

AMENDMENT  
TO THE  
DECLARATION  
OF  
COVENANTS, CONDITIONS &  
RESTRICTIONS  
FOR  
SHADY GROVE PHASE 2 & 3  
PLANNED RESIDENTIAL UNIT DEVELOPMENT SUBDIVISION

This Amendment to the Shady Grove Phase 2 Enabling Declaration (as defined below) and the Phase 3 Enabling Declaration (as defined below) ("Amended Declaration") is made and executed on the date shown below by the lot owners in Shady Grove after having been voted on and approved by the owners in Shady Grove.

RECITALS

WHEREAS, Shady Grove Phase 2 was created by the recording of a "Declaration of Covenants, Conditions and Restrictions for Shady Grove Phase 2 P.R.U.D Subdivision" (hereinafter "Phase 2 Enabling Declaration") recorded in the records of Weber County, Utah, on September 9, 1996, as entry number 1428246, in book 1824, beginning on page 2253, and Shady Grove Phase 3 was created by the recording of a "Declaration of Covenants, Conditions and Restrictions for Shady Grove Phase 3 P.R.U.D Subdivision" (hereinafter "Phase 3 Enabling Declaration") recorded in the records of Weber County, Utah, on February 24, 1998, as entry number 1523707, in book 1909, beginning on page 1938 (the Phase 2 Enabling Declaration and the Phase 3 Enabling Declaration shall collectively be referred to as the Enabling Declarations; and

WHEREAS, Shady Grove Phase 2 and Shady Grove Phase 3 were combined into one homeowners association when Shady Grove Phase 3 was annexed into Shady Grove Phase 2 pursuant to the Notice of Annexation recorded in the records of Weber County, Utah, on October 5, 1998, as entry number 1578979, in book 1961, beginning on page 299; and

WHEREAS, the property that is the subject of this Amended Declaration is situated in and upon that certain real property located in Weber County, State of Utah, as specifically described in Exhibit "A", attached hereto and incorporated herein by this reference, and including the common area that is appurtenant to each lot as shown on the plat maps for Shady Grove, as recorded in the office of the County Recorder for Weber County, State of Utah. There are 45 lots at Shady Grove.

06-259-0001 — 0021

WHEREAS, The lot owners in Shady Grove are desirous to create the Shady Grove Owners Association, Inc., a Utah non-profit corporation ("Association"), which will be created by filing Articles of Incorporation with the Utah Division of Corporations and Commercial Code, which Association shall operate for the purpose of managing the common area and enforcing the provisions of the Enabling Declarations and any amendments thereto. The Association will be the governing body of Shady Grove and will operate in accordance with this Amended Declaration, the Articles of Incorporation (attached as Exhibit "B") and the Bylaws of the Association (attached as Exhibit "C") for the purpose of managing the common area and enforcing the provisions of the Association documents.

NOW THEREFORE, To accomplish the lot owners' objectives, the following amendments are hereby adopted to amend the Enabling Declaration and to create the Shady Grove Owners Association, Inc., a Utah non-profit corporation. If there is any conflict between this Amended Declaration and the Enabling Declaration, this document shall control, unless otherwise stated.

This Amended Declaration shall become effective upon recording. The Shady Grove Enabling Declarations are hereby amended as follows:

#### AMENDMENT

#### ARTICLE 1 CREATION OF NON-PROFIT CORPORATION

- 1.1 The lot owners hereby authorize and approve the creation of a Utah nonprofit corporation, to be known as the Shady Grove Owners Association, by filing with the State of Utah the Articles of Incorporation for the Association in a form substantially similar to those contained in Exhibit "B", attached hereto. The Association shall be responsible for managing the common area within Shady Grove and governing the affairs of Shady Grove in accordance with the provisions of the Enabling Declarations, any amendments to the Enabling Declarations, the Articles of Incorporation and the Bylaws.
- 1.2 By voting to approve this Amended Declaration, the lot owners hereby agree to adopt the following documents:
  1. this Amended Declaration;
  2. the Articles of Incorporation (Exhibit "B" attached hereto); and
  3. the Bylaws of the Association (Exhibit "C" attached hereto)

as the governing documents of Shady Grove Owners Association, Inc., which documents shall constitute equitable servitudes that shall run with the real property described in Exhibit "A".

