



Recorded at the request of:
The Reserve of Entrada at Snow Canyon
Owners Association

**Record against the Property
Described in Exhibit A**

After recording mail to:

The Reserve of Entrada at Snow Canyon Owners Association
c/o Terra West
619 South Bluff • Tower 1, Suite 202
St. George, Utah 84770

AMENDED AND RESTATED

BYLAWS

**OF THE RESERVE OF ENTRADA
AT SNOW CANYON OWNERS ASSOCIATION**

(Formerly known as
The Resort Villages of Entrada
at Snow Canyon Owners Association)

December 14, 2023

Table of Contents

ARTICLE I	1
GENERAL	1
1.1 Purpose of Bylaws	1
1.2 Terms Defined in Declaration.....	1
1.3 Controlling Laws and Instruments	1
ARTICLE II	2
OFFICES.....	2
2.1 Principal Office.....	2
2.2 Registered Office and Agent.....	2
ARTICLE III.....	2
MEMBERS	2
3.1 Members	2
3.2 Memberships Appurtenant to Lots.....	2
3.3 Members' Voting Rights.....	2
3.4 Voting by Joint Owners	2
3.5 Resolution of Voting Disputes	2
3.6 Suspension of Voting Rights	3
3.7 Transfer of Memberships on Association Books	3
ARTICLE IV	3
MEETING OF MEMBERS	3
4.1 Place of Members' Meetings	3
4.2 Annual Meetings of Members	3
4.3 Special Meetings of Members.....	3
4.4 Record Date/Members List.....	3
4.5 Notice of Members'	4
4.6 Proxies at Meetings.....	5
4.7 Ballots at Meetings	5
4.8 Ballots Without a Meeting and Electronic Voting.....	5
4.9 Revocation of Proxy or Ballot	6
4.10 Telecommunications.....	6
4.11 Quorum at Members' Meetings.....	6
4.12 Adjournment of Members' Meetings	6
4.13 Vote Required at Members' Meetings.....	6
4.14 Cumulative Voting Not Permitted	7
4.15 Order of Business	7
4.16 Expenses of Meetings.....	7
4.17 Waiver of Notice	7
4.18 Action of Members Without a Meeting.....	7
4.19 Signature of Members	7
ARTICLE V	8
BOARD OF DIRECTORS	8
5.1 General Powers and Duties of the Board	8
5.2 Special Powers and Duties of the Board.....	8
5.3 Qualifications of Directors.....	9
5.4 Membership	9
5.5 Election of Directors	9
5.6 Removal of Directors by the Members	10
5.7 Vacancies in the Board	10

5.8 Appointment of Committees.....	10
5.9 General Provisions Applicable to Committees	10
5.10 Board Action to Enforce Governing Documents.....	10
ARTICLE VI	11
MEETINGS OF DIRECTORS	11
6.1 Place of Directors Meetings.....	11
6.2 Annual Meeting of Directors	11
6.3 Other Regular Meetings of Directors.....	11
6.4 Special Meetings of Directors.....	11
6.5 Open Meetings/Member Right to Participate	11
6.6 Closed Meetings.....	11
6.7 Notice of Directors' Meetings	12
6.8 No Proxies.....	12
6.9 Resolution of Tie Vote.....	12
6.10 Telecommunications.....	12
6.11 Quorum of Directors.....	12
6.12 Adjournment of Directors' Meeting.....	12
6.13 Vote Required at Directors' Meeting	12
6.14 Officers at Meetings	13
6.15 Waiver of Notice	13
6.16 Action of Directors Without a Meeting.....	13
6.17 Expenses at Board Meetings.....	13
ARTICLE VII	13
OFFICERS.....	13
7.1 Officers, Employees, and Agents.....	13
7.2 Election and Term of Office of Officers.....	13
7.3 Resignation and Removal of Officers.....	13
7.4 Vacancies in Officers.....	14
7.5 President.....	14
7.6 Vice President.....	14
7.7 Secretary	14
7.8 Treasurer	14
7.9 Bonds	14
7.10 Special Appointments.....	15
ARTICLE VIII.....	15
INDEMNIFICATION OF OFFICIALS AND AGENTS	15
8.1 Right of Indemnification.....	15
8.2 Authority to Insure.....	15
ARTICLE IX	15
MISCELLANEOUS	15
9.1 Amendment/Conflict.....	15
9.2 Compensation of Officers, Directors, and Members	15
9.3 Books and Records	15
9.4 Inspection of Records	16
9.5 Scope of Inspection Right.....	18
9.6 Annual Report.....	18
9.7 Statement of Account.....	19
9.8 Annual Corporation Reports	19
9.9 Fiscal Year	19
9.10 Shares of Stock and Dividends Prohibited	19

9.11	Loans to Directors, Officers, and Members Prohibited	19
9.12	Limited Liability	19
9.13	Minutes and Presumptions Thereunder	19
9.14	Checks, Drafts, and Documents	20
9.15	Execution of Documents	20
9.16	Right to Inspect	20
9.17	Manner of Giving Notice	20
9.18	Severability	20
9.19	Interpretation	21
ARTICLE X		21
NOTICE AND HEARING PROCEDURE		21
10.1	Association's Enforcement Rights	21
10.2	Notice of Noncompliance and Right to Hearing	21
10.3	Board of Directors	22
10.4	Notice of Hearing	22
10.5	Conduct of Hearing	22
10.6	Decision	23
10.7	Subsequent Violations for Same Offense	24
ARTICLE XI		24
FISCAL MANAGEMENT		24
11.1	Accounts	24
11.2	Annual Budget	24
11.3	Assessments	25
11.4	Acceleration of Assessment Installments Upon Default	25
11.5	Assessments for Emergencies	25
11.6	Depository for Funds	25
11.7	Audit	25
11.8	Fidelity Bonds	26
Exhibit A		1
Exhibit B		3

**AMENDED AND RESTATED BYLAWS OF
THE RESERVE OF ENTRADA
AT SNOW CANYON OWNERS ASSOCIATION**
(Formerly known as The Resort Villages of Entrada at Snow Canyon Owners Association)

**ARTICLE I
GENERAL**

1.1 Purpose of Bylaws. These Amended and Restated Bylaws (“Bylaws”) were approved by pursuant to Article IX, Section 9.1, of the Original Bylaws (defined below) and Utah Code § 16-6a-1010. These Bylaws are for the regulation and management of the affairs of The Reserve of Entrada at Snow Canyon Owners Association, a Utah nonprofit corporation (“Association”), to which reference is made in the Amended and Restated Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements of The Reserve of Entrada at Snow Canyon (formerly known as The Resort Village of Entrada at Snow Canyon), recorded in the official records of the Washington County Recorder, State of Utah, as amended or supplemented from time to time (the “Declaration”), to perform the functions as provided in the Declaration and to further the interests of Owners of Lots within the Property.

These Bylaws amend, restate, wholly replace, and substitute for the following:

- Bylaws of The Resort Villages of Entrada at Snow Canyon (A Planned Unit Development), signed on August 8, 2003, (“Original Bylaws”);
- any other amendments, supplements, or annexing documents to the Bylaws for the Association, whether or not recorded with the Washington County Recorder.

1.2 Terms Defined in Declaration. Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration.

1.3 Controlling Laws and Instruments. These Bylaws are subject to the Utah Revised Nonprofit Corporation Act (Utah Code §§ 16-6a-1601 et. seq.) (“Nonprofit Act”) and the Community Association Act (Utah Code §§ 57-8a-101 et seq.) (“Association Act”) (collectively the “Acts”), the Declaration, and the Articles of Incorporation of the Association (“Articles”) filed with the Division of Corporations and Commercial Code of the Utah Department of Commerce (the “Division”), as any of the foregoing may be amended from time to time. Where these Bylaws differ from the Nonprofit Act or the Association Act, these Bylaws shall control unless the provisions of either the Nonprofit Act or the Association Act, or both, are mandatory and not default provisions.

