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MARY ANN TRUSSELL, SUMMIT COUNTY RECORDER

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BYLAWS

OF

QUARRY MOUNTAIN RANCH HOMEOWNERS ASSOCIATION, INC.,
a Utah nonprofit corporation

March 2017

Adopted on the 31 day of June, 2016

BYLAWS

The following Bylaws were adopted by the Management Committee of the Quarry Mountain Ranch Homeowners Association, Inc. (the "Association") effective ~~June __, 2016~~ **March 31, 2017**

ARTICLE 1 - DEFINITIONS; APPLICATION

Section 1.1 Definitions. As used herein, the following terms shall have the meanings given them below:

"Articles" – means the Articles of Incorporation of the Association, as they may be amended from time to time.

"Declaration" – means the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Quarry Mountain Ranch (the "Declaration") recorded on April 16, 2004, as Entry No. 00695390, in Book 01612, Page 01858-01889, in the office of the Summit County, Utah Recorder, as it has been or may be amended from time to time.

"Lot" – means a legally subdivided, separate parcel of land in the Property.

"Management Committee" – means the Board of Directors of the Association, as described in the Articles, these Bylaws, and the Declaration.

"Owner" – means the record owner, whether one or more persons and/or entities, of a fee simple title to each Lot, including contract buyers of record but excluding mortgagees, contract sellers or others having such interest merely as security for the performance of an obligation unless and until said mortgagee or other holder of a security interest has acquired title to a Lot which is a part of the Property pursuant to forfeiture, foreclosure or a proceeding in lieu thereof. An "Owner" shall mean all of the owners of a particular Lot collectively and shall be jointly regarded as a single Owner for purposes of this Declaration. Any owner of an equity interest of record in a Lot, and any partner, officer or shareholder of an entity which is an owner of record, may be treated by the Association as a representative of all the ownership of such Lot for purposes of giving notices, voting and other matters.

"Property" – means the real property located in Summit County, Utah, which is described in Exhibit A attached to the Declaration, together with such additions and improvements thereto as may now be located on said real property as may hereafter by conveyed or brought within the ownership or jurisdiction of the Association.

"Total Votes of the Association" – means, at any given time, the total votes of all the Members then entitled to vote on any matter coming before the Members.

Other capitalized terms used but not defined herein shall have the meanings given them in the Declaration.

Section 1.2 Application. All present and future Owners, mortgagees, lessees and occupants of

any Lot and any other persons who may use the Property or any portion thereof in any manner are subject to the Declaration, these Bylaws, and all rules made pursuant hereto and any amendments hereof. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Lot shall constitute an agreement to comply with all terms and provisions of the Declaration and these Bylaws and any rules and regulations made pursuant hereto, as they may be amended from time to time.

ARTICLE 2 - PRINCIPAL OFFICE; CORPORATE SEAL

Section 2.1 Purpose. The Association has been formed for the purposes set forth in the Association's Articles of Incorporation and, in particular (but without limiting the generality of the foregoing), to act as the "Association" under the Declaration.

Section 2.2 Principal Office. The Association shall maintain its principal office and known place of business at 1001 West Old Ranch Road, Park City, Utah 84098, or at such other address as may be designated by the Management Committee.

Section 2.3 Other Offices. The Association may also maintain offices and places for conducting business at such other place or places, both within and without the State of Utah, as may be designated from time to time by the Management Committee, and the business of the Association may be transacted at such other offices with the same effect as that conducted at the principal office.

Section 2.4 Corporate Seal Not Required. A corporate seal shall not be required for the validity of any instrument executed by or on behalf of the Association.

ARTICLE 3 - MEMBERS

Section 3.1 Membership. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and ownership of a Lot shall be the sole qualification for Membership. If a Lot is owned by more than one person or entity, all such persons or entities shall together constitute the Member for that Lot.

Section 3.2 Place of Meetings. The annual meetings of Members shall be held at the Property or another location in Summit County, Utah, as may be fixed from time to time by the Management Committee and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 3.3 Annual Meetings. The annual meeting of the Members shall be held in the month of June, July or August each year, with the exact date to be determined each year by the Management Committee, provided that the Management Committee may elect to delay the annual meeting past August in any given year if necessary to permit preparation of financial statements or budgets, or for such other reasons as may be determined by the Management Committee, in its good faith discretion. At each annual meeting the Members shall elect the Management Committee and transact such other business as may properly be brought before the meeting.