- 1.3 Pursuant to the provisions in this Amended Declaration wherein Shady Grove is incorporated as a non-profit corporation under the laws of the State of Utah, the management of Shady Grove and the common area of Shady Grove shall hereafter be performed under the direction and authority of the Association's board of directors.

**ARTICLE 2  
ADOPTION OF BYLAWS**

- 2.1 The lot owners hereby authorize and approve the adoption of Bylaws for Shady Grove Owners Association, Inc. The Bylaws which shall govern the Association are attached hereto has Exhibit "C".

**CERTIFICATION**


It is hereby certified that lot owners holding at least than two-thirds (2/3) of the voting interests in the Shady Grove Phase 2 and Phase 3 Subdivisions have voted to approve this Amended Declaration.

IN WITNESS WHEREOF, this 2 day of May, 2012.

By:   
President

STATE OF UTAH            )  
                                  ) :ss.  
COUNTY OF WEBER        )

On this 2 day of May, 2012, personally appeared before me Rebecca Howard who, being by me duly sworn, did say that she is President of the Shady Grove Owners Association and that the within and foregoing instrument was signed in behalf of said Association and she duly acknowledged to me she executed the same.

  
Notary Public



**Incorporation of Amendment to the Covenants, Conditions, & Restrictions (CC&Rs)  
April 2012**

Lot #	Address	Name	Signature
27	3974 S. 850 W.	Covington, Robert & Marilyn	<i>Robert Covington</i>
28	3998 S. 850 W.	Flynn, Lawrence & Jan	<i>Jan Flynn</i>
29	4002 S. 850 W.	Bode, Pat & Jennifer	<i>Pat Bode</i>
30	4008 S. 850 W.	Myers, Marilyn	<i>Marilyn Myers</i>
31	4018 S. 850 W.	Hartley, Lynn & Suzanne	<i>Lynn Hartley</i>
32	4024 S. 850 W.	Gibson, Diane	<i>Diane Gibson</i>
33	4028 S. 850 W.	Fowler, Ben	<i>Ben Fowler</i>
34	4034 S. 850 W.	Crowther, Karen	<i>Karen Crowther</i>
35	4046 S. 850 W.	Blakley, Mona	<i>Mona Blakley</i>
36	4054 S. 850 W.	Gessel, Veri & Pat	<i>Veri Gessel</i>
37	4066 S. 850 W.	Fielding, Maxine	<i>Maxine Fielding</i>
38	4072 S. 850 W.	Oberg, Janet	<i>Janet Oberg</i>
39	4084 S. 850 W.	Mark, Karen & Brenda	<i>Karen Mark</i>
40	4092 S. 850 W.	Cassiere, Peter & Shirley	<i>Peter Cassiere</i>
41	4085 Meadow Wood Dr.	Bick, Steve & Jeannie	<i>Steve Bick</i>
42	4071 S. 850 W.	Burnside, Ralph & Nellene	<i>Ralph Burnside</i>
43	4067 S. 850 W.	Jenkins, Arnold & Joyce	<i>Arnold Jenkins</i>
44	4055 S. 850 W.	Roper, Ruby	<i>Ruby Roper</i>
45	4049 S. 850 W. <del>Ra</del>	Voegele, Ray & Rose	<i>Ray Voegele</i>
46	4035 S. 850 W.	Bybee, Clark & Connie	<i>Clark Bybee</i>
47	4025 S. 850 W.	Crossley, Steve & Norma Jean	<i>Steve Crossley</i>
48	4013 S. 850 W.	Kirshaw, Shirley	<i>Shirley Kirshaw</i>
49	4005 S. 850 W.	Wadsworth, Sonny & Roena	<i>Sonny Wadsworth</i>
50	4000 Meadow Wood Dr.	Marcus, Linda (VACANT)	
51	4006 Meadow Wood Dr.	Preece, Bernie & Joyce	<i>Bernie Preece</i>
52	4010 Meadow Wood Dr.	Woodward, Len & Jeannine	<i>Len Woodward</i>
53	4014 Meadow Wood Dr.	Godfrey, Donna	<i>Donna Godfrey</i>
54	4016 Meadow Wood Dr.	Conlin, Dwayne & Geneal	<i>Dwayne Conlin</i>
55	4017 Meadow Wood Dr.	Mortensen, Bob & Marge	<i>Bob Mortensen</i>
56	4015 Meadow Wood Dr.	Cagle, Helen	<i>Helen Cagle</i>
57	4021 Meadow Wood Dr.	Howard, Rebecca	<i>Rebecca Howard</i>
58	4037 Meadow Wood Dr.	Reeves, Rae (Vacant)	
59	4045 Meadow Wood Dr.	Stimpson, Bill	<i>Bill Stimpson</i>
60	4059 Meadow Wood Dr.	Driggs, Richard & Lynne	<i>Richard Driggs</i>
61	4065 Meadow Wood Dr.	Wolfe, Richard	<i>Richard Wolfe</i>

