;
- b. expenses of administration, maintenance, repair, or replacement of the common areas and facilities;
- c. expenses agreed upon as common expenses by the Association; and
- d. expenses declared common expenses by State Code, this Declaration and the Bylaws.

1.8 "Governing Documents" means written instruments by which an Association:

- a. exercises powers;
- b. manages, maintains, or otherwise affects the property under the jurisdiction of the Association.
- c. Governing Documents include Articles of Incorporation, Bylaws, CC&R's, House Rules and Guidelines and Policies and Procedures of the Association. The hierarchy of these documents is set forth in Utah Condominium Ownership Act 57-8-40, which is the following order:

1. Declaration and Map;
2. Articles of Incorporation;
3. Bylaws; and
4. House Rules and other policies and procedures adopted by the Management Committee.

1.9 "Limited Common Areas and Facilities" means those common areas and facilities designated as reserved for use of a certain unit to the exclusion of the other units.

1.10 "Majority" or "Majority of the Unit Owners", means 51% of the Unit Owners voting.

1.11 "Management Committee" means the governing body of the Association as provided in the Declaration, charged with the responsibility and authority to make and enforce all of the reasonable rules governing the operations, oversee the maintenance and manage the affairs of the property.

1.12 "Management Committee Meetings" means a gathering of a Management Committee, whether in person or by means of electronic communication, at which the Management Committee can take binding action.

1.13 "Manager" means the person, persons or corporations selected by the Management Committee, with the approval of the Association, to manage the affairs of the condominium.

1.14 "Means of electronic communication" means an electronic system that allows individuals to communicate verbally in real time or in written form. Electronic communication includes;

- a. web conferencing;
- b. video conferencing;
- c. telephone conferencing;
- d. email and texting.

1.15 "Rentals" or "Rental Unit" means a unit that is occupied by an individual while the Unit Owner is not occupying the unit as the Unit Owner's primary residence. A rental does not imply ownership of the occupant.

1.16 “Property” or “Condominium Property” means the land, buildings, all improvements, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection with the condominium.

1.17 “Quorum” means 51% of the Association of Unit Owners. A quorum can be at 51% when the Management Committee acts on committee matters.

1.18 “Reinvestment Fee” means when a unit is sold, at closing, the escrow company will collect a reinvestment fee of .5% of the purchase price. Funds shall be paid to the Graystone Arms Condominiums HOA. Funds may be used by the Association for operations, administration, maintenance, improvements, repairs or replacement of association- owned facilities and expenses for taxes, insurance, operating reserves, and emergency funding on the property.

1.19 “Reserve Analysis” means a study to:

- a. determine the need for a reserve fund;
- b. determine the appropriate amount of the reserve fund; and
- c. prioritize specific projects that should be undertaken if said projects have a replacement life of more than three years and less than 30 years.

1.20 “Reserve fund” means money collected to cover the cost of repairing, replacing, or restoring common areas and facilities that have a useful life of three years or more and a remaining useful life of less than 30 years, if the cost cannot reasonably be funded from the general budget or other funds of the Association.

1.21 “Unit or Unit Owner” means the person or persons owning a unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities, held in common as specified and established in the Declaration.

ARTICLE II GENERAL PROVISIONS

2.0 The name of the Homeowners Association, hereafter referred to as Association, is the **Graystone Arms Condominium HOA Inc, located at 2760 Highland Drive, Salt Lake City, Utah 84106** in Salt Lake County, of the State of Utah.

2.1 Interpretation.

In case of any conflicts, or disputes, the interpretation of these Governing Documents shall be determined by (1) The State of Utah Condominium Ownership Act, (2) Nonprofit Corporation Act, (3) Declaration of CC&R's and Map (4) Articles of Incorporation (5) Bylaws, and (6) Rules, Regulations and Guidelines, in that order.

2.2 Fiscal Year.

The fiscal year of the association begins on the 1st day of January and ends on the 31st day of December.