Section 3.4 Special Meetings. Unless otherwise prescribed by Utah statute or by the Articles, special meetings of the Members, for any purpose or purposes, may be called by a majority of the Management Committee, the President, or upon the written request of Members having at least twenty percent (20%) of the Total Votes of the Association.

(a) Requirements for Request of Members. Any written request for a special meeting by the Members shall include the signature of each Member affirmatively supporting such request along with a statement of the purpose of the meeting. The statement of affirmation and purpose must be on every document containing signatures. Such written request is to state the purpose or purposes of the meeting and shall be delivered to the Manager, or the President, who shall then call, provide notice of, and conduct a special meeting within sixty (60) days of receipt of the request that shall address the purpose identified on the request, but no other issues.

Section 3.5 Notice of Members Meetings. Not less than ten (10) nor more than sixty (60) days before the date of any annual or special meeting of the Members, either the secretary or any other officer of the Association or member of the Management Committee shall cause written notice stating the place, date and time of the meeting (and, in the case of a special meeting, the items on the agenda, including, but not limited to, the general nature of any proposed amendment to the Declaration, Articles or Bylaws, any budget changes and any proposal to remove a Management Committee member or officer) to be hand-delivered or sent prepaid by United States mail to the last known mailing address of each Member, as shown in the Association records, or to the mailing address of such Member's Lot. Business transacted at any special meeting of Members shall be limited to the items stated in the notice. Written notice shall be deemed to be effective at the earlier of: (a) when mailed, if addressed to the Member's address shown in the Association's current record of Members; (b) when received, if delivered personally; (c) when electronically transmitted, if delivered by e-mail or facsimile to the Member in a manner and to an address provided by the Member in an unrevoked consent; (d) five days after it is mailed by regular mail; or (e) on the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee. A Member may consent to delivery of notice by electronic transmission by providing written notice to the Association of an electronic mail address, facsimile telecommunication number or other form of electronic transmission for receipt by the Member of notices from the Association. Any such consent shall be revocable by the Member by written notice to the Association. Any consent to delivery of notice by electronic transmission shall be considered revoked if (i) the Association is unable to deliver by electronic transmission two consecutive notices transmitted based on such consent, and (ii) the inability to deliver notice by electronic transmission is known by the Association's secretary or any other person responsible for providing notice; provided that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Section 3.6 Quorum. Unless otherwise required by the Declaration, the Articles or applicable law, a quorum shall be deemed present for all purposes throughout any meeting of Members if Members entitled to cast a majority of the Total Votes of the Association are present in person or by valid proxy at the beginning of the meeting. If a quorum is not met, the meeting may be postponed to a date of not more than thirty (30) days and not less than fifteen (15) days at which time the Owners present shall constitute a

quorum. In the case of any such postponement, notice of the meeting shall again be provided to all owners at least ten (10) days before the postponed meeting which shall include the statement: "The meeting will occur without any requirement for a minimum number of owners present." Unless otherwise expressly provided in the Declaration, any action may be taken at any meeting of the Owners upon a vote of a majority in interest of the Owners present at the meeting in person or by proxy.

Section 3.7 Voting. At every meeting of Members each Member in good standing (that is, each Member whose right to vote has not been suspended as described in Section 3.12) shall be entitled to vote either: (a) in person; or (b) by a proxy duly appointed by a written instrument signed by the Member, dated not more than eleven (11) months prior to such meeting (unless such instrument provides for a longer period not to exceed twenty-five (25) months from the date of its execution and states that it is coupled with an interest and is irrevocable). Proxies shall be filed with the secretary of the Management Committee before or at the time of the meeting. The vote for members of the Management Committee and upon any question before the meeting shall be by voice vote or by written ballot, at the discretion of the President of the Association. Cumulative voting shall not be permitted. When more than one Owner holds an interest in a Lot, any Owner may exercise the vote for such Lot on behalf of all co-Owners of the Lot. In the event of two conflicting votes by co-Owners of one Lot, no vote shall be counted for that Lot but it shall be counted for the purposes of establishing a quorum. In no event shall fractional votes be exercised with respect to any Lot.