ARTICLE II OFFICES

2.1 Principal Office. The principal office of the Association shall be:

The Reserve of Entrada at Snow Canyon Owners Association
c/o Terra West
619 South Bluff • Tower 1, Suite 202
St. George, Utah 84770

The Board may change from time to time the location of the principal office.

2.2 Registered Office and Agent. The Acts require that the Association have and continuously maintain in the State of Utah a registered office and a registered agent. The registered agent shall be an individual who resides in the State of Utah and whose business office is identical with the registered office. The registered office and the registered agent are specified in the Articles and may be changed by the Association by action of its Board at any time in accordance with applicable law.

ARTICLE III MEMBERS

3.1 Members. A "Member," as provided in the Declaration, is the person or, if more than one (1), all persons collectively, who constitute the Owner of a Lot within the Property.

3.2 Memberships Appurtenant to Lots. Each Membership shall be appurtenant to the fee simple title to a Lot. The person or persons who constitute the Owner of fee simple title to a Lot shall automatically be the holder of the Membership appurtenant to that Lot and the Membership shall automatically pass with fee simple title to the Lot.

3.3 Members' Voting Rights. Subject to the provisions in the Declaration and the Articles each shall be entitled to one (1) vote for each Lot which the Member owns within the Property.

3.4 Voting by Joint Owners. In the event there is more than one (1) Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves and advise the Secretary of the Association prior to any meeting. A vote cast at any Association meeting by any of such Owners, whether in person, by proxy, or through ballot, shall be conclusively presumed to be the vote attributable to the Lot concerned, unless an objection is immediately made by another Owner of the same Lot. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever, other than to determine whether a quorum exists.

3.5 Resolution of Voting Disputes. In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of Members at a meeting, the Board shall act as arbitrators and the decision of a disinterested majority of the Board shall, when rendered in

writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

3.6 Suspension of Voting Rights. The Board may suspend the voting rights of a Member for any period during which an assessment remains unpaid. The Board may also, after Notice and Hearing, suspend the voting rights of a Member and the right of the Member to use the Common Areas during and for up to sixty (60) days following any material breach by such Member or Occupant of the Member's Lot of any provision of the Declaration or of any Rule or Regulation unless such breach is a continuing breach, in which case such suspension shall continue for so long as such breach continues.

3.7 Transfer of Memberships on Association Books. Transfer of membership shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Lot as the Member entitled to all rights in connection therewith, including the right to vote and to receive notice.

ARTICLE IV MEETING OF MEMBERS

4.1 Place of Members' Meetings. Meetings of Members shall be held at the principal office of the Association or at such other place as may be fixed by the Board and specified in the notice of the meeting.

4.2 Annual Meetings of Members. Annual Meetings of the Members shall be held at such time of day as is fixed by the Board and specified in the notice of meeting. The Annual Meetings shall be held to elect Directors of the Association and to transact such other business as may properly come before the meeting.

4.3 Special Meetings of Members. Special Meetings of the Members may be called by the President or the Board or by Members holding not less than twenty-five percent (25%) of the total votes of all Members, or by Declarant if it holds at least ten percent (10%) of the total votes of all Members. No business shall be transacted at a Special Meeting of Members except as indicated in the notice thereof.

4.4 Record Date/Members List.

4.4.1 The record date for the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or in order to make a determination of such Members for any other proper purpose for the taking of any other lawful action shall be as set forth in Subsection 4.4.2 below, unless the Board, in advance of sending notice, set a date by resolution as the record date for any such determination of Members. Such record date shall not be more than sixty (60) days prior to the meeting of Members or the event requiring a determination of Members.

4.4.2 Members entitled to notice of a meeting of the Members are the Members of the Association at the close of business on the business day preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. Members entitled to vote at a meeting of the Members are the Members of the Association on the date of the meeting, and who are otherwise eligible to vote. The record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action are Members of the Association at the later of (i) the close of business on the day on which the Board adopts the resolution relating to the exercise of the right; or (ii) the close of business on the sixtieth (60th) day before the date of the exercise of the right. A record date fixed under this Section may not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. A determination of Members entitled to notice of or to vote at a meeting of Members is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote.

4.4.3 Except as provided for in Section 9.3.3, the Association shall only be required to prepare a list of the names of the Members as provided for in Section 9.3.3.

4.5 Notice of Members' Meetings. Written notice stating the place, day, and hour of any meeting shall be delivered not less than fifteen (15) nor more than sixty (60) days before the date of the meeting (plus any time added to effectuate delivery under Section 9.17). The notice of an Annual, Regular, or Special Meeting shall include: (a) the names of any known candidate for Director and shall identify any other matter which it is known may come before the meeting; (b) potential conflicting interest transactions of a Director, party related to a Director, or an entity in which the Director is a director or has a financial interest (as set forth in Utah Code § 16-6a-825), if any; (c) notice of any indemnification or advance of expenses to a director in connection with a legal "proceeding" as defined in the Acts; (d) notice of any amendment to these Bylaws or other rules and regulations to be approved by the Board that have been proposed by the Members shall include the following:

1. A statement of the item that needs to change. The statement must include the exact wording for the changed item.
2. A statement providing the reason for the change.
3. Benefits to the Association for the change.
4. Estimated cost of the change to the Association.
5. Any known reason against the change and why those reasons should not apply.
6. A signed list of sixteen (16) or 10% of the number of lots in The Reserve co-sponsoring the change.

(e) notice of a proposed plan of merger; (f) notice of a proposed sale of the properties by the Association other than in the regular course of activities; (g) notice of a proposed dissolution of the Association; and (h) any matter a Member intends to raise at the meeting if requested in writing to do so by a person entitled to call a Special Meeting and the request is received (receipt deemed effective as set forth under Section 9.17) by the Secretary or President at least ten (10) days before the Association gives notice of the meeting, plus any time added to effectuate delivery under Section 9.17. The notice of a Special Meeting shall state the purpose or purposes

for which the meeting is called.

4.6 Proxies at Meetings. A Member entitled to vote at a meeting may vote in person, by proxy, or by ballot executed in writing by the Member or his duly authorized attorney-in-fact and filed with the Secretary of the meeting prior to the time the proxy is exercised.

4.7 Ballots at Meetings. A written ballot may, upon the election of the Board, be used in connection with any annual, regular, or special meeting of Members, thereby allowing Members the choice of either voting in person, by proxy, or by written ballot delivered by a Member to the Association in lieu of attendance at such meeting. Any written ballot shall comply with the requirements of Section 4.8 and shall be counted equally with the votes of Members in attendance at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8 Ballots Without a Meeting and Electronic Voting. The Association may, upon the election of the Board or upon specific request of a Member for a special meeting of the Members, utilize ballots without a meeting to take any action that may be taken at any annual, regular, or special meeting of the Members provided the Association delivers a written ballot to every Member entitled to vote. Any ballot utilized without a meeting shall be valid only when (a) the time by which all ballots must be received has passed so that a quorum can be determined and (b) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

4.8.1 All solicitations for votes by written ballot shall: (a) set forth each proposed action; (b) provide for an opportunity to vote for or against each proposed action; (c) indicate the number of responses needed to meet the quorum requirements; (d) state the percentage of approvals necessary to approve each matter other than the election of Directors; (e) specify the time by which a ballot must be received by the Association in order to be counted; and (f) be accompanied by written information sufficient to permit each person casting the ballot to reach an informed decision on the matter.

4.8.2 Any written ballot shall comply with the requirements in this Section and shall be counted equally with the votes of Members in attendance (by person or proxy) at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8.3 Members shall be provided a fair and reasonable amount of time before the day on which the Association must receive ballots. An amount of time is considered to be fair and reasonable if (a) Members are given at least fifteen (15) days from the day on which the notice is mailed, if the notice is mailed by first-class or registered mail; (b) Members are given at least thirty (30) days from the day on which the notice is mailed, if the notice is mailed by other than first-class or registered mail; or (c) considering all the circumstances, the amount of time is otherwise reasonable.

4.8.4 The Association and its Members, by adoption of these Bylaws, agree to allow voting by electronic means. To effectuate electronic voting, ballots may be signed

electronically as provided for in Subsection 4.19.