**MANAGEMENT COMMITTEE LEADERSHIP AND THEIR DUTIES
ARTICLE III**

3.0 Management Committee Members.

A five member committee shall consist of the Chairman, Vice Chairman, Secretary, Treasurer, and one committee Member-at-Large. A three member committee shall consist of Chairman, Vice Chairman-Treasure and Secretary. (See 3.1 b,c,d,e) A three or five member committee may seek approval from the Association to employ the services of a property management company. The three member Management Committee shall have the power and authority to appoint members as "Member-At-Large" without voting privileges.

a. Chairman.

The Chairman shall be the chief executive officer of the Management Committee and shall preside at all meetings of the Committee and the Association. The Management Committee Chairman is to ensure that all directives and resolutions of the Association are carried out. The elected Chairman should have served at least one year as a member of a previous HOA Committee. This requirement may be waived if no elected candidate has this qualification. The Chairman shall also be responsible for the actions of the Property Management Company.

b. Vice Chairman.

The Vice Chairman shall be responsible for oversight as delegated by the Chairman. During the absence or disability of the Chairman, the Vice Chairman shall have all the powers and functions of the Chairman and perform such duties as the committee shall prescribe. On a three member Committee the Vice Chairman shall also be responsible for oversight of finances.

c. **Secretary.** The secretary shall:

1. attend all meetings of the Management Committee;
2. *give or cause to be given notice of meetings;*
3. keep a roster of owners' pertinent information to assist the Committee;
4. prepare and record minutes of committee meetings (Minutes may be taken in printed form or electronic form.); and
5. maintain all documents and records in electronic and written form in a proper and safe manner as required by state law and the governing documents.

d. **Treasurer.** The treasurer on a five member Management Committee shall:

1. have the oversight of the Association's funds, securities and assets;
2. maintain complete and accurate records of accounts, receipts and disbursements of the Management Committee;
3. deposit all money and other valuables belonging to the Association in depositories designated by the Management Committee;
4. disburse the funds of the Association as authorized by the Management Committee and preserve proper documentation of all transactions;
5. render to the Chairman an accounting of all transactions and provide a current financial statement of the Association;
6. deliver a full financial report at the Annual meeting, if so requested;
7. require Management Committee members to furnish reports and statements of all financial transactions entered into for the Association;
8. oversee financial transactions made by a property management company if hired by the Association;
9. perform other duties as assigned by the Management Committee Chairman.

e. Committee Member at Large.

On a five member committee, the "Member-at-Large" shall assist all members of the committee to fulfill their responsibilities and shall have committee voting rights. On a three member committee, a volunteer could be appointed as a "Member-at-Large" but will have no voting rights.

f. Committee Member Areas of Responsibility:

Designated committee members shall be assigned to have oversight in the following areas;

1. outside of the building property which shall include grounds, parking lots and exterior;
2. inside of the building which shall include cleaning, maintenance, interior repairs, interior assets, parking garage and other areas classified as common areas and facilities;
3. records and historical knowledge, notices to members and newsletter preparation;
4. financial records, electronic systems, association equipment and collateral assets;
5. oversight of all projects both inside and outside and in all matters affecting the Association; and
6. assess fines, cite offenders and enforce the provisions contained in the Governing Documents.

3.1 Elections.

- a. The Management Committee nominees shall be voted on at the Annual Meeting held on the second Tuesday in February, if possible. If there is a legitimate conflict with this date, another day in February will be chosen. The vote may be by written ballot, voice, raise of hand or by acclamation. There is one vote per unit.
- b. If there are enough nominees, one representative from each unit shall have five votes to elect five members of the Management Committee. If there are not enough nominees, one representative of each Unit will have three votes to elect three members to serve on the Committee. A Manager may be hired to assist the Management Committee. **(See 3.10 of Bylaws)**

- c. The nominees must be Unit Owners. At least one of the nominees should have served on a previous Management Committee, but not mandatory.
- d. In the first meeting after the election of the new Management Committee, the committee members will vote for one member to be Chairman of the Committee. If possible, the new Chairman should have served on a previous Management Committee, but not mandatory. Other officers should be either elected or appointed at this first meeting of the Management Committee by members of the Committee.