Section 3.8 Freezing of List of Members or Fixing of Record Date. For the purpose of determining Members entitled to notice of or to vote at a meeting of Members, or in order to make a determination of Members for any other proper purpose, the Management Committee may provide that the list of Members shall be frozen for a stated period not to exceed thirty (30) days. If the list of Members shall be frozen for the purpose of determining Members entitled to notice of or to vote at a meeting of Members, such list shall be frozen for not more than thirty (30) days immediately preceding such meeting. In lieu of freezing the list of Members, the Management Committee may fix in advance a date as the record date for any such determination of Members, such date in any case to be not more than thirty (30) days prior to the date of the particular meeting of Members or the date on which the particular action requiring such determination of Members is to be taken, as applicable. If the list of Members is not frozen and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the record date for such determination of Members shall be four o'clock in the afternoon on the day before the day on which notice of the meeting is mailed. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any continuation of such meeting following an adjournment.

Section 3.9 Action by Written Ballot without Meeting. Any action required or permitted to be taken at any annual or special meeting of Members may be taken by a vote conducted by written ballots without a meeting, if such vote is conducted in accordance with the requirements of Utah Code Ann. § 16-6a-709 (as amended from time to time) for action by written ballots. A written ballot must be signed by the Owner of a Lot in order to be effective. If there is more than one Owner, any Owner

may exercise the vote for such Lot on behalf of all co-Owners. In the event the Association receives two conflicting written ballots by co-Owners of one Lot, no vote shall be counted for that Lot but it shall be counted for the purposes of establishing a quorum. In no event shall fractional votes be exercised with respect to any Lot.

Section 3.10 Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Articles, the Bylaws, the Declaration, applicable Utah law, or otherwise, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened.

Section 3.11 Assessments. As more particularly provided in the Declaration, the Association has the right, power and authority to establish and levy Assessments against the Lots and the Owners thereof, and to enforce the payment of such Assessments.

Section 3.12 Suspension of Voting Rights; Imposition of Fines. In addition to the rights and remedies of the Management Committee provided for in the Declaration and in these Bylaws, the Management Committee may impose sanctions for violations of the Declaration and the rules and regulations of the Association, and/or applicable laws, which sanctions may include (but are not limited to) the imposition of fines on the offending Member. The procedures for imposing sanctions, including but not limited to determining the amount of a fine, shall be as set forth in the rules and regulations of the Association and/or applicable laws.

Section 3.13 Meetings by Telecommunication. Any or all of the Members may participate in an annual or special meeting of the Members by, or the meeting may be conducted through the use of, any means of communication by which all Persons participating in the meeting may hear each other during the meeting. A Member participating in a meeting as allowed in this section is considered to be present in person at the meeting. The Committee may establish procedures and rules related to this provision as it relates to proxies, verifying attendance, and other aspects of the meeting.

ARTICLE 4 - MANAGEMENT COMMITTEE

Section 4.1 Administration. The business and affairs of the Association shall be conducted by the Management Committee, consisting of five (5) natural persons, who are not required to be Owners and shall not be required to be residents of the State of Utah. All agreements and determinations with respect to the Association, lawfully made or entered into by the Management Committee, shall be binding upon all of the Owners and their successors and assigns.

Section 4.2 Election. At each annual meeting of the Association an election shall be held to fill any vacancies on the Management Committee. Each member of the Management Committee shall serve for a term of three (3) years. The terms shall be staggered terms, so that one member is up for re-election every third year, and two members are up for re-election in each of the following two years. The members of the Management Committee shall serve until their earlier

death, resignation, removal or expiration of their term. Any member of the Management Committee may resign at any time by giving written notice to the Association.

Section 4.3 Removal of Management Committee Members. Any member of the Management Committee may be removed from membership on the Management Committee by a two-thirds majority vote of a quorum of the Members. Whenever there shall occur a vacancy on the Management Committee due to death, resignation, removal or any other cause, the remaining members of the Management Committee shall appoint a successor member to serve for the unexpired term of the succeeded Management Committee member. If no such successor is appointed due to a deadlock between the remaining Committee members, a special meeting of Members may be called by any Management Committee member to elect a successor.