- 4.9 **Revocation of Proxy or Ballot.** A proxy or ballot may be revoked, prior to the time the proxy is exercised or the ballot counted, by (a) the Member attending the meeting and voting in person, or (b) the Member signing and delivering to the Secretary or other person authorized to tabulate proxy or ballot votes (i) a written statement that the appointment of proxy or ballot is revoked, or (ii) a subsequent proxy form or ballot. A proxy or ballot shall automatically cease upon the conveyance by a Member of the Lot and the transfer of the Membership on the books of the Association. No proxy shall be valid after the earlier of (i) the day after the meeting of the Members for which the proxy was expressly submitted; or (ii) eleven (11) months from the date of its execution unless otherwise provided in the proxy. The death or incapacity of the Member appointing a proxy or issuing a ballot does not affect the right of the Association to accept the proxy's authority or count the ballot unless notice of the death or incapacity is received by the Secretary or other Officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority or the ballot is counted. The ballots will be sent to each Member entitled to vote at least fifteen (15) days before the vote is taken and can be returned before and up to the time the ballots are counted.
- 4.10 **Telecommunications.** If the Board elects to conduct any Annual, Regular or Special Meeting of Members remotely, provided participants are able to hear each other, any or all of the Members may participate in such meeting. A Member participating in a meeting by a means permitted under this Section is considered to be present in person at the meeting.
- 4.11 **Quorum at Members' Meetings.** Except as may be otherwise provided in the Declaration, the Articles of Incorporation, or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the representation, in person, by proxy or by ballot, of Members entitled to cast at least twenty-five percent (25%) of the votes of all Members shall constitute a quorum at any meeting of such Members. Members present in person or by proxy or represented by ballot at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum.
- 4.12 **Adjournment of Members' Meetings.** Members present in person or by proxy at any meeting, whether or not there is a quorum may adjourn the meeting from time to time. If the meeting is adjourned, the Board shall issue a new Notice of Members' Meeting at which meeting the Members that are present in person or by proxy or represented by ballot shall constitute a quorum, except as otherwise provided in the Declaration, the Articles, or these Bylaws. No such subsequent meeting shall be held more than forty-five (45) days following such preceding meeting at which a quorum was not present.
- 4.13 **Vote Required at Members' Meetings.** At any meeting where a quorum is present, a majority of the votes present in person, by ballot, or by proxy and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws, except that, in the case

of elections in which there are more than one (1) candidates, the persons receiving the highest number of votes shall be elected.

- 4.14 Cumulative Voting Not Permitted. Cumulative voting by Members in the election of Directors shall not be permitted.
- 4.15 Order of Business. The order of business at any meeting of Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) election of Directors, if applicable; (d) report of finances; and (e) any other Association business.
- 4.16 Expenses of Meetings. The Association shall bear the expenses of all Regular, Annual, and Special Meetings of Members.
- 4.17 Waiver of Notice. A Member may waive any notice required by the Acts or by these Bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. A waiver shall be in writing, signed by the Member entitled to the notice, and delivered to the Association for inclusion in the minutes; or filing with the corporate records. The delivery and filing required above may not be conditions of the effectiveness of the waiver. A Member's attendance at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.
- 4.18 Action of Members Without a Meeting. Unless prohibited by the Articles, any action required to be taken or which may be taken at a meeting of Members may be taken without a meeting and without prior notice if one (1) or more written consents setting forth the action taken, are signed by the Members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which the Members entitled to vote on the action were present and voted. Directors may not be elected by written consent except by unanimous written consent of all Members entitled to vote for the election of Directors. Any action taken under this Section is not effective unless all written consents are received within a sixty (60) day period and have not been revoked. A written consent may be given by electronic transmission or other form of communication providing the Association with a complete copy of the written consent, including: (i) the date the written consent was sent and (ii) the signature (including electronic signatures as provided in Section 4.19).
- 4.19 Signature of Members. Except as otherwise provided in the Acts, all votes, consents, written ballots, waivers, proxy appointments, and proxy or ballot revocations shall be in the name of the Member and signed by the Member with a designation of the Member's capacity; i.e., for example, owner, partner, president, director, member, trustee, conservator, guardian, etc. Pursuant to Utah Code Section 46-4-201 a signature may not

be denied legal effect or enforceability solely because it is in electronic form, i.e. an electronic signature. As used herein, the term "electronic" means relating to technology having electrical, digital, magnet, wireless, optical, electromagnetic, or similar capabilities. As used herein, the term "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a ballot and executed or adopted by a person with the intent to sign the ballot.

ARTICLE V BOARD OF DIRECTORS

5.1 General Powers and Duties of the Board. The Board shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board shall have the power to exercise or cause to be exercised for the Association all of the powers, rights, and authority of the Association not reserved to Members in the Declaration, the Articles of Incorporation, these Bylaws, or the Acts.

5.2 Special Powers and Duties of the Board. Without limiting the foregoing statement of general powers and duties of the Board or the powers and duties of the Board as set forth in the Declaration, the Board shall be vested with the following specific powers and duties:

5.2.1 Assessments. The duty to describe and specifically delineate the purpose and use of assessments and to fix and levy from time-to-time assessments, Special Assessments, and all other assessments upon the Members of the Association as provided in the Declaration; and to enforce the payment of such delinquent assessments as provided in the Declaration.

5.2.2 Insurance. The duty to contract and pay premiums for fire and casualty and liability and other insurance in accordance with the provisions of the Declaration

5.2.3 Common Area. The duty to manage and care for the Common Area, and to employ personnel necessary for the care and operation of the Common Area, and to contract and pay for necessary or desirable improvements on property acquired by the Association in accordance with the Declaration.

5.2.4 Agents and Employees. The power to select, appoint, and remove all Officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Declaration, the Articles of Incorporation, and these Bylaws.

5.2.5 Borrowing. The power, with the approval of the Members representing at least two-thirds (2/3) of the voting power of the Association, to borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations, or other evidences of debt, and securities therefor.

5.2.6 Enforcement. The power to enforce the provisions of the Declaration, the Rules and Regulations, these Bylaws, or other agreements of the Association.

5.2.7 Delegation of Powers. The power to delegate its powers according to law.

5.2.8 Rules and Regulations. The power to adopt such Rules and Regulations with respect to the interpretation and implementation of the Declaration, use of Common Area, and use of any property within the Property and to levy fines and penalties for infractions and violations thereof; provided, however, that such Rules and Regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles, and these Bylaws.

5.2.9 Emergency Powers. The right to exercise such emergency powers as provided for in the Acts.

5.3 Qualifications of Directors. A Director must: (i)(a) be a natural person eighteen (18) years of age or over and an Owner of a Lot within the Property or, (b) if the Owner of any such Lot is a partnership, corporation, or limited liability company, be a designated representative of such partnership, corporation, or limited liability company (the "Designee"); (ii) and use the dwelling on the Lot as the Owner's or Designee's primary residence according to the records of Washington County; and (iii) not supply goods, materials or services to the Members of the Association, not including service as a Director or Officer. If, at any time, a Director ceases to meet the preceding requirements, such Director's term as Director shall immediately terminate and a new Director shall be selected as promptly as possible to take such Director's place. Any Director no longer qualified to serve under the standards provided for in this Section 5.3 may be removed by a majority vote of the Directors then in office.

5.4 Membership. The affairs of the Association shall be managed by a Board of Directors of not less than three (3) and not more than nine (9) Directors. The initial Board of Directors, as designated in the Articles, shall serve until the conditions set forth in the Articles have occurred.

5.5 Election of Directors. The Election of the Directors shall be conducted by the Members in the following manner:

5.5.1 Election of Directors. Election of Directors shall be held at the annual meeting of the Members.

5.5.2 Nominating Committee. A nominating committee of three to five (3-5) members shall be appointed by the Board not less than thirty (30) days prior to the annual meeting of the Members. The nominating committee shall nominate one (1) person for each Director's seat up for election. Other nominations for Director may be made from the floor.