3.2 Term of Office.

Committee members shall assume their duties at the close of the meeting at which they are elected. Committee members shall serve for a term of one year or until their successors are elected. No Committee member shall serve for more than three consecutive terms in the same position on the Committee unless it is the Committee "Member-At-Large". If the Management Committee determines that a Committee member who has served for three consecutive terms should remain in that position, they may vote for an exception with 100% of the remaining Committee members in agreement.

3.3 Powers.

The Management Committee shall have the power and rights necessary to administer the Association's affairs and to perform the Committee's responsibilities as set forth in The State of Utah Condominium Ownership Act, Nonprofit Corporation Act, Articles of Incorporation, Association's CC&Rs, Bylaws, and Rules, Regulations and Guidelines, in that order. The Management Committee shall manage the use of the common areas and facilities by publishing and enforcing rules, regulations and guidelines. The Management Committee can assess monetary and/or punitive penalties for non-compliance of published rules, regulations and guidelines and failure to pay monthly dues and other assessments.

3.4 Responsibilities of Management Committee

- a. The Management Committee is responsible for the operation and management of Graystone Arms Condominium in accordance with the provisions of the Act;
- b. The Management Committee has the following authority and powers which are subject to the restrictive provisions of this Declaration:

1. the authority to execute and record amendments to the Declaration or Record of Survey Map which have been approved by a vote of the Association;
2. the power to sue and be sued;
3. the authority to enter into contracts which in any way concern Graystone Arms Condominium. (Any contract involving a cost greater than \$5,000 must have the consent of the Association by a specific vote for such expenditures.);
4. the authority to establish such reasonable rules, regulations and procedures as may be necessary to aid the Committee in carrying out any of its functions which are consistent with the governing documents;
5. the power and authority to perform any other acts and enter into any other transactions which may be reasonably necessary for the Committee to perform its function on behalf of the Association.
6. The Management Committee cannot make changes to rules, regulations, policy, procedures and guidelines which are or will be discriminatory to any owner.
7. Action to increase fees and assessments must be approved by 67% of owners voting.

3.5 Duties and Oversight of the Management Committee.

It shall be the responsibility of the Management Committee to:

- a. maintain complete and detailed records of all Association transactions and furnish said records to the Unit Owners when requested;
- b. supervise the employees and volunteers to ensure proper and ethical performance of the assigned duties and to provide security, safety and protection of the financial interests and assets of the Association;
- c. oversee the contractual maintenance of the condominium, including individual owner assessments;
- d. give notifications to Unit Owners in person, by electronic means, posting at the facility or by mail;
- e. issue upon request by Unit Owners or prospective Unit Owners a disclosure packet pursuant to state law;
- f. indemnify past and/or present presidents, chairman, officers and committee members of the Association to the extent such indemnities are required or permitted by state law;

- g. establish and maintain insurance coverage on the condominium property including:
 - 1. Liability Insurance coverage on the entire condominium property;
 - 2. Hazard Insurance coverage for the property and the common areas and facilities;
 - 3. Fidelity Bond or insurance naming the Management Committee as the obligate or insurance trustee in the amount sufficient to afford the protection and coverage against dishonest acts on the part of a manager, employees of the managers, trustees, employees, officers, committee members or volunteers responsible for handling funds administered by the Management Committee;
(See 5.0 of Bylaws)
- h. cause the Common Areas and Facilities to be maintained.
- i. Administer the financials by:
 - 1. developing the annual budget and presenting it to Owners;
 - 2. establishing and maintaining a Reserve Fund through monthly assessments;
 - 3. preparing a Reserve Analysis every six years and update every three years;
 - 4. collecting reinvestment and transfer fees of .005% from the price of a newly purchased unit and depositing the funds into the general operations or reserve accounts;
 - 5. preparing a monthly financial accounting statement and making it available to the Home Owners upon request; and
 - 6. enforce the governing documents which apply to all owners, their families, guests and workers.

3.6 Compensation.

- a. Management Committee members shall not receive compensation for serving on the Committee.
- b. Management Committee members shall be reimbursed for all pre-approved expenses reasonably incurred in connection with committee business. Proof of purchase must accompany the request for reimbursement.
- c. A Committee member may be employed by the Management Committee in another capacity and receive compensation.