**Incorporation of Amendment to the Covenants, Conditions, & Restrictions (CC&Rs)  
April 2012**

62	4069 Meadow Wood Dr.	Dunn, Phyllis	<i>Phyllis Dunn</i>
63	4073 Meadow Wood Dr.	DeGroot, Jerry & Carol	<i>Carol DeGroot</i>
64	4077 Meadow Wood Dr.	Stock, Shigeko	<i>Shigeko Stock</i>
65	4081 Meadow Wood Dr.	Vacant	
66	4070 Meadow Wood Dr.	Adams, Ariene	<i>Ariene Adams</i>
67	4058 Meadow Wood Dr.	Hassell, Betty	<i>Betty Hassell</i>
68	4044 Meadow Wood Dr.	Criswell, Verna	<i>Verna Criswell</i>
69	4032 Meadow Wood Dr.	Mungle, Gerri	<i>Gerri Mungle</i>
70	4022 Meadow Wood Dr.	Bailey, Duran (Clair) & Ruth	<i>Duran C. Bailey</i>
71	4012 Meadow Wood Dr.	Whittier, Toni	<i>Toni Whittier</i>

213  
3  
20/3  
43

**EXHIBIT "A"**

**Legal Description of Lots**

All of Lots 27 through 50, Shady Grove Phase 2 Subdivision PRUD, Riverdale City, Weber County, Utah

All of Lots 51 through 71, Shady Grove Phase 3 Subdivision PRUD, Riverdale City, Weber County, Utah

[06-147-0001 through 0041; 06-248-0001 through 0013; 06-259-0001 through 0022]

06-147-0001-0011 - 06-248-0001-0013 DB  
06-259-0001-06-259-0021 DB

**EXHIBIT "B"**  
**Articles of Incorporation**

# ARTICLES OF INCORPORATION

for

## SHADY GROVE OWNERS ASSOCIATION, INC.

The undersigned adult natural persons, acting as incorporators, hereby establish a nonprofit corporation pursuant to the Utah Revised Nonprofit Corporation Act (the "Act") and adopt the following articles of incorporation for such corporation;

### ARTICLE II NAME

The name of the corporation is Shady Grove Owners Association, Inc. (hereinafter the "Association").

### ARTICLE III DURATION

The Association shall have perpetual existence.

### ARTICLE IV PURPOSES AND POWERS

1. **Purposes** The Association is organized as a nonprofit corporation and shall be operated to promote the health, safety and welfare of all members of the Association in connection with Shady Grove and to establish, provide, and maintain a desirable community and environment for all member lot owners.
2. **Powers** In furtherance of the foregoing purposes, and subject to the restriction set forth in Section 3 of this article, the Association shall have and may exercise all of the powers now or hereafter conferred upon nonprofit corporations organized under the laws of Utah and may do everything necessary or convenient for the accomplishment of any of the corporate purposes, either alone or in connection with other organizations, entities or individuals, and either as principal or agent, subject to such limitations as may be prescribed by law.
3. **Restrictions Upon Purposes and Powers** The foregoing purposes and powers of the Association are subject to the following limitations:
  - a. **Earnings of Association** No part of the net earnings of the Association (if any) shall inure to the personal benefit of any member of the Association; however, this restriction shall not limit or impair the Association's right to compensate Members for services rendered or for goods sold or leased to the Association;