5.5.3 Ballots. The election shall be by secret written ballot (unless dispensed with by unanimous consent) and by plurality of the votes cast, each person voting being entitled to cast his vote for as many nominees as there are vacancies to be filled. The persons receiving the largest number of votes shall be elected. There shall be no cumulative voting.

5.5.4 Vacancies. Except as to vacancies created by removal of Directors by Members, vacancies in the Board occurring between annual meetings of Members shall be filled

by the remaining Directors.

5.5.5 Term of Office. Each Director shall be elected to serve a term of 3 years. The Directors terms of office shall be staggered among each of the three (3) year periods, for example, 2-2-1.

5.5.6 Class B Term of Office. Notwithstanding the above, during the term of the Class B Control Period, as defined in the Declaration, the Class B Member shall have the right to appoint, remove, and replace members of the Board and committee members.

5.6 Removal of Directors by the Members. At a meeting of the Members, the notice of which indicates such purpose, one (1) or more Directors may be removed, with or without cause, by the majority vote of the Members and a successor may be then and there elected to fill the vacancy thus created. Any Director may be removed from the Board, by a majority vote of the Members, and any Director who shall be absent from three (3) consecutive Board meetings shall be automatically removed from the Board unless determined otherwise by the Board.

5.7 Vacancies in the Board. Any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Directors, even if less than a quorum of the Board. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. Should any vacancy of the Board remain unfilled for a period of two (2) months, the Members may, at a Special Meeting of the Members called for that purpose, elect a Director to fill such vacancy by a majority of the votes which Members present at such meeting, or represented by proxy or ballot, are entitled to cast.

5.8 Appointment of Committees. The Board, by resolution adopted by a majority of the Directors in office, may designate and appoint one (1) or more committees which shall consist of one (1) or more Directors and which, unless otherwise provided in such resolution, shall have and may exercise the authority to make recommendations (but not final decisions) to the Board in the management of the Association, except authority with respect to those matters specified in the Acts as matters which such committee may not have and exercise the authority of the Board.

5.9 General Provisions Applicable to Committees. The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or the Director by law. The provision of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of the Board shall be applicable to meetings of committees of the Board.

5.10 Board Action to Enforce Governing Documents. The Board shall use its reasonable judgment to determine whether to exercise the Association's powers to impose sanctions or pursue legal action for a violation of the Governing Documents, including whether to compromise a claim made by or against the Board or the Association and whether to pursue a claim for an unpaid assessment. The Association may not be required to take enforcement action if the Board determines, after fair review and acting in good faith and without conflict of interest, that under the particular circumstances: (a) the Association's legal position does not justify taking any or

further enforcement action; (b) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (c) a technical violation has or may have occurred and the violation is not material as to a reasonable person or does not justify expending the Association's resources, or (d) it is not in the Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria. If the Board decides under the foregoing to forego enforcement, the Association is not prevented from later taking enforcement action. The Board may not be arbitrary, capricious, or act against public policy in taking or not taking enforcement action. This Section does not govern whether the Association's action in enforcing a provision of the Governing Documents constitutes a waiver or modification of that provision.

ARTICLE VI MEETINGS OF DIRECTORS

6.1 Place of Directors Meetings. Meetings of the Board shall be held at the principal office of the Association or at such other place, as may be fixed by the Board and specified in the notice of the meeting.

6.2 Annual Meeting of Directors. The first regular meeting held after the Annual Meeting of Members, shall constitute the annual meeting of the Board in compliance with Utah Code § 16-6a-814. At that meeting, the Board shall elect officers of the Association and conduct such other business as may properly come before the meeting.

6.3 Other Regular Meetings of Directors. The Board may hold other regular meetings and may, by resolution, establish in advance the times and places for such regular meetings. The resolution of meeting schedule shall be given to all Members of the Association at least forty-eight (48) hours (plus any time added to effectuate delivery under Section 9.17) before the first meeting scheduled. No prior notice of any regular meeting need be given after establishment of the time and place thereof by such resolution.

6.4 Special Meetings of Directors. Special Meetings of the Board may be called by the President or any two (2) members of the Board other than the President. Any special meeting of the Board not regularly scheduled under Section 6.3 shall require the same notice as Section 6.3. Each director present shall have one (1) vote regardless of the number of Lots, which he may own.

6.5 Open Meetings/Member Right to Participate. Except as provided in Subsections 6.6 and 6.8, a Board meeting, whether in person or by means of electronic communication, at which the Board can take binding action shall be open to each Member or the Member's representative if the representative is designated in writing. At each meeting, the Board shall provide each Member a reasonable opportunity to offer comments. The Board may limit the comments to one specific time period during the meeting. A Director may not avoid or obstruct the requirements of this Section. However, nothing in this Section shall affect the validity or enforceability of an action of a Board.

6.6 Closed Meetings. The Board may close a meeting to: (a) consult with an attorney for the purpose of obtaining legal advise; (b) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; (c) discuss a personnel matter; (d) discuss a matter

relating to contract negotiations, including review of a bid or proposal; (e) discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; or (f) discuss a delinquent assessment or fine. If after a vote of the majority of all other Directors, it is determined that a Director has not maintained the confidentiality of any matter covered in the previous paragraph that is addressed at a closed meeting ("Confidential Matter"), the non-offending Directors may take one of the two following steps: (1) exclude the offending Director from any closed meetings at which that matter is addressed, or (2) create a committee to address the Confidential Matter and exclude the offending Director from that committee.

6.7 Notice of Directors' Meetings. In the case of all meetings of the Board for which notice is required by these Bylaws, notice stating the place, day, and hour of the meeting shall be delivered not less than three (3) nor more than thirty (30) days before the date of the meeting (plus any time added to effectuate delivery under Section 9.17), by mail, fax, telephone, electronic means, or personally, by or at the direction of the persons calling the meeting, to each member of the Board. Neither the business to be transacted at, nor the purpose of, any Regular or Special Meetings of the Board need to be specified in the notice or waiver of such meeting.

6.8 No Proxies. Directors may not vote or otherwise act by proxy.

6.9 Resolution of Tie Vote. If a quorum of Directors is present and a vote by an even number of Directors results in a tie, the President of the Association shall vote to break the tie.

6.10 Telecommunications. The Board may permit any Director to participate in a Regular or Special Meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director so participating in such a meeting is considered to be present in person at the meeting.

6.11 Quorum of Directors. A majority of the number of Directors fixed in these Bylaws shall constitute a quorum for the transaction of business. For the purpose of determining the presence of a quorum, Directors will be counted only if present in person. If a Director is to participate in a Board meeting by electronic communication, the Board shall provide the information necessary to allow the Owners entitled to notice of the Board meeting under Section 6.3 to participate by the available electronic means.

6.12 Adjournment of Directors' Meeting. Directors present at any meeting of the Board may adjourn the meeting from time to time, whether or not a quorum shall be present, without notice other than announcement at the meeting, for a total period or periods of not to exceed thirty (30) days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6.13 Vote Required at Directors' Meeting. At any meeting of the Board, if a quorum is present, a majority of the votes present in person shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws.

6.14 Officers at Meetings. The President shall act as chairman and the Board shall appoint a secretary to act at all meetings of the Board.

6.15 Waiver of Notice. A waiver of notice of any meeting of the Board, signed by a Director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Director. Attendance of a Director at a meeting in person shall constitute waiver of notice of such meeting unless (a) at the beginning of the meeting or promptly upon the Director's later arrival the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and, after objecting, the Director does not vote for or assent to action taken at the meeting, or (b) the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or (c) the Director causes written notice of the Director's dissent or abstention as to any specific action to be received by (i) the presiding officer of the meeting before adjournment of the meeting; or (ii) the Association promptly after adjournment of the meeting.

6.15.1 Dissent or Abstention. The right of dissent or abstention pursuant to Section 6.12 is not available to a Director who votes in favor of the action taken.

6.16 Action of Directors Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at any meeting by obtaining the written approval of all the Directors. Such approval may be provided by electronic communication. Any action so approved shall be in accordance with § 16-6a-813 of the Nonprofit Act and have the same effect as though taken at a meeting of the Directors. The form attached hereto as Exhibit B may be utilized by the Board when taking action without a meeting.