3.7 Removal of a Management Committee Member.

Any Committee Member elected by the Association may be removed by a vote of 51% of the Association Members voting. Any Committee Member appointed by the Management Committee may be removed with cause by a vote of 51% of the Management Committee.

A Management Committee member can be removed from the Committee without a vote if said member has three consecutive unexcused absences to regular Committee meetings, is delinquent in assessments for 90 days, or is in violation of the covenants and fails to correct the violation. Once removed, the Management Committee shall appoint a successor from the Association membership.

Actions to remedy less serious offenses of Committee Members could be resignation, censure, restriction of the use of certain common areas, full restitution, and/or apology to those involved.

3.8 Resignation and Filling Vacancies.

- a. Any member of the Management Committee may resign at any time by giving written notice to the Committee.
- b. If a vacancy occurs on the Management Committee, the remaining Committee members will choose a replacement to serve until the next election at the annual meeting.

3.9 Liability of Committee Members and Unit Owners

- a. No member of the Management Committee shall be liable to the Unit Owners for any mistake of judgment, negligence, or on other grounds, except for such member's own individual and willful misconduct.
- b. The Association shall indemnify and hold harmless each member of the Management Committee from and against all liability, including reasonable attorney's fees to third parties arising out of any contracts made by the Management Committee on behalf of the Owners.
- c. Liability arising out of any contracts made by the Management Committee shall be covered by the indemnification provisions of the Associations insurance policy.

3.10 Special Election outside the Annual Meeting

- a. An election will be held in the event the entire Committee is dissolved.
- b. The term of service for those elected at a special election shall be only until the next Annual Meeting of the Association.

- c. If a special election is required, it will be conducted by an Association Member who will specify the purpose of the special election and the need for a vote.
- d. The procedure used for the special election shall be the same as for the elections of the Management Committee at the Annual Meeting of the Association.
- e. The newly elected Management Committee will meet in a separate meeting, according to the Bylaws, and elect the new officers of the Committee.

3.11 Professional Management Services

- a. With the approval of 51% of those owners voting in person or by proxy, a management company may be hired by the Association of Unit Owners and the Management Committee.
- b. The performance of the management company will be reviewed annually by the Association and the Management Committee.
- c. A representative of the professional management company must attend the annual meeting and give a report of the status of the Association.
- d. The agreement with a management company may be terminated without cause by the Association of Unit Owners (51%) of those voting, and the Management Committee with (51%) majority.,

ARTICLE IV

COMMITTEE AND ASSOCIATION MEETINGS AND VOTING RIGHTS

4.0 Civil order and proper decorum shall be observed at all meetings.

4.1 Eligibility to Vote at All Meetings.

Owners in good standing are entitled to attend meetings, vote, hold elective or appointive office and serve on committees. An Owner must be current on payment of all assessments to vote or send a Proxy or Trustee. There is only one vote per unit.

4.2 Annual Meeting.

The Annual Association Meeting shall be held on the second Tuesday in February, if possible. If there is a situation that makes a meeting on the second Tuesday in February impossible, another date in February may be chosen. The Annual Meeting location shall be within the state of Utah, County of Salt Lake, or

another location designated by the Committee. Written or electronic notice of the meeting will be given to Unit Owners at least 14 days before the meeting.

The Annual Meeting is open to all eligible Owners, Proxies and Trustees. In the event the required 51% quorum is not reached, the meeting shall be adjourned for 24 hours, at which time the meeting will reconvene and any number of Unit Owners present shall constitute a quorum.

The purpose of the Annual Meeting is to:

- a. Allow the Association to vote for a three or five member Management Committee.
- b. If deemed necessary, vote on the employment of a property management company to assist the Committee in the management of the Association.
- c. Report on the financial and physical condition of the property, the needs, plans of the property and any proposed changes to governing documents.
- d. Provide the Unit Owners with;
 1. a budget for the coming fiscal year that lists the estimated common expenses;
 2. a list of the common expenses for the previous year and current fiscal year;
 3. a listing of proposed projects and estimated costs that are declared in the reserve account assessment;
 4. an accounting of collections, deposits, interests, investments and withdrawals from the reserve account.