- b. **Nonprofit Organization** The Association shall be organized and operated exclusively for non-profitable purposes as set forth in Section 528 of the Internal Revenue Code as it is now or may hereafter be amended, or in any corresponding provision of any future law of the United State of America providing for exemption of similar organizations from income taxation; and

**ARTICLE IV  
DIVIDENDS & DISTRIBUTIONS**

The Association shall not pay any dividends. No distribution of the corporate assets to Members (as such) shall be made except as permitted by the Internal Revenue Code and the Utah Code sections governing condominiums and community associations. Upon dissolutions of the Association, the assets shall be distributed as provided in Article X herein.

**ARTICLE V  
MEMBERSHIP AND VOTING**

1. **Members** The Association shall have Members. Every owner of a lot which is subject to assessment shall be a Member of the Association. Each membership shall be pertinent to and may not be separated from ownership of the lot to which the membership is attributable.
2. **Stock** No stock in the Association shall be issued. The Board may, in its discretion, issue certificates evidencing a Member's membership in the Association. A person's membership, however, is not affected by the holding of such a certificate and a Member is entitled to all the benefits and subject to all obligation of membership whether or not the Member holds a membership certificated.
3. **Voting** The Association shall have one class of voting membership. Each lot shall be entitled to one vote on any given matter, regardless of the number of Members owing an interest in such lot. The Members owning a particular lot are authorized to cast the vote attributable to the lot. The Board may suspend the voting rights of Members for a particular lot if the Members are in violation of the Declaration.
4. **Right to Vote** No change in the ownership of a membership shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided satisfactory proof thereof. The vote for each lot must be cast as a lot, and factional votes shall not be allowed. If a lot is owned by more than one person or entity and such owners are unable to agree among themselves as to show their vote or votes shall be cast, they shall not be entitled to vote on the matter in question. If any Member casts a vote representing a certain lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other owners of the same lot unless objection thereto is made at the time the vote is cast. If more than one vote is cast for a particular lot, none of the said votes shall be counted and all said votes shall be deemed void. Voting by

proxy is allowed as set forth in the Association's Bylaws.

5. **No Cumulative Voting** In any election of the members of the Board, the owner(s) of a given lot shall collectively have one vote for each Director position to be elected. The candidate receiving the highest number of votes for a given Director position shall be deemed elected to such position. Cumulative voting shall not be allowed in the election of members of the Board or for any other purpose.
6. **Transfer of Membership** The rights and obligations of memberships in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership to an owner's lot and then only to the new owner of the lot. A transfer of ownership to a lot may be effected by deed, intestate succession, testamentary disposition, foreclosure of a mortgage of record, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Utah. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a lot shall automatically transfer the membership appurtenant to said lot to the new owner thereof.

#### ARTICLE VI SHARE OF STOCK

The Association shall not issue any shares of stock.

#### ARTICLE VII DIRECTORS

The management of the affairs of the Association shall be vested in a Board of Directors, except as otherwise provided in the Act, these Articles of Incorporation or the Bylaws of the Association. The number of Directors, their classification, if any, their terms of office and the manner of their election or appointment shall be determined according to the Bylaws of the Association from time to time in force.

Five Directors shall constitute the Board of Directors. Their names and addresses are as follows:

	<u>Name</u>	<u>Address</u>
1.	Rebecca Howard, President	4016 Meadow Wood Dr., Riverdale, Ut 84405
2.	Lynne Driggs/Vice President	4059 Meadow Wood Dr., Riverdale, Ut 84405
3.	Shirley Kirshaw/Secretary-Treasurer	4013 S. 850 W., Riverdale, Ut 84405
4.	Gerri Mungle/Board Member	4032 Meadow Wood Dr., Riverdale, Ut 84405
5.	Steve Crossley/Board Member	4025 S. 850 W., Riverdale, Ut 84405

**ARTICLE VIII  
BYLAWS**

The initial Bylaws of the Association shall be those adopted as the Bylaws of the Association in connection with the Amended Declaration which approved the incorporation of the Association. The Bylaws of the Association may contain any provisions for the regulation or management of the affairs of the Association which are not inconsistent with law or these articles of incorporation, as these articles may from time to time be amended.