6.17 Expenses at Board Meetings. The Association shall bear the expenses of all regular and special meetings of the Board.

ARTICLE VII OFFICERS

7.1 Officers, Employees, and Agents. The officers of the Association shall be natural persons eighteen (18) years of age or over and shall consist of a President, Vice President, a Secretary, a Treasurer, and such other officers, assistant officers, employees, and agents as may be deemed necessary by the Board. The President and Vice President must be Directors, but the other officers need not be Directors. The same person may simultaneously hold more than one (1) office except the offices of President and Secretary. The President votes as a director only in the event of a tie.

7.2 Election and Term of Office of Officers. The Officers shall be elected by the Board at its annual meeting and shall hold office until the Board's next annual meeting or until their successors are elected, unless the Officer resigns or is removed earlier.

7.3 Resignation and Removal of Officers. An Officer may resign at any time by giving written notice of resignation to the President, or in his/her absence, to the Secretary. A resignation of an officer is effective when the notice is received unless the notice specifies a later effective

date. If a resignation is made effective at a later date, the Board may: (a) (i) permit the officer to remain in office until the effective date; and (ii) fill the pending vacancy before the effective date if the successor does not take office until the effective date; or (b) (i) remove the officer at any time before the effective date; and (ii) fill the vacancy created by the removal. The Board may remove any Officer at any time with or without cause.

7.4 Vacancies in Officers. Any vacancy occurring in an office may be filled by the Board. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

7.5 President. The President shall be a Member of the Board and shall be the principal executive officer of the Association and, subject to the supervision of the Board, shall direct, supervise, coordinate, and have general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The President shall preside at all meetings of the Board and of the Members of the Association.

7.6 Vice President. The Vice President, if any, may act in place of the President in case of the President's death, absence, or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the President.

7.7 Secretary. The Secretary shall be the custodian of the records; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association set forth in Section 9.3 are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of Members, of the Board, and of committees of the Board; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by the Board or by the President. The Board may appoint one (1) or more Assistant Secretaries. The duties of the Secretary may be delegated to a property management company.

7.8 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board may, from time to time, require; shall arrange for the annual report required under Section 9.6 of these Bylaws; and, in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board of Directors or by the President. The Board may appoint one (1) or more Assistant Treasurers who may act in place of the Treasurer in case of his death, absence, or inability to act. The duties of the Treasurer may be delegated to a property management company.

7.9 Bonds. The Association shall require and pay for fidelity bonds covering officers or other persons handling funds of the Association as required in the Declaration. The Association shall pay the premiums for such bonds.

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

ARTICLE VIII INDEMNIFICATION OF OFFICIALS AND AGENTS

8.1 Right of Indemnification. The Association shall indemnify any Director, officer, employee, fiduciary, and agent (including without limitation the property manager) to the fullest extent allowed under Sections 16-6a-901 through 16-6a-910 of the Non-Profit Act, or any replacement Sections thereof.

8.2 Authority to Insure. The Association may purchase and maintain liability insurance on behalf of any Director, Officer, employee, fiduciary and agent against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, including liabilities for which he might not be entitled to indemnification hereunder.

ARTICLE IX MISCELLANEOUS

9.1 Amendment/Conflict. These Bylaws may be amended, at any Regular, Annual, or Special Meeting of the Board, by a vote of the majority of the Board, except if it would result in a change of the rights, privileges, preferences, restrictions, or conditions of membership voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions. The Board may not amend these Bylaws to require a greater quorum requirement or a greater voting requirement for Members without Member approval. The Members may amend these Bylaws even though the Bylaws may also be amended by the Board. Amendments to the Bylaws by Members shall be made in accordance with the Acts. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

9.2 Compensation of Officers, Directors, and Members. No Director shall have the right to receive any compensation from the Association for serving as a Director except for reimbursement of expenses as may be approved by resolution of disinterested members of the Board and except as may otherwise be approved by the Members. Officers, agents, and employees shall receive such reasonable compensation as may be approved by the Board. Appointment of a person as an Officer, agent or employee shall not, of itself, create any right to compensation.

9.3 Books and Records.

9.3.1 Permanent Records. The Association shall keep as permanent records: (a) minutes of all meetings of its Members and Board; (b) a record of all actions taken by the Members or Board without a meeting; (c) a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association; (d) a record of all waivers of notices of meetings of Members and of the Board or any committee of the Board; and (e) a copy of the Declaration, as the same may be amended.

9.3.2 Accounting Records. The Association shall maintain appropriate accounting records. The Secretary shall ensure these records are maintained and accessible to the Association for permanent record-keeping.

9.3.3 Records of Members. The Association or its agent shall maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members: (a) in alphabetical order and (b) showing the number of votes each Member is entitled to vote.

9.3.4 Written Records. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

9.3.5 Copies of Records. The Association shall keep a copy of each of the following records at its principal office: (a) Declaration; (b) Articles; (c) Bylaws; (d) resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members; (e) the minutes of all Members' meetings for a period of three (3) years; (f) records of all actions taken by Members without a meeting; (g) all written communications to Members generally as Members for a period of three (3) years; (h) a list of the names and business or home addresses of its current Directors and Officers; (i) a copy of its most recent annual report; (j) all financial statements prepared for periods ending during the last three (3) years; (k) the most recent approved Board meeting minutes; and (l) the most recent budget and financial report.

9.3.6 If the Association has an active website, the Association shall make the documents described in Subsection 9.3.5 available to all Members, free of charge, through the website; or, if the Association does not have an active website, make physical copies of the documents described in Subsection 9.3.5 available to Members during regular business hours at the Association's address registered with the Department of Commerce.

9.4 Inspection of Records.

9.4.1 A Director or Member is entitled to inspect and copy any of the records of the Association described in Subsection 9.3.5: (a) during regular business hours; (b) at the Association's principal office; and (c) if the Director or Member gives the Association written demand, at least five (5) business days before the date on which the Member wishes to inspect and copy the records.

9.4.2 In addition to the rights set forth in Subsection 9.4.1, a Director or Member is entitled to inspect and copy any of the other records of the Association: (a) during regular business hours; (b) at a reasonable location specified by the Association; and (c) at least five (5) business days before the date on which the Member wishes to inspect and copy the records, if the Director or Member: (i) meets the requirements of Subsection 9.4.3; and (ii) gives the Association written demand.

9.4.3 A Director or Member may inspect and copy the records described in Subsection 9.4.2 only if: (a) the demand is made: (i) in good faith; and (ii) for a proper purpose; (b) the Director or Member describes with reasonable particularity the purpose and the records the

Director or Member desires to inspect; and (c) the records are directly connected with the described purpose.

9.4.4 Notwithstanding any other provision in these Bylaws, for purposes of this Section: (a) "Member" includes: (i) a beneficial owner whose membership interest is held in a voting trust; and (ii) any other beneficial owner of a membership interest who establishes beneficial ownership; and (b) "proper purpose" means a purpose reasonably related to the demanding Member's or Director's interest as a Member or Director.

9.4.5 The right of inspection granted by this Section may not be abolished or limited by the Articles or these Bylaws.

9.4.6 This Section does not affect: (a) the right of a Director or Member to inspect records relating to ballots; (b) the right of a Member to inspect records to the same extent as any other litigant if the Member is in litigation with the Association; or (c) the power of a court, independent of this Article, to compel the production of corporate records for examination.

9.4.7 A Director or Member may not use any information obtained through the inspection or copying of records permitted by 9.4.2 for any purposes other than those set forth in the demand made under 9.4.3.

9.4.8 The Association may redact the following information from any document the Association produces for inspection or copying (a) a Social Security number; (b) a bank account number; or (c) any communication subject to attorney-client privilege.