4.3 Management Committee Meetings.

- a. All regular Management Committee meetings are open to all owners, except for those meetings which may be closed pursuant to Section 4.5 of said document. Committee meetings can be virtual when circumstances require.
- b. The Committee shall meet on a day and time determined by the Committee. A Quorum shall be 51% of the Committee Members.
- c. Notice of the meeting shall be given to all members of the Association at least 48 hours prior to the meeting. Notice may be delivered in person, by electronic notification or by issuing a yearly schedule stating the location, dates and time and posting the notice at the property.
- d. Notice of cancellation of the monthly committee meeting shall be posted 24 hours in advance.

- e. The Association members may give input or ask questions at a designated time during meetings of the Management Committee. If members would like to have an item put on the official meeting agenda, they must submit the request in writing prior to the meeting. The Committee can either bring the item to the floor at the next committee meeting, answer the request directly to the person submitting the request or have the item placed on the agenda of a specially called meeting of the Association.

4.4 Action Taken in Any Management Committee Meeting.

The actions of the Management Committee shall be valid if the required quorum is present. **(see 1.18 of the Bylaws)**

- a. If actions are taken outside of a regular committee meeting, such actions shall be valid if a quorum is present.
- b. A Committee Member may participate in a meeting using any means of communication by which those participating may hear each other. Committee Members who participate by these means shall be considered present.
- c. The failure to hold an Annual or regular meeting at the time and date determined pursuant to these Bylaws does not:
 - 1. affect the validity of any Management Committee actions; nor
 - 2. result in forfeiture or dissolution of the Management Committee or the Association.

4.5 Closed Management Committee Meeting.

State code provides for closed meetings in certain situations. Association Members are not invited to attend. The minutes of a closed Committee meeting need not be entered into the official committee minutes nor published. A Management Committee Meetings may be closed in order to:

- a. consult with an attorney for the purpose of obtaining legal advice;
- b. discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings;
- c. discuss a matter relating to contract negotiations, including review of a bid or proposal;
- d. discuss a matter that involves an individual if the discussion is likely to cause the individual embarrassment or violate the individual's reasonable expectation of privacy; or
- e. discuss delinquent assessments or fines assessed to any member.

4.6 Calling Special Meetings of the Management Committee

Special meetings of the Management Committee can be called by the Chairman or by 51% of the Management Committee with no less than three days' notice.

The meeting notice must state the time, place and purpose of the meeting.

4.7 Special Meetings of the Association of Unit Owners (Utah Condominium Ownership Act 57-8-57(2))

A special meeting is called by the Chairman of the Management Committee or by 51% of Association members. A three day notice should be given of such a meeting. The procedure for the Association to call a special meeting is as follows:

- a. The association members shall present a petition to the Management Committee signed by no less than 51% of the Unit Owners.
- b. The petition shall state the purpose of the special meeting.
- c. Upon the receipt of the petition, the Management Committee shall have 30 days to consider the petition and set a date and time for this special meeting. The date of the meeting does not have to be within the 30 days following presentation of the petition to the Committee.
- d. If the Management Committee fails to set a date for the special meeting within 30 days, the members requesting the special meeting may call the meeting themselves by giving written notice to the owners of the date, time, location and purpose of the meeting. No action may be taken at the meeting other than that stated on the petition as the purpose of the meeting.

4.8 Eligibility to Participate and Vote.

Owners in good standing are entitled to attend meetings, vote, hold elective or appointive office and serve on committees. An owner must be current on payment of all assessments to vote or send a proxy or trustee. There is only one vote per unit.

4.9 Proxy and Trustee Eligibility, Voting Rights and Responsibilities.

A Proxy acts in the place of a Unit Owner who is unable to participate in person. A Trustee represents the trust which has been set up by the owner through a legal process, and the trustee has authority to represent the owner. If the owner's unit is held as a Limited Liability Corporation (LLC), the Corporation shall appoint a representative for all voting matters.