Section 4.4 Compensation. The members of the Management Committee shall receive no compensation for their services, other than reimbursement of expenses, unless expressly approved at a meeting of the Association; provided, however, that any member of the Management Committee may be employed by the Association in another capacity and receive compensation for such employment.

Section 4.5 Powers and Duties. The Management Committee, acting on behalf of the Association, shall have all the powers, duties and responsibilities which are now or may hereafter be provided by the Declaration or these Bylaws, including but not limited to the following:

- (a) To make and enforce all Rules and regulations covering the operation and maintenance of the Property in accordance with the provisions of sections 57-8a-217 & 57-8a-218 of the Act. The Rules may address any issues including those addressed in any other Governing Document. The Rules may supplement, clarify, and add detail to issues addressed in the other Governing Documents so long as they do not contradict the same. The Management Committee's determination as to whether a particular activity being conducted or to be conducted violates or will violate the Rules shall be conclusive, subject to a judicial determination if any is timely sought. The standard for adoption of Rules is one of reasonableness. A Rule must be reasonable in light of the circumstances pertaining to the situation or issue addressed by the Rule.
- (b) To engage the services of a manager or managing company, accountants, attorneys or other employees or agents and to pay to said persons a reasonable compensation for their services; provided however, except as otherwise provided in this Declaration, any management agreement may be terminated by the Management Committee for cause upon thirty (30) days written notice and the term of any said management agreement shall not exceed one (1) year.
- (c) To operate, maintain, repair, improve, and replace the Common Areas, including the entering into of agreements for the use and maintenance of the Common Areas and adjacent contiguous property for the benefit of the Association.
- (d) To determine and pay Common Expenses and other expenses of the Association.
- (e) To assess and collect the proportionate shares of Common Expenses and other applicable expenses from the Owners.

- (f) To enter into contracts, deeds, leases, and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers.
- (g) To open bank accounts on behalf of the Association and to designate the signatures therefore.
- (h) To purchase, hold, sell, convey, mortgage, or lease any one or more Lots in the name of the Association or its designee.
- (i) To bring, prosecute and settle litigation for itself, the Association and the Property.
- (j) To obtain insurance for the Association with respect to the Common Areas, and for the Association's officers, directors and employees, as well as workmen's compensation insurance as needed.
- (k) To repair or restore the Property following damage or destruction or a permanent taking by a power in the nature of eminent domain or by an action or deed in lieu of condemnation.
- (l) To own, purchase or lease, hold, sell or otherwise dispose of on behalf of the Owners, items of personal property necessary to or convenient in the management of the business and affairs of the Association and the Management Committee and in the operation of the Property.
- (m) To keep adequate books and records and make such books and records available to the Owners for inspection on a reasonable basis.
- (n) In addition to any other remedies allowed or provided in the Governing Documents for any violation of the Governing Documents, the Association may: (1) impose fines in accordance with the provisions of section 57-8a-208 of the Act, (2) collect rents directly from a tenant if an Owner fails to pay Assessments, and (3) take any other action or seek any other remedy allowed by the Act or other applicable Utah law
- (o) To do all other acts necessary for the administration, operation and maintenance of the Property, including the maintenance and repair of any improvements on the Property if the same is necessary or desirable to protect or preserve the Property.

Section 4.6 Delegation of Powers. The Management Committee may delegate to a manager or management company any or all of its foregoing powers, duties and responsibilities referred to in Section 4.5 above, except that the Management Committee may not delegate any of the following: the final determination of common expenses, budgets and assessments based thereon; the promulgation of rules and regulations; the power to purchase, hold, sell, convey, mortgage, or lease any property in the name of the Association; or any other power, duty or responsibility non-delegable by law.