**ARTICLE IX  
INITIAL PRINCIPAL OFFICE, REGISTERED OFFICE AND AGENT**

The address of the initial principal office of the Association is Shady Grove Owners Association, Inc., c/o Lynne Driggs, 4059 Meadow Wood Dr., Riverdale, Ut 84405. The address of the initial registered office is 4016 Meadow Wood Dr., Riverdale, Utah 84405. The name of the Association's registered agent at such address is Rebecca Howard..

**ARTICLE X  
DISSOLUTION**

The Association may be dissolved only upon termination of Enabling Declarations for Shady Grove. Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets, as set forth below, shall be mailed to every Member at least 30 days in advance of any action taken. Upon dissolution of the Association, the assets both real and personal of the Association, shall be distributed according to the provisions of the Act and the Utah Code sections governing condominiums and community associations.

**ARTICLE XI  
INCORPORATOR**

The name and address of the incorporator of this Association is:

Rebecca Howard, 4016 Meadow Wood Dr., Riverdale, Ut 84405

**ARTICLE XII  
AMENDMENT**

The Association may amend these Articles of Incorporation by a vote of not less than 66.7% of the members.

IN WITNESS WHEREOF, I, Rebecca Howard have executed these Articles of Incorporation this 2 day of May, 2012, and say: That I am the incorporator herein and have read the above and foregoing Articles of Incorporation and know the contents thereof and that the same is true to the best of my knowledge and belief.

  
Rebecca Howard

**ACKNOWLEDGMENT OF ACCEPTANCE BY REGISTERED AGENT**

The undersigned hereby accepts and acknowledges appointment as the initial registered agent of the Association named above.

  
Rebecca Howard

**EXHIBIT "C"**

**Bylaws**

**BYLAWS**  
**FOR**  
**SHADY GROVE**  
**OWNERS ASSOCIATION, INC.**

The following are adopted as the administrative Bylaws of Shady Grove Owners Association, Inc.

**ARTICLE 1**

**PLAN OF LOT OWNERSHIP AND INCORPORATION**

- 1.1 **Submission.** These Bylaws are adopted by the owners of lots in Shady Grove after having first been voted and approved by the Shady Grove lot owners. These Bylaws shall govern the administration of Shady Grove Owners Association.
- 1.2 **Conflict.** In the event of any conflict, incongruity or inconsistency between the provisions of these Bylaws and the provisions of the Enabling Declaration or any amendments thereto, the latter shall in all instances govern and control.
- 1.3 **Office and Registered Agent.** The Registered Agent of the Association shall be the President or Secretary of the Association and the Registered Office of the Association shall be the office of the President or such other place as shall be designated by him.
- 1.4 **Bylaws Applicability.** All present and future Owners, residents, tenants, renters, lessees, and their guests, licensees, invitees, servants, agents or employees, and any other person or persons who shall be permitted at Shady Grove shall be subject to and abide by these Bylaws.

**ARTICLE 2**

**ASSOCIATION**

- 2.1 **Composition.** The association of Owners is a mandatory association consisting of all Owners at Shady Grove.
- 2.2 **Voting.** Each Owner shall have an equal number of votes.
- 2.3 **Place of Meeting.** Meetings of the Association shall be held at the principal office of the

Association or at such other suitable place as may be designated by the Board from time to time and stated in the notice of meeting.