- a. Documents authorizing Proxies or Trustees shall be in writing, signed by the Unit Owner or the Trust representative and presented to the Management Committee Chairman or the Secretary prior to any vote being cast.
- b. Proxy, Trustee and LLC certifications to voting rights are considered valid for five days unless otherwise specified and requested in writing by the owner.

4.10 Voting by Written Ballot.

When a meeting is not possible or practical or an issue requires an extended period of time to review large documents or detailed motions, a written ballot can be used to vote on such matters.

Only Association Members, registered Proxies are entitled to vote on a written ballot. Once a ballot is submitted to the Management Committee, it cannot be changed or revoked. Conducting business related to amending the CC&R's, Bylaws, Articles of Incorporation or clarification of State Laws or matters that require 51% approval of those voting shall be grounds for a written ballot. The procedures to follow when using a written ballot are:

- a. A clear statement describing the reason for a written ballot must be given.
- b. Sufficient information must be provided to each member to reach an informed decision concerning the motion(s).
- c. The ballot shall have spaces for voting for or against each motion.
- d. A fair and reasonable amount of time by which the ballot must be returned must be stated on the ballot. Depending on the complexity of the issue(s), owners may be given between 15 and 60 days from the date on which the notice is mailed or hand delivered to return the ballot.
- e. Only official ballots shall be counted. Voting by an electronic means shall not be accepted as valid in a written ballot vote.
- f. Sealed ballot envelopes, provided by the committee, must be signed by the owner, proxy or trustee and returned to the Management Committee using the following methods:
 - 1. first-class or registered mail to arrive before the deadline date;
 - 2. placing a ballot in the ballot box located in the main lobby;
 - 3. delivering the ballot in person to the Committee Secretary.

- g. The counting of ballots shall be in a public meeting called for that specific purpose. Two members of the Management Committee and three Association Members shall participate in the counting process.
- h. A motion will be defeated if it does not receive 67% approval on ballots returned.
- i. Outcome of the voting shall be published in minutes.
- j. Action taken by the written ballot has the same effect as action taken at any meeting and may be described as such in minutes or other documents.
- k. Defeated motions may be reintroduced at any time.

(Information in section 4.10 comes from: State Code Title 16 Corporations - Chapter 6a Utah Revised Nonprofit Corporation Act - Part 7 - Member Meetings and Voting - Section 709 Action by written ballot)

ARTICLE V INSURANCE

5.0 Insurance (Utah Condominium Ownership Act 57-8-43)

The Management Committee shall obtain and maintain at all times insurance of the type and kind as provided herein and including insurance for such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to other properties similar to the property.

- a. The Management Committee, as insurance trustee, has exclusive authority to adjust losses.
- b. Unit Owners should obtain additional insurance covering their real property at their own expense. Association insurance coverage need not be brought into contribution with insurance purchased by individual Unit Owners.
- c. Coverage cannot be canceled, invalidated or suspended because of the conduct of any one or more individual owners, guests, employees, agents or contractors.
- d. Coverage shall not be prejudiced by any act of the Association or the Management Committee when such acts are not within the control of the Association or the Committee.
- e. Coverage cannot be canceled or modified for nonpayment of premium without at least 30 days prior written notice.

5.1 Hazard Insurance. (Utah Condominium Ownership Act 57-8-43(5)(b))

The Management Committee or Association of Unit Owners shall maintain Hazard Insurance meeting the following requirements:

- a. The policy shall be Multi-peril (all in one type policy) covering the entire condominium project, both Owners Units and Common Areas and Facilities.
- b. Policy shall provide coverage against loss or damage by fire, debris removal, demolition, vandalism, malicious mischief, windstorm, water damage and other hazards covered by the standard extended coverage endorsement. The policy shall include, at reasonable cost an appropriate:
 1. "Agreed Amount Endorsement"
 2. "Inflation Guard Endorsement"
 3. "Demolition and Contingent Liability from Operations of Building Laws Endorsement"
 4. "Increased Cost of Construction Endorsement"

