

BYLAWS

of

GLENEAGLES COMMUNITY ASSOCIATION, INC.

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Date 23-MAR-2001 12:11pm
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CALLEN B. PESHELL, Recorder
Filed By RGL
For FIRST AMERICAN TITLE INS CO
TOOELE COUNTY CORPORATION

ARTICLE I
NAME AND LOCATION

The name of the Association (as such term is hereinafter defined) is GLENEAGLES COMMUNITY ASSOCIATION, INC. (hereinafter referred to as the "Association"). The principal office of the Association shall be located at 470 East 3900 South, Suite 200, Salt Lake City, Utah 84107, but meetings of Members (as such term is hereinafter defined) and directors may be held at such places within the State of Utah as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

2.1. Declaration. The "Declaration" shall mean, collectively, the Declaration of Covenants, Conditions and Restrictions of Gleneagles recorded or intended to be recorded in the Office of the County Recorder of Tooele County, Utah and any amendments or supplements recorded or to be recorded pursuant thereto.

2.2. Other Definitions. Each and every definition set forth in the Declaration shall have the same meaning herein as therein, and each and every such definition is incorporated by reference and made a part of these Bylaws as if once again fully written and set forth at length herein.

ARTICLE III
MEMBERS

The qualifications for membership, the classes of membership and the voting rights of Members shall be as set forth in the Declaration, all of which provisions are hereby incorporated by reference as if set forth in full herein. The provisions of these Bylaws, which are binding upon all Members, are not exclusive, as Members shall also be subject to the terms and provisions of the Community Articles, the Declaration and the Association Rules, if any.

ARTICLE IV
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time and place within the State of Utah selected by the Board of Directors of the Association. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-fourth (1/4) of all of the votes of the Class A membership, or (ii) entitled to vote one-fourth (1/4) of all of the votes of the Class B membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or of proxies entitled to cast one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, these Bylaws or applicable law. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE V **BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE**

Section 1. Number and Election. The affairs of this Association shall be managed initially by a Board of three (3) directors, who need not be Members of the Association, all of whom shall be designated by Declarant and hold office until the election of their successors until the expiration of the Development Period. After the Development Period, directors shall be nominated and elected under the provisions of Article VI hereof. A simple majority of the entire Board of Directors is authorized to increase the number of Directors to a maximum of nine (9).

Section 2. Term of Office. From and after the annual meeting of the Members held after the conclusion of the Development Period, the term of office of the directors shall be staggered. At the first annual meeting the Members shall elect one-third (1/3) of the directors for a term of one (1) year, one-third (1/3) of the directors for a term of two (2) years, and one-third (1/3) of the directors for a term of three (3) years; and at each annual meeting thereafter the Members shall elect one-third (1/3) of the total number of directors for a term of three (3) years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his or her successors shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

Section 5. Action Taken Without A Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take under Utah law at a closed meeting by obtaining the written approval of all the directors. Any action so approved shall have the same

effect as though taken at a closed meeting of the directors.

ARTICLE VI
NOMINATION AND ELECTION OF DIRECTORS AFTER
CONCLUSION OF DEVELOPMENT PERIOD

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies. Nominations may be made from among Members or non-members of the Association.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. The provisions of this Article VI shall not apply until the Development Period has expired.

ARTICLE VII
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII
POWERS, RIGHTS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations or any provisions of the Declaration;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(c) appoint the Architectural Committee, adopt and promulgate Architectural Standards and to take all necessary or reasonable actions to ensure compliance with the terms of the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, independent contractor, or such other individuals, entities or employees as they deem necessary and to prescribe their duties.

Section 3. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by one-fourth (1/4) of the Class A Members or of the Class B Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) foreclose the lien against any Lots for which assessments are not paid within thirty (30) days after the due date thereof or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate; and

(f) cause to be maintained any areas shown located within the Property that may be owned by governmental entities who are not maintaining such areas.

ARTICLE IX
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors, and thereafter at the meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless any officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. 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.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaced.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Members and of the Board of Directors and shall see that orders and resolutions of the Board are carried out. The President shall have the authority to sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and

of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE X INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify, defend and hold every officer and director of the Association harmless from and against any and all expenses, including counsel fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Community Board of the Association), to which he may be made a party by reason of being or having been an officer or director of the Association, whether or nor such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the Members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The officer and directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify, defend and forever hold each such officer and director free and harmless from and against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or former officer or director of the Association may be entitled.

ARTICLE XI GENERAL PROVISIONS

11.1 Checks, Drafts, etc. All checks, drafts, or other order for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by the President and Treasurer and in such manner, as from time to time, shall be determined by resolution of the Community Board.

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

11.3. Singular Includes Plural. Wherever the context of these Community Bylaws requires same, the singular shall include the plural and the masculine shall include the feminine.