- 2.4 **Annual Meeting.** Unless otherwise designated by the Board, the annual meeting of the Association shall be held at 7:00 o'clock p.m. on the second Tuesday of November of each year, or at such other suitable day, date and time as may be designated by the Board from time to time. When such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be the principal office of the Association unless otherwise specified in the notice of meeting.
- 2.5 **Special Meetings.** The President shall call a special meeting (a) if he or she so desires, (b) if a majority of the members of the Board of Directors direct him to do so, or (c) upon receipt of a petition signed and presented to the Secretary of the Board by at least twenty-five percent (25%) of the members of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
- 2.6 **Notice of Meeting.** It shall be the duty of the Secretary to give notice of (a) each annual meeting of the Owners not less than ten (10) and not more than thirty (30) days in advance of such meeting; and (b) each special meeting of the Owners at least three (3) days and not more than twenty (20) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of his respective lot or such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.
- 2.7 **Notification by Mail, Website and Email.** Any notice permitted or required to be delivered by the Board or from the Association to the Owners may be delivered either personally, by U.S. mail, or by electronic means.
- (1) If notice is by mail, it shall be deemed to have been delivered 24 hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to each Owner at the address given by such person to the Board of Directors for the purpose of service of such notice or to the Lot of such person if no address has been given. Such addresses may be changed by Owner from time to time by notice in writing to the Board of Directors.
  - (2) If notice is by electronic means, any notice delivered by the Association to Owners under the provisions of the Declaration or these Bylaws may be sent by electronic means, including text message, email, or the Association's website. The Association shall maintain records of all notices sent to Members by electronic means, including the electronic address to which notice was sent. When a notice is sent electronically, the Association shall first compile a list of Owners' current electronic addresses (such as email or text messaging addresses or other types of well known electronic forms,

such as Facebook) and the Association shall send notification of all Association meetings and business to the electronic address of the Owners. The Association secretary shall thereafter send an electronic notice, via email or a comparable electronic means, of all Association meetings and business to those Owners who do not object to electronic notification in this manner. A member may, by written demand, require the Association to provide notice to the lot owner by mail.

- (3) If notice is by personal means, notice may be delivered to Owners by hand delivery directly to the Owner or a responsible occupant of an Owner's Home, or by securely attaching a copy of the notice to the front entry door of the Owner's Home.
- 2.8 **Voting Requirements.** An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, he shall be in full compliance with all of the terms, covenants, and conditions of the Project Documents, and shall have fully paid all Assessments due.
- 2.9 **Proxies.** The votes appertaining to any lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner, or in cases where the Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual written notice to the person presiding over the meeting, by the Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Board before the meeting. Only individual Owners or the legal representative of an Organizational Owner may be proxies.
- 2.10 **Quorum.** A majority of the members (51% or more) of the Association shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two (2) days nor more than thirty (30) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting. The Owners present at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Owners representing a majority of the members of the Association present at the meeting either in person or by proxy, shall decide any question brought before the meeting; provided, however, if the Declaration requires a fixed percentage of Owners to approve any action, however, that percentage shall be required anything to the contrary notwithstanding.
- 2.11 **Order of Business.** The order of business at all meetings of the Association shall be as follows:



- (1) roll call to determine quorum status;
- (2) proof of notice of meeting;
- (3) reading of minutes of preceding meeting;
- (4) reports of officers;
- (5) report of special Boards, if any;
- (6) appointment of inspectors of election, if applicable;
- (7) election of Board Members, if applicable;
- (8) unfinished business; and
- (9) new business.

- 2.12 **Conduct of Meeting.** The President shall, or in his absence the Vice-president, preside over all meetings of the Association; the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as record of all transactions occurring thereat.

### ARTICLE 3

#### BOARD OF DIRECTORS

- 3.1 **Powers and Duties.** The affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration, and may do all such acts and things necessary to operate and maintain the Project. The Board may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for at least the following:

- (1) Preparation of an annual budget;
- (2) Determining the annual assessment of each Owner;
- (3) Managing the Association;
- (4) Maintaining the Common Areas and Facilities;
- (5) Collecting the Assessments;
- (6) Depositing the collections into a federally insured interest bearing account or accounts;
- (7) Adopting and amending rules and regulations;
- (8) Enforcing the Project Documents;
- (9) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.
- (10) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of these Bylaws, after damage or destruction by fire or other casualty.
- (11) Commencing legal action when necessary;