5.2 Fidelity Insurance. (Utah Condominium Ownership Act 57-8-43(5)(b))

The Management Committee or Association of Unit Owners shall maintain Fidelity Insurance meeting the following requirements:

- a. coverage against dishonest acts on the part of managers, employees of managers, present and past employees and officers, volunteers of the association, committee members who are/were responsible for handling funds belonging to the Association and administered by the Management Committee;
- b. policy coverage in an amount sufficient to afford the protection necessary, but not less than, five times the Association's estimated annual operational expenses and accumulated funds in reserve accounts;
- c. endorsements to the policy to cover persons who serve without compensation if the policy would not otherwise cover volunteers.

5.3 Liability Insurance. (Utah Condominium Ownership Act 57-8-43(3)(b))

The Management Committee or Association of Unit Owners shall maintain Liability Insurance meeting the following requirements:

- a. Comprehensive Public Liability Insurance, shall cover the Common Areas and Facilities. Such insurance shall include a "Severability of Interest Endorsement", which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of other owners, contractors, the Management Committee or the Association of Unit Owners.

- b. Public Liability Insurance shall include protection against water damage, damage caused by non-unit owner vehicles or hired automobiles, liability for property damaged by others in the amounts commonly required by a mortgagee.
- c. Limits of liability under such insurance shall not be less than \$1,000,000.00 for all claims for personal injury and property damage arising from a single occurrence.

ARTICLE VI COMMITTEES

6.0 Special committees can be organized to involve Unit Owners, outside companies or other associations. All committees serve at the pleasure of the Management Committee. All actions requested by a special committee must be ratified by a 51% majority vote of the Management Committee.

ARTICLE VII BOOKS AND RECORDS

- 7.0 The Association's books, records and documents** shall be available during reasonable business hours to Unit Owners or their agents.
- a. All requests shall be legitimate and for a specific purpose and comply with the requirements of **(Utah Code 16-6a-1602 and Utah Condominium Ownership Act 57-8-17)**.
 - b. Requests shall be made in writing.
 - c. Copies may be purchased at a reasonable cost if such materials can legally be copied and distributed.
 - d. All outgoing officers, directors and Management Committee members, must relinquish all official documents, records, pass codes, and any materials and property of the Association in his or her possession or under his or her control to the newly elected Management Committee within 5 days after the election.

ARTICLE VIII AMENDMENTS

- 8.0 Amendment. (Utah Condominium Ownership Act 57-8-39)**
These Bylaws may be amended, from time to time as situations may change or clarification may be necessary.

- a. Changes to the Governing Documents shall be presented to the Association of Unit Owners at an annual or special meeting of the Association.
- b. An approval of 51% of Unit Owners voting in person, by proxies or by written ballot is needed to change the Governing Documents.
- c. In case of dispute over the Governing Documents, the State of Utah, Utah State Condominium Ownership Act, Nonprofit Corporation Act, Articles of Incorporation, CC&R's, Bylaws and Rules, Regulations and Guidelines in that order, shall prevail;
- d. All changes, amendments, additions or corrections must be recorded with the Salt Lake County Recorder.

ARTICLE IX EFFECTIVE DATE

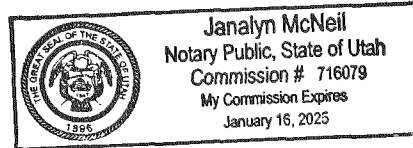
9.0 Effective Date.

Amendments to these Bylaws are effective upon their approval in the manner set forth unless a later effective date is specified therein.

IN WITNESS WHEREOF, we, being all of the Management Committee Chairman of the Graystone Arms Condominium HOA Inc., have hereunto set my hand this 14 day of December, 2022..

On the 14 day of December, 2022, The following Person appeared before me who, being by me duly sworn, did say that is the Chairman of the Management Committee of Graystone Arms Condominium and that this document was signed on behalf of the Graystone Arms Condominium Association.

In the County of Salt Lake, State of Utah, on this 14 Day of December, 2022, a notary public, personally appeared Ross L. Olsen proved on the basis of satisfactory evidence to be the person who name subscribed to this instrument, and acknowledged she executed the same.