9.4.9 Items for Inspection or Copy:

- (a) In a written request to inspect or copy documents, a Member shall include:
 - (i) the Association's name;
 - (ii) the Member's name;
 - (iii) the Member's property address;
 - (iv) the Member's email address;
 - (v) a description of the documents requested; and
 - (vi) any election or request described in Subsection (b).
- (b) In a written request to inspect or copy documents, a Member may:
 - (i) elect whether to inspect or copy the documents;
 - (ii) if the Member elects to copy the documents, request hard copies or electronic scans of the documents; or
 - (iii) subject to Subsection 9.4.10, request that:
 - (A) the Association make the copies or electronic scans of the requested documents;
 - (B) a recognized third-party duplicating service make the copies or electronic scans of the requested documents;
 - (C) the Member be allowed to bring any necessary imaging equipment to the place of inspection and make copies or electronic scans of the documents while inspecting the documents; or

(D) the Association emails the requested documents to an email address provided in the request.

9.4.10 If the Association produces the copies or electronic scans, the copies of electronic scans shall be legible and accurate and the Member shall pay the Association the reasonable cost of the copies or electronic scans and for the time spent meeting with the Member, which may not exceed: (a) the actual cost that the Association paid to a recognized third-party duplicating service to make the copies or electronic scans; or (b) if an employee, manager, or other agent of the Association makes the copies or electronic scans, ten cents (\$.10) per page and fifteen dollars (\$15.00) per hour for the employee's, manager's, or other agent's time making the copies or electronic scans.

9.4.11 If a Member requests a recognized third-party duplicating service make the copies or electronic scans the Association shall arrange for the delivery and pick up of the original documents; and the Member shall pay the duplicating service directly. If a Member requests to bring imaging equipment to the inspection, the Association shall provide the necessary space, light, and power for the imaging equipment.

9.4.12 Subject to Subsection 9.4.13, if in response to a Member's request to inspect or copy documents, the Association fails to comply with a provision of this section, the Association shall pay:

- (a) the reasonable costs of inspecting and copying the requested documents;
- (b) for items described Subsection 9.3.5, twenty-five dollars (\$25.00) to the Member who made the request for each day the request continues unfulfilled, beginning the sixth (6th) day after the day on which the Member made the request; and
- (c) reasonable attorney fees and costs incurred by the Member in obtaining the inspection and copies of the requested documents.

9.4.13 The Association is not liable for identifying or providing a document in error, if the Association identified or provided the erroneous document in good faith.

9.5 Scope of Inspection Right. A Director or Member's agent or attorney has the same inspection and copying rights as the Director or Member. The right to copy records under Section 9.4 includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means. The Association may comply with a Director's or Member's demand to inspect the record of Members under Subsection 9.3.3 by furnishing to the Director or Member a list of Directors or Members that: (a) complies with Subsection 9.3.3; and (b) is compiled no earlier than the date of the Director's or Member's demand. Concerning financial statements, by no later than fifteen (15) days after the day on which the Association receives a written request of any Member (receipt by the Association deemed effective as set forth under Section 9.17), the Association shall mail to the Member the following that show in reasonable detail the assets and liabilities and results of the operations of the Association: (a) the Association's most recent annual financial statements, if any; and (b) the Association's most recently published financial statements, if any. Without consent of the Board, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member.

9.6 Annual Report. The Board shall cause to be prepared and distributed to each

Member and any First Mortgagee of a Member who has filed a written request therefor, not later than ninety (90) days after the close of each fiscal year of the Association, an annual report containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year, (c) a statement of changes in financial position for such fiscal year, and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found.

9.7 Statement of Account. Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner of a Lot or any person with any right, title, or interest in a Lot or intending to acquire any right, title, or interest in a Lot, the Association shall furnish, within ten (10) days after the receipt of such request (receipt deemed effective as set forth under Section 9.17), a written statement of account setting forth the amount of unpaid assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Lot, and the amount of the assessments for the current fiscal period of the Association payable with respect to the Lot. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other assessments have been levied.

9.8 Annual Corporation Reports. The Association shall file with the Division, within the time prescribed by law, annual corporate reports in such form and containing the information required by law and shall pay the fee for such filing as prescribed by law.

9.9 Fiscal Year. The fiscal year of the Association shall be the calendar year, begining on January 1 and end the succeeding December 31.

9.10 Shares of Stock and Dividends Prohibited. The Association shall not have, or issue shares of stock and no dividends shall be paid, and no part of the income or profit of the Association shall be distributed to its Members, Directors, or officers. Notwithstanding the foregoing paragraph, the Association may issue certificates evidencing membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit, or distribution shall be deemed to be a dividend or distribution of income or profit.

9.11 Loans to Directors, Officers, and Members Prohibited. No loan shall be made by the Association to its Members, Directors, or officers, and any Director, officer, or Member who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

9.12 Limited Liability. The Association, the Board, the Design Review Committee, and Declarant, and any agent or employee of any of the same shall not be liable to any person for any actions or for any failure to act in connection with the affairs of the Association if the action taken or failure to act was in good faith and without malice.

9.13 Minutes and Presumptions Thereunder. Minutes or any similar record of the meetings of Members or of the Board, when signed by the Secretary or acting Secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any

such minutes that notice of the meeting was properly given shall be *prima facie* evidence that the notice was given.

9.14 Checks, Drafts, and Documents. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by resolution of the Board.

9.15 Execution of Documents. The Board, except as these Bylaws otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

9.16 Right to Inspect. Notwithstanding the other provisions of this Article, unless otherwise provided in these Bylaws, a right of a Member to inspect or receive information from the Association applies only to a voting Member of the Association.

9.17 Manner of Giving Notice. Notwithstanding any other provision in the Declaration, Articles, Bylaws, or Rules and Regulations, the Association may provide notice to Owners orally or by electronic means, including text message, email, or the Association's website, except that an Owner may, by written demand, require the Association provide notice to that Owner by mail. Any notice required to be given will be deemed received and effective upon the earlier to occur of the following:

- (a) when sent by facsimile, the notice is deemed effective when the sender receives a facsimile acknowledgment confirming delivery of the facsimile;
- (b) when placed into the care and custody of the United States Postal Service, first-class mail, and addressed to the most recent address of the recipient according to the records of the Association, the notice is deemed effective at the earliest of the following: (a) when received; (b) six (6) days after it is mailed; or (c) on the date shown on the return receipt if sent by registered or certified mail, sent return receipt requested, and the receipt is signed by or on behalf of the addressee;
- (c) when sent via electronic means such as an e-mail, text message or similar electronic communication, the notice is deemed effective within twenty-four (24) hours of being sent and a rejection or undeliverable notice is not received by the sender;
- (d) when posted on the Association's website, the notice is deemed effective seventy-two (72) hours after it was posted;
- (e) when hand delivered, the notice is deemed effective immediately upon delivery;
- (f) when notice is given orally, the notice is deemed effective when communicated; or
- (g) when delivered by other means, the notice is deemed effective upon such circumstances and conditions as are reasonably calculated to give notice to the Owner.

9.18 Severability. Invalidation of any provision of the Governing Documents by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

9.19 Interpretation. The provisions of the Governing Documents shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Areas and other areas within the Property. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter. Except for judicial construction and express Utah law, the Board shall have the exclusive right to construe and interpret the provisions of the Governing Documents, and amendments thereto. In the absence of any adjudication by a court of competent jurisdiction or express Utah law to the contrary, the Board's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefitted or bound by the Governing Documents.