- (12) Purchasing and maintaining insurance for the Association and the Board;
  - (13) Paying the cost of all services rendered to the Project and not billed directly to Owners of individual Lots.
  - (14) Keeping books and records of the Association;
  - (15) Providing common utility services as needed;
  - (16) Paying any amount necessary to discharge any mechanic's or materialman's lien or other encumbrance levied against the Common Area or Facilities;
  - (17) Giving notice of alleged violations of the Project Documents and providing the alleged violator the opportunity to be heard;
  - (18) Levying fines, sanctions and citations;
  - (19) Making emergency repairs;
  - (20) Towing or impounding motor vehicles;
  - (21) Evicting non-Owner residents in material violation of the Project Documents or who have created and failed to abate a nuisance; and
  - (22) Doing such other things and acts necessary to accomplish the foregoing.
- 3.2 **Composition of Board of Directors.** The Board of Directors shall be composed of at least five (5) but not more than seven (7) members of the Association.
- 3.3 **Qualification.** Only individual Owners or officers or agents of organizational Owners other than individuals shall be eligible for Board Membership. Only one owner per lot shall serve on the Board at any given same time.
- 3.4 **Election and Term of Office of the Board.** The term of office of membership on the Board shall be one (1) year and each member shall serve on the Board until such time as his successor is duly qualified and elected.
- 3.5 **Initial Organizational Meeting.** The first meeting of the members of the Board shall be immediately following the annual meeting of the Association or at such other time and place designated by the Board.
- 3.6 **Regular Meetings.** Regular meetings of the Board shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Board, but no less often than monthly.
- 3.7 **Special Meetings.** Special meetings of the Board may be called by the President, Vice-president or a majority of the members on at least forty-eight (48) hours prior notice to each member. Such notice shall be given personally, by regular U.S. mail postage prepaid, by telephone or electronic means, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Board shall be valid for any and all purposes.
- 3.8 **Waiver of Notice.** Before or at any meeting of the Board, any member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of

such notice. Attendance by a member at any such meeting of the Board shall constitute a waiver of notice. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

- 3.9 **Quorum.** At all meetings of the Board, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Board members present at a meeting at which a quorum is present shall be deemed to be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no shorter than two (2) days nor more than 5 days and give notice of the rescheduled meeting to the members not in attendance. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.
- 3.10 **Vacancies.** Vacancies in the Board caused by any reason other than removal of a member by a vote of the Association shall be filled by vote of the majority of the remaining members of the Board at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Board; and each person so elected shall be a member for the remainder of the term of the member so replaced. A vacancy created by the removal of a member by a vote of the members of the Association at a special meeting called for that purpose shall be filled by the election and vote of the members of the Association at said meeting.
- 3.11 **Removal of Board Member.** A member may be removed, with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum of the Association is present, by an affirmative vote of a majority of the members of the Association. Any member whose removal has been proposed by the Owners shall be given at least thirty (30) days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Board Member who misses twenty-five percent (25%) or more of the Board Meetings or who misses three (3) consecutive meetings in any calendar year, shall be automatically removed from the Board.
- 3.12 **Compensation.** Board members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Board business and approved by the Board.
- 3.13 **Conduct of Meetings.** The President shall preside over all meetings of the Board and the Secretary shall keep a Minute Book of the Board recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings, subject to the following:
- (1) **Open Meetings.** A portion of each meeting of the Board shall be open to all members of the Association, but members other than members of the Board may not participate in any discussion or deliberation unless expressly so authorized by a

majority of a quorum of the Board. The Board shall establish procedures, policies, and guidelines for conducting of its meetings, retiring to executive session, and prohibiting photographs and/or any electronic (video or audio) recordation of the meetings, or any part thereof.

- (2) **Executive Session.** The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in an Executive Session to discuss and vote upon private, confidential, sensitive or personnel matters, litigation, and orders of business of a similar nature. The nature of any and all business to be considered in an Executive Session shall first be announced in open session.
  - (3) **Action Without a Formal Meeting.** Any action to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all members of the Board.
- 3.14 **Report of Board.** The Board shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Association.

#### ARTICLE 4

##### NOMINATION AND ELECTION OF BOARD MEMBERS

- 4.1 **Nomination Process.** The process for the nomination and election of the Board of Directors shall proceed as set forth herein.
- 4.2 **Nominating Committee.** Nominations for election to the Board shall be made by a Nominating Committee, whose purpose is to seek out and locate qualified individuals as candidates for election to the Association's Board of Directors. The Nominating Committee shall consist of a Chairman, who shall be a member of the existing Board, and three or more additional members of the Association, who may or may not be current members of the Board. The Nominating Committee shall be appointed by the Board not less than 30 days prior to each annual meeting of the Association at which an election will be held. The Nominating Committee shall serve for a term of one year. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of vacant Board seats to be filled. The Nominating Committee may notify members that it is seeking qualified candidates and interview all candidates interested in serving on the Board to determine if, in the Nominating Committee's sole discretion, the potential candidate has the proper demeanor, experience, ability and character to serve the interests of the Association if elected. The Nominating Committee shall submit to the Board those names as candidates which a majority of the Nominating Committee recommend be placed on the Association ballot. Those nominated as candidates shall have the opportunity to communicate their qualifications to the members and to solicit votes.