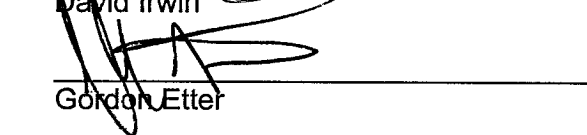
11.4. Fiscal Year. Unless otherwise selected by the Community Board, the fiscal year of the Community Association shall begin on the first day of January and end on the 31st day of December of every year, except that the fiscal year shall begin on the date of incorporation.

11.5. Conflicts. In the case of any conflict between the Community Articles and these Community Bylaws, the Community Articles shall control; and in the case of any conflict between the Declaration and these Community Bylaws, the Declaration shall control.

11.6. Absentee Ballots. The Community Board may make such provisions as it may consider necessary or desirable for absentee ballots.

11.7. Amendments. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of a quorum of Members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration or the Department of Housing and Urban Development, or any successor agencies thereto, shall have the right to veto amendments while there is a Class B membership if any such agency or any successor agencies thereto have approved the Property, any part thereof, or any Lot, for federal mortgage financing.


IN WITNESS WHEREOF, we, being all of the directors of Gleneagles Community Association, Inc., have hereunto set our hands this 21 day of March, 2001.


 John Aldous

 David Irwin

 Gordon Etter

CERTIFICATION

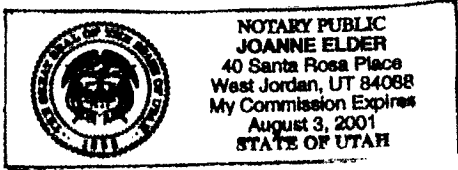
I, THE UNDERSIGNED, do hereby certify that I am the duly elected and acting Secretary of Gleneagles Community Association, Inc., a Utah corporation, and that the foregoing Bylaws constitute the original Bylaws of said Corporation, as duly adopted by unanimous written consent of the Community Board thereof on this 21 day of March, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Corporation this ____ day of _____, 2001.


 _____ (SEAL)
 , Secretary

STATE OF : UTAH
COUNTY OF : SALT LAKE

On the 21 day of March 2001, personally appeared before me John Aldous, David Irwin and Gordon Etter, who being by me duly sworn did say, that they are the directors of Gleneagles Community Association, Inc., and that John Aldous is the duly elected and acting secretary of Gleneagles Community Association, Inc., and that the within and foregoing instrument was signed on behalf of said Association.



Joanne Elder
NOTARY PUBLIC, Residing at
West Jordan, UT 84088

My Commission expires: 8-3-01

PARCEL 1

Lots 101 through 163, GLENEAGLES NO. 1 SUBDIVISION, according to the official plat thereof, as recorded in the office of the Tooele County Recorder.

Tax ID No. 13-074-0101 through 13-074-0-0163
Being 63 Lots and Park

PARCEL 2

Lots 201 through 254, GLENEAGLES P.U.D. PHASE 1, according the official plat thereof, as recorded in the office of the Tooele County Recorder.

Also all the common areas and private roads

Tax ID No.(s) 13-082-0-0201 through 13-082-0-0255
Being 54 lots and common areas

PARCEL 3

Beginning at the Northeast corner of Section 20, Township 3 South, Range 4 West, Salt Lake Base and meridian; and running thence North 89°42'47" East 451.18 feet more or less along the North section line of Section 21; thence South 43°55'15" West 174.43 feet; thence North 89°42'47" East 27.90 feet more or less to the West right of Way of the Los Angeles & Salt Lake Railroad; thence South 43°55'15" West 2571.68 feet more or less along said Railroad right of way to a point on the North line of the property owned by James and Daniel O. Clegg, Trustee; thence along said North line North 88°44'00" West 860.86 feet; more or less to an existing fence; thence along said fence line North 00°09'35" East 1466.36 feet more or less; thence continuing along said fenceline North 01°07'58" East 479.16 feet, more or less to the North section line of Section 20; thence along said section North 89°43'06" East 2272.92 feet to the point of beginning.

Tax ID No. 02-003-0-0001, 02-002-0-0001, 02-002-0-0019, 02-02-0-0017, 02-002-0-0022 and 02-002-0-0023

LESS AND EXCEPTING THE FOLLOWING:

Lots 101 through 163, GLENEAGLES NO. 1 SUBDIVISION, according to the official plat thereof, as recorded in the office of the Tooele County Recorder.

Tax ID No. 13-074-0101 through 13-074-0-0163
Being 63 Lots and Park

Lots 201 through 254, GLENEAGLES P.U.D. PHASE 1, according the official plat thereof, as recorded in the office of the Tooele County Recorder.

Also all the common areas and private roads

Tax ID No.(s) 13-082-0-0201 through 13-082-0-0255
Being 54 lots and common areas

AND LESS AND EXCEPTING PROPERTY LYING WITHIN ROADS.