Section 4.7 Meetings. Regular or special meetings of the Management Committee shall be

held at such places within or without the State of Utah as all members of the Management Committee shall determine. Otherwise, meetings shall be held at the Property. A simple majority of the members of the Management Committee shall constitute a quorum, and if a quorum is present, unless otherwise required by law or the Declaration, the decision of a majority of the quorum shall be binding on the Management Committee. Management Committee meetings shall be open to each Lot Owner of the Lot Owner's representative if the representative is designated in writing. At each meeting, the Management Committee shall provide each Lot Owner a reasonable opportunity to offer comments, but the Management Committee may limit Owner comments to on specific time during the meeting. The Management Committee may close a meeting to Owners to: (a) consult with an attorney for the purpose of obtaining legal advice; (b) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; (c) discuss a 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.

Section 4.8 Notice. Regular meetings of the Management Committee may be held without call or notice; provided, however, that if the meeting is to be held on a date or at a place other than as decided at the annual meeting each year, at least (10) days prior written notice shall be given to all Management Committee members. The person or persons calling a special meeting of the Management Committee shall, at least forty-eight (48) hours before the meeting, give written notice of the time and place thereof by personal delivery, by e-mail, by facsimile or by regular mail. Such notice should specify the general purposes for which the meeting is called; provided that the meeting need not be restricted to discussions of those items listed on the agenda. Written notice shall be deemed to be effective at the earlier of: (a) when mailed, if addressed to the Management Committee member's address shown in the Association's current records; (b) when received, if delivered personally; (c) when electronically transmitted, if delivered by e-mail or facsimile to the Management Committee member in a manner and to an address provided by the member in an unrevoked consent; (d) five days after it is mailed by regular mail; or (e) on the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee. A Management Committee member may consent to delivery of notice by electronic transmission by providing written notice to the Association of an electronic mail address, facsimile telecommunication number or other form of electronic transmission for receipt by the Management Committee member of notices from the Association. Any such consent shall be revocable by the Member by written notice to the Association. Any consent to delivery of notice by electronic transmission shall be considered revoked if (i) the Association is unable to deliver by electronic transmission two consecutive notices transmitted based on such consent, and (ii) the inability to deliver notice by electronic transmission is known by the Association's secretary or any other person responsible for providing notice; provided that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Section 4.9 Notice to Owners. Pursuant to § 57-8a-226, any Owner may request to receive notice of Management Committee meetings by requesting, in writing, such notice from either a Management Committee Member or the Manager and providing a valid email address at which the Member will receive notice. Any Owner who has requested notice of Management Committee meetings shall be given notice along with the Management Committee Members

Section 4.10 Special Meetings. Special meetings of the Management Committee may be called by the president of the Association or by any two Management Committee members.

Section 4.11 Attendance by Telephone or other Electronic Communication. The Management Committee may allow attendance and participation at any meeting of the Management Committee by telephone or any other means that allows for the Management Committee Members to communicate orally in real time including, but not limited to, means such as web conferencing, video conferencing, or telephone conferencing. If the Management Committee meets by electronic communication, the Management Committee must provide information necessary to allow any Owner who has requested notice of meetings the ability to participate by the available means of electronic communication. A person participating by these means is considered to be present in person at the meeting

Section 4.12 Waiver. Any member of the Management Committee may, at any time, waive notice of any meeting of the Management Committee in writing, and such waiver shall be deemed equivalent to the giving of notice to the member. Attendance by a member of the Management Committee at a meeting shall constitute a waiver of notice of such meeting except when a Management Committee member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. All the members of the Management Committee are present at any meeting of the Management Committee, no notice shall be required and any business may be transacted at such meeting.

Section 4.13 Action Without a Meeting. Unless otherwise restricted by the Declaration, the Articles or these Bylaws, any action required or permitted to be taken at any meeting of the Management Committee may be taken without a meeting, if all members of the Management Committee consent to the action in writing. Such written consents shall be filed with the minutes of proceedings of the Management Committee.

Section 4.14 Fiscal Year. The fiscal year of the Association shall end on December 31 of each year, or as otherwise determined by the Management Committee.

Section 4.15 Sub-Committees of the Management Committee. The Management Committee, by resolution adopted by a majority of the Management Committee, may designate from among its members sub-committees each of which, to the extent provided in such resolution and permitted by the Declaration, the Articles, and applicable law, shall have and may exercise the authority of the Management Committee. All such committees shall keep regular minutes of their proceedings and shall report the same to the Management Committee as required by the Management Committee. The Management Committee, with or without cause, may dissolve any such committee or remove any member thereof at any time. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Management Committee, or any member thereof, of any responsibility imposed by law. Nothing in this Section 4.13 shall be construed to limit the authority given to the Architectural Committee as set forth in the Articles, the Declaration, or these Bylaws.