- 4.3 **Nomination Approval.** Anyone nominated as a candidate prior to or at the Association's election meeting should have first granted their approval and affirmatively stated that he or she is willing to serve for the term if elected.
- 4.4 **Nominations.** The names of the candidates recommended by the Nominating Committee shall be included in the Notice of the annual meeting sent to members of the Association, and may be included on proxy and absentee ballots sent to members. Write-in candidates are permitted. Nominations may also be received from members of the Association from the floor at the annual meeting of the members.
- 4.5 **Election.** At the annual meeting for the election of new Board members, the Board shall prepare and distribute a ballot to each owner. Owners who do not attend the meeting may vote by proxy ballot or by written ballot. Each lot is entitled to vote as provided in the Declaration and Bylaws. Voting shall be by secret ballot only if required by the Declaration

## ARTICLE 5

### OFFICERS

- 5.1 **Designation.** The principal officers of the Association shall be a President, a Vice-president, a Secretary and a Treasurer, all of whom shall be elected by the Board. The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. All officers shall also be members of the Board. Two or more offices may be held by the same person, except that the President shall not hold any other office.
- 5.2 **Election of Officers.** The officers of the Association shall be elected by the members of the Board of Directors at their first meeting after the annual meeting of the Association. Any vacancy in an office shall be filled by the remaining members of the Board of Directors at a regular meeting or special meeting called for such purpose.
- 5.3 **Removal of Officers.** The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.
- 5.4 **President.** The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board and shall be an ex officio member of all Boards; he shall have general and active management of the business of the Board and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties, which are usually vested in or incident to the use of president of a stock corporation organized under the laws of the State of Utah.
- 5.5 **Vice-president.** The Vice-president shall, in the absence or disability of the President,

perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice-president is able to act, the Board shall appoint a member of the Board to do so on an interim basis.

5.6 **Secretary.** The Secretary shall attend all meetings of the Board and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him or her for that purpose and shall perform like duties for Boards when required. He shall give, or cause to be given, notices for all meetings of the Association and the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the Minute Book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board including resolutions.

5.7 **Treasurer.** The Treasurer shall have custody of all funds and securities. He shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Project.

#### ARTICLE 6

##### FISCAL YEAR

6.1 The fiscal year of the Association shall be the calendar year consisting of the twelve month period commencing on January 1 of each year terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Association.

#### ARTICLE 7

##### AMENDMENT TO BYLAWS

7.1 **Amendments.** These Bylaws may be modified or amended either (i) by the affirmative vote of a majority of the members of the Association or (ii) pursuant to a written instrument of consent duly executed by a majority of the members of the Association provided all of the written consents are obtained within a ninety day period.

ARTICLE 8

**COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS**

- 8.1 **Compliance.** These Bylaws are set forth in compliance with the requirements of the Enabling Declaration.
- 8.2 **Conflict.** These Bylaws are subordinate to and are subject to all provisions of the Enabling Declaration, except in those cases where the provisions of the Bylaws are clearly intended to govern (administrative matters). All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration.
- 8.3 **Severability.** If any provisions of these Bylaws or any section, sentence, clause, phrase, or work, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.
- 8.4 **Waiver.** No restriction, condition, obligation, or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.
- 8.5 **Captions.** The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.
- 8.6 **Construction.** Whenever in these Bylaws the context so requires, the singular number shall refer to the plural and the converse; the use of any gender shall be deemed to include both masculine and feminine, and the term "shall" is mandatory and "may" permissive.
- 8.7 **Effective.** These Bylaws shall be effective upon recording in the Office of the County Recorder of Weber County.