Janalyn McNeil
Notary Signature and Seal

Ross L. Olsen
Chairman

EXHIBIT A

LEGAL DESCRIPTION

The following property is located in Salt Lake County, Utah:

Beginning at the Northeast corner of Lot 30, Charlton Subdivision, located in Block 27, 10 Acre, Plat "A", Big Field Survey, and running thence N 15 degrees 33' 58" W along the West right of way line of Highland Drive 148.46 feet; thence S 89 degrees 52' 12" W 178.98 feet; thence S 0 degrees 04' 22" W 143.099 feet; thence N 89 degrees 52' 12" E 53.84 feet; thence S 0 degrees 04' 22" W 125.99 feet; thence N 89 degrees 54' 13" E 155.54 feet to the West right of way line of the Utah State Expressway Project No. 0147; thence N 44 degree 30' E along said West right of way line 49.915 feet to the West right of way line of Highland Drive; thence N 15 degrees 33' 58" W along said West right of way line 93.94 feet to the point of beginning.

Together with a 33.0 foot right of way easement over the following, beginning at a appoint on the West line of Highland Drive, said point being N 15 degrees 33' 58" W 148.46 feet from the Northeast corner of Lot 30, Charlton Subdivision, Located in Block 27, 10 acre Plat "A" Big Field Survey, and running thence N 15 degrees 33' 58" W along the West line of Highland Drive 33.22 feet; thence S 89 degrees 52' 12" W 169.87 feet; thence S 0 degrees 07' 48" E 33.00 feet; thence N 89 Degrees 52' 12" E 178.98 feet to the point of beginning.

Subject to an 18.0 foot joint right of way described as follows:

Beginning at a point N 15 degrees 13' 58" W 148.46 feet, N 15 degrees 33' 58" W along the West line of Highland Drive 34.22 feet, S 89 degrees 52' 12" W 169.87 feet, and S 0 degrees 07' 48" E 33.00 feet from the Northeast Corner of Lot 30, Charlton Subdivision, located in Block 27, 10 Acre Plat "A" Big Field Survey, and running thence S 0 degree 04' 22" W 143.099 feet; thence N 89 degrees 52' 12" E 18 feet; thence N 0 degree 04' 22" E 143.099 feet; thence S 89 degrees 52' 12" 18.0 feet, to the point of beginning.

Parcel Numbers: 16292370010000 through 16292370250000.

EXHIBIT "B"
OF THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
GRAYSTONE ARMS CONDOMINIUM

<u>Unit #</u>	<u>Size (In Sq. Ft)</u>	<u>Percentage</u>	<u>Parcel Number Lot #</u>
Graystone Arms Condo Property - 2760 Highland Dr. SLC, UT			16-29-237-001-0000
1	1722	4.458	16-29-237-002-0000
2	1722	4.458	16-29-237-003-0000
3	1289	3.337	16-29-237-004-0000
4	1289	3.337	16-29-237-005-0000
5	1289	3.337	16-29-237-006-0000
6	1289	3.337	16-29-237-007-0000
7	1722	4.458	16-29-237-008-0000
8	1722	4.458	16-29-237-009-0000
9	1722	4.458	16-29-237-010-0000
10	1722	4.458	16-29-237-011-0000
11	1668	4.318	16-29-237-012-0000
12	1289	4.337	16-29-237-013-0000
13	1668	4.318	16-29-237-014-0000
14	1664	4.308	16-29-237-015-0000
15	1722	4.458	16-29-237-016-0000
16	1722	4.458	16-29-237-017-0000
17	1798	4.654	16-29-237-018-0000
18	1761	4.559	16-29-237-019-0000
19	1668	4.318	16-29-237-020-0000
20	1289	3.337	16-29-237-021-0000
21	1668	4.318	16-29-237-022-0000
22	1664	4.308	16-29-237-023-0000
23	1798	4.654	16-29-237-024-0000
24	1761	<u>4.559</u>	16-29-237-025-0000
		100 %	

Updated 01/10/22

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