ARTICLE X NOTICE AND HEARING PROCEDURE

10.1 Association's Enforcement Rights. In the event of an alleged violation by a Member or Occupant ("Respondent") of the Declaration, these Bylaws, or the Rules and Regulations, the Board shall have the right, upon an affirmative vote of a majority of the Directors on the Board at a duly qualified meeting, to take any one (1) or more of the actions and to pursue one (1) or more of the remedies permitted under the provisions of the Declaration, these Bylaws, or the Rules and Regulations. If, under the provisions of the Declaration, these Amended Bylaws, or the Rules and Regulations, a Notice of Noncompliance and Right to Hearing is required prior to taking action or pursuing remedies, the following provisions of Article X of these Amended Bylaws shall be applicable. The failure of the Board or the Design Review Committee to enforce the Rules and Regulations, these Bylaws, or the Declaration shall not constitute waiver of the right to enforce the same thereafter. The remedies set forth and provided by law or equity or in the Declaration, the Rules and Regulations, or these Bylaws shall be cumulative and none shall be exclusive. However, any individual Member must exhaust all available internal remedies of the Association prescribed by the Declaration, these Bylaws, and the Design Review Committee Guidelines, and other Rules and Regulations before that Member may resort to a court of law for relief with respect to any alleged violation by another Member of the Declaration, these Bylaws, or the Rules and Regulations, provided that the foregoing limitation pertaining to exhausting administrative remedies shall not apply (i) to the Board or to any Member where the complaint alleges nonpayment of assessments, Special Assessments, or other assessments, or (ii) to matters the Board determines in its discretion will (a) affect the safety of the Common Area or the Owners or their property or (b) will result in irreparable harm to the Association if not quickly remedied. In such cases, the Board may immediately file suit.

10.2 Notice of Noncompliance and Right to Hearing. A copy of the Complaint or Notice of Noncompliance and Right to Hearing ("Notice") shall contain a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the Respondent is charged and a reference to the specific provisions of the Declaration, these Bylaws, or the Rules and Regulations which the Respondent is alleged to have violated. The Notice shall be served on each Respondent in accordance with the notice provisions set forth in the Declaration,

together with a statement which shall be substantially in the following form:

“Unless a written request for a hearing signed by or on behalf of a person named as Respondent in the accompanying Complaint/Notice is delivered or mailed to the Board within fifteen (15) days after the Complaint/Notice is served upon you, the Board may proceed upon the Complaint/Notice without a hearing, and you will have thus waived your right to a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled “Notice of Response” to the Board at the Principal Office of the Association listed in Section 2.1 of these Bylaws.

You may, but need not, be represented by counsel at any or all stages of these proceedings. If you desire the names and addresses of witnesses or an opportunity to inspect any relevant writings or items on file in connection with this matter in the possession, custody or control of the Board, you may contact the Board as noted above.”

A Respondent shall be entitled to a hearing on the merits of the matter if the Notice of Response is timely filed with the Board. A Respondent may file a separate statement by way of mitigation, even if he does not file a Notice of Response. If the charges relate to an occupant that is not a Member, both the occupant and the Member shall be considered Respondents.

10.3 Board of Directors. The Board shall serve as the Hearing Committee. The Board shall elect a Chairman and appoint a hearing officer who shall take evidence and ensure that a proper record of all proceedings is maintained.

10.4 Notice of Hearing. The Board shall serve a Notice of Hearing, as provided herein, on all parties at least ten (10) days prior to the hearing, if such hearing is requested by a Respondent. The hearing shall be held no later than thirty (30) days after the Notice is mailed or delivered to each Respondent. The Notice of Hearing to each Respondent shall be substantially in the following form, but may include other information:

You are hereby notified that a hearing will be held before the Board as follows:

On the ____ day of ____ , 20____, at the hour of ____ , upon the charges made in the Complaint/Notice served upon you. You may be present at the hearing, may, but need not be represented by counsel; may present any relevant evidence; and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to seek the attendance of witnesses and to compel the production of books, documents, or other items in the possession of the Association by applying to the Board.

10.5 Conduct of Hearing. At the duly appointed time and place, the Board will proceed as follows:

- (a) At the hearing, the Respondent must show cause, if any cause can be shown, why

said Respondent is not in violation of the Declaration, the Rules and Regulations, or these Bylaws as set forth in the Notice.

(b) Oral evidence shall be taken only on oath or affirmation administered by a Member of the Board. The use of affidavits and written interrogatories in lieu of oral testimony shall be encouraged by the Board.

(c) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine witnesses on any matter relevant to the issues; to impeach any witness; and to rebut the evidence against such party. If Respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.

(d) The hearing need not be conducted according to technical rules relating to evidence of witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil action. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.

(e) Neither the Complainant nor the Respondent need be in attendance at the hearing. The Board may close the meeting to the general membership if the Board believes the discussion is likely to cause undue embarrassment or violate the individual's reasonable expectation of privacy.

(f) In rendering a decision, official notice may be taken at any time of any provision of the Declaration, these Bylaws, the Rules and Regulations, or any generally understood matter within the working of the Association. Persons present at the hearing shall be informed of the matters to be noticed by the Board, and these Matters shall be made a part of the record of proceedings.

(g) The Board may grant continuances on a showing of good cause.

(h) Whenever the Board has commenced to hear the matter and a member of the Board is forced to withdraw prior to a final determination by the Board, the remaining Directors shall continue to hear and decide the case.

10.6 Decision. If a Respondent fails to file a Notice of Response as provided in Section 10.2 of these Bylaws, or fails to appear at a hearing, the Board may take action based upon the evidence presented to it without further notice to Respondent. However, the Respondent may make any showing by way of mitigation. After all testimony and documentary evidence has been presented to the Board, the Board may vote by secret written ballot, or otherwise, upon the matter, with a majority of the entire Board controlling. A copy of the Notice of Adjudication of the Board may be posted by the Board at a conspicuous place in the Property, and a copy shall be provided by the President of the Association on each person directly involved in the matter and his attorney, if any, in accordance with the notice provisions set forth in the Declaration, if any. The Notice of Adjudication may include (i) the terms of any disciplinary action; (ii) the levy of a Corrective Assessment; or (iii) other such actions or remedies as the Board deems appropriate. The decision of the Board shall become effective ten (10) days after it is given upon each Respondent, unless otherwise ordered in writing by the Board. The Board may order a reconsideration at any time within fifteen (15) days following service of its decision on the involved persons, on its own motion or on petition by any party. However, no action against a Respondent arising from the alleged violation shall take effect prior to the expiration of the later of (a) fifteen (15) days after

each Respondent's receipt of the Notice of Hearing; or (b) ten (10) days after the hearing required herein.

10.7 Subsequent Violations for Same Offense. If the Board determines that an Owner violates the Notice of Adjudication, the Board may immediately issue a Notice of Noncompliance by Board of Directors and Right to Hearing or file suit to enforce the Notice of Adjudication.

ARTICLE XI FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Articles shall be supplemented by the following provisions:

11.1 Accounts. The receipts and expenditures of the Association shall be created and charged to accounts under the following classification as shall be appropriate, all of which expenditures shall be Common Expenses:

11.1.1 Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or to capital improvements. The balance of this fund at the end of each year shall be applied to reduce expenses for the succeeding year. Receipts and expenditures shall be provided in such reasonable detail as to provide a reader with an understanding of their origin.

11.1.2 Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

11.1.3 Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation, or obsolescence.

11.1.4 Capital improvements, which shall include the funds to be used for capital expenditures for additional improvements or for additional personal property. No expenditure of this fund in a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00) shall be made for a single item or for a single purpose without the approval of a majority of the Members entitled to vote.

11.1.5 Working capital, the amount of which may be to provide a working fund, to meet unanticipated losses and to manage cash flow discrepancies between income and expenditures.

11.2 Annual Budget. The Board shall adopt a budget for each fiscal year that shall include the estimated funds required to fund the anticipated expenditures, together with appropriate contingencies and reserves, and to provide and maintain funds for the accounts and reserves according to good accounting practices.

11.2.1 Copies of the budget and proposed assessments shall be transmitted to each

Member at least thirty (30) days prior to the beginning of the fiscal year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each Member.

11.3 Assessments. Each Member is obligated to pay dues and monthly Assessments. Monthly dues are chargeable against the Lot owners according to the duly adopted budget. Monthly dues shall be made for the fiscal year annually in advance of or before November 30 preceding the year and shall be due in monthly installments. Each Member is also obligated to pay the Association annual and Special Assessments, if any, which are secured by a continuing lien upon the Lot against which the assessment is made. Assessments for repair and maintenance of the Limited Common Areas shall be made as funds are expended or liability therefor is incurred by the Association. Any assessments or monthly dues which are not paid when due are considered delinquent. If the assessment or monthly dues are not paid within fifteen (15) days after the due date, a late fee of Fifty Dollars (\$50.00) shall be charged. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum until paid. The Association may bring an action at law against the Owner of the Lot. Interest, costs, and reasonable attorney' fees incurred in any such action shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for assessments or monthly dues provided for herein by non-use or partial use of the Common Area or the Limited Common Area or claim or offset against the Association or abandonment of his Lot.

11.4 Acceleration of Assessment Installments Upon Default. If an Owner shall be in default in the payment of an installment upon an assessment, the Board may accelerate the remaining installments of the assessment upon notice to the Owner, and the unpaid balance of the assessment shall be due upon the date stated in the notice, but not less than the (10) days after delivery of the notice to the Owner, or not less than twenty (20) days after the mailing of such notice to the Owner by registered or certified mail, whichever shall first occur.

11.5 Assessments for Emergencies. Assessments for emergencies that cannot be paid from the annual assessments for Common Expenses may be made without notice of the need for such expenditures being given. The assessment shall become effective and shall be due after thirty (30) days' notice in such manner as the Board may require in the notice of assessment.

11.6 Depository for Funds. The depository of the Association shall be such bank or banks and/or such savings and loan association or savings and loan associations as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board.

11.7 Audit. At the Annual Meeting of the Association, the Members present shall determine by a majority vote whether an audit of the accounts of the Association shall be made by a certified public accountant or a public accountant. The cost of the audit shall be paid by the Association.

11.8 Fidelity Bonds. Fidelity bonds may be required by the Board from all officers of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Board but shall be at least the amount of the total of two (2) monthly assessments against Members for Common Expenses. The premiums on such bonds shall be paid by the Association.

CERTIFICATE OF PRESIDENT

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting President of The Reserve of Entrada at Snow Canyon Owners Association, a Utah nonprofit corporation ("Association"); and

2. The foregoing Amended and Restated Bylaws constitute the Bylaws of the Association duly adopted by the Directors of the Association at a meeting held on December 14, 2023.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 18th day of December, 2023.

**THE RESERVE OF ENTRADA AT SNOW
CANYON OWNERS ASSOCIATION,
a Utah nonprofit corporation**

By: Myrna L Olson
Its: President
Myrna L Olson

State of Utah)
:ss.
County of WASHINGTON)

On this 18th day of December, 2023, before me personally appeared MYRNA OLSON, whose identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he/she is the President of The Reserve of Entrada at Snow Canyon Owners Association, a Utah nonprofit corporation, and that the foregoing document was signed by him/her on behalf of the Association by authority of its Bylaws, Declaration, or resolution of the Board, and he/she acknowledged before me that he/she executed the document on behalf of the Association and for its stated purpose.


Notary Public

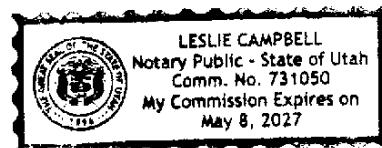


Exhibit A
(Legal Description)

These Amended and Restated Bylaws of The Reserve of Entrada at Snow Canyon Owners Association (formerly known as The Resort Village of Entrada at Snow Canyon Owners Association) affect the following real property, all located in Washington County, State of Utah:

All of Lots 108 through 121, Lots 127 through 133, Lots 134-1, and Lots 138 through 139, together with all Common Area, Reserve of Entrada Snow Canyon Est A (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENE-A-108 through I-RENE-A-121

PARCEL: I-RENE-A-127 through I-RENE-A-133

PARCEL: I-RENE-A-134-1

PARCEL: I-RENE-A-138 through I-RENE-A-139

All of Lots 140 through 145, together with all Common Area, Reserve of Entrada Snow Canyon Est B (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENE-B-140 through I-RENE-B-145

All of Lot 122-A and Lots 123 through 126, together with all Common Area, Reserve of Entrada Snow Canyon Est C (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENE-C-122-A

PARCEL: I-RENE-C-123 through I-RENE-C-126

All of Lot 135, together with all Common Area, Reserve of Entrada Snow Canyon Est A AMD Lots 135 & 137 Lot 135: FKA Reserve of Entrada Snow Canyon Estates Ph A, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENE-A-135

All of Lots 1 through 18 and Lots 55 through 69, together with all Common Area, Reserve of Entrada A Patio Homes (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENE-A-1 through I-RENE-A-18

PARCEL: I-RENE-A-55 through I-RENE-A-69

All of Lots 70 through 97 and Lots 99 through 107, together with all Common Area, Reserve of Entrada B Patio Homes (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENS-B-70 through I-RENS-B-97
PARCEL: I-RENS-B-99 through I-RENS-B-107

All of Lots 19 through 53, together with all Common Area, Reserve of Entrada C Patio Homes (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENS-C-19 through I-RENS-C-53

All of Lots 146 through 159, together with all Common Area, Reserve of Entrada D Patio Homes (I), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: I-RENS-D-146 through I-RENS-D-159

Exhibit B
(Action without a Meeting Form)

Notice of Proposed Action Without a Meeting of the Board
Pursuant to Utah Code Section 16-6a-813
(Email Communication)

1. **Stipulations:** All Board members stipulate that this email communication and any response by email will be deemed a written communication and the email address of each Board member will act as their signature to the communication. Any response must be sent by a "reply to all." A response sent to all Board members in this email communication will be deemed a written response received by the Association.
2. **Proposed Action:** The following Action is proposed to be taken:

3. **Response Options:** Each Board member may respond to the proposed action in one of the following three ways (or language which is clear and the equivalent of the following):
 - a. Reply all via email stating, "I vote in favor of the proposed action,"
 - b. Reply all via email stating, "I abstain from the vote on the proposed action,"
 - c. Reply all via email stating, "I object to the proposed action being taken without a meeting."
4. **Time to Respond:** This Notice must be responded to by no later than the _____ day of _____, 20____. By _____ am/pm, Utah time.
5. **Effect of Untimely Response:** An untimely response will have the following effect:
 - a. abstaining from the vote on the proposed action; and
 - b. failing to timely demand the proposed action not be taken without a meeting.
6. **When Action is Deemed Taken:** The proposed action is taken only if at the end of the time stated in paragraph No. 4:
 - a. the affirmative votes are timely received and not timely revoked, which votes equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Board members then in office were present and voted; and

- b. there has not been received a demand pursuant to paragraph 3(c) that the action not be taken without a meeting, unless such demand has been revoked by the time stated in paragraph 4.
- 7. **Right to Revoke:** A Board member who has voted, abstained, or demanded the action not be taken without a meeting pursuant to paragraph 3 and/or 5 may revoke the vote, abstention, or demand that the action not be taken without a meeting by sending a follow up reply email by the time set forth in paragraph 4 and stating the revocation and stating the desired response option provided for in paragraph 3.
- 8. **Effective Date:** The effective date of the Action deemed taken under paragraph 6 shall be the date and time set forth in paragraph 4 unless a later date and time for the effective date is specified in the proposed Action to be taken in paragraph 2.
- 9. **Conditions for Email Communications:**
 - a. An electronic transmission communicating a vote, abstention, demand, or revocation is considered to be written, signed, and dated for purposes of this action if the email is delivered with information from which the Board, as parties to the email communication can determine:
 - i. that the electronic transmission is transmitted by the Board member; and
 - ii. the date on which the email is transmitted.
 - b. The date on which the email is transmitted is considered the date on which the vote, abstention, demand, or revocation is signed.
 - c. For purposes of this proposed Action, email communications to the Board are not effective until received.
- 10. **Statutory Effect:** Pursuant to Utah Code Section 16-6a-813 action taken pursuant to this email communication has the same effect as action taken at a meeting of the Board and may be described as an action taken at a meeting of the Board in any document.
- 11. **Minutes:** Notwithstanding the statutory effect provided for in paragraph 10, at the next regular Board meeting any action taken pursuant to this email communication and action without a meeting shall be announced at the meeting and recorded in the minutes of the Board. No action taken without a meeting shall be deemed void or ineffective if not announced at the next Board meeting or if not included in the Board minutes, or both.