Section 4.16 Limited Liability of Management and Architectural Committees. Members of the Management Committee and the Architectural Committee, and their officers, assistant officers,

agents and employees: (a) shall not be liable to the Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; (b) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such; (c) shall have no personal liability in tort to any Owner or any person or entity, except for their own willful misconduct or bad faith; (d) shall have no personal liability arising out of another's use or misuse, or condition of the Property which might in any way be assessed against or imputed to them as a result of or by virtue of their position as member of the Management Committee, Architectural Committee or as an officer, employee or agent of such.

Section 4.17 Indemnification. The Association and the Owners shall indemnify the members of the Management Committee and the Architectural Committee as set forth in Article 11.

Section 4.18 No Amendment Without Consent. The provisions of Section 4.16 and Section 4.17 above may not be amended with any retroactive effect so as to limit the rights of any person otherwise entitled to the benefits thereof.

ARTICLE 5 - OFFICERS

Section 5.1 Appointment of Officers. The Management Committee shall appoint all of the officers of the Association. A meeting for the annual appointment of officers shall be held at the first meeting of the Management Committee immediately following the annual meeting of the Association.

Section 5.2 Designation of Titles. The officers of the Association shall be a president, vice president, secretary and treasurer, and shall be chosen by the Management Committee. No person may hold, at any time, more than one of such offices, except that the offices of secretary and treasurer may be held by the same person. The officers shall be members of the Management Committee.

Section 5.3 Election, Term of Office, Qualification. The officers of the Association shall be chosen annually by a majority of the Management Committee. Each officer shall hold office for one (1) year or until a successor shall have been duly chosen and shall qualify, or until his or her death or until he or she shall resign or shall have been removed pursuant to these Bylaws, the Articles, or the Declaration.

Section 5.4 Subordinate Officers, Agents or Employees. The Management Committee may appoint such subordinate officers, agents or employees as the Management Committee may deem necessary or advisable, including one or more assistant vice presidents, one or more assistant treasurers and one or more assistant secretaries, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Management Committee may from time to time determine. The Management Committee may delegate to the president or to any committee of the Management Committee the power to appoint any such additional officers, agents or employees. Notwithstanding the foregoing, no assistant treasurer shall have power or authority to collect, account for, or pay any tax imposed by any

federal, state or city government.

Section 5.5 Removal. Any officer or agent may be removed by the Management Committee whenever in its judgment the best interests of the Association will be served thereby. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 5.6 Vacancies. A vacancy in any appointed office because of the death of an officer, resignation or removal of an officer from the office or from the Management Committee, or any other cause, shall be filled for the unexpired portion of the term in the manner prescribed in Sections 5.1, 5.2 and 5.3 for election or appointment to such office.

Section 5.7 President. The President shall preside at all meetings of Members, and at all meetings of the Management Committee. The President shall be the principal officer of the Association and, subject to the control of the Management Committee, shall in general supervise and control all of the business and affairs of the Association. The President may sign, with the secretary or any other proper officer of the Association authorized by the Management Committee, deeds, mortgages, bonds, contracts or other instruments which the Management Committee has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Management Committee or by the Declaration, the Articles or these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Management Committee from time to time.

Section 5.8 Vice President. The vice president shall have such powers and perform such duties as the Management Committee or the president may from time to time prescribe and shall perform such other duties as may be prescribed by the Declaration, the Articles or these Bylaws. At the request of the president, or in case of the president's absence or inability to act, the vice president shall perform the duties of the president, and when so acting shall have all powers of, and be subject to all the restrictions upon, the President.

Section 5.9 Treasurer. The treasurer shall be responsible for the charge and custody of funds and securities of the Association, keeping full and accurate accounts of receipts and disbursements in books belonging to the Association and depositing all moneys and other valuable effects in the name of and to the credit of the Association in such banks and other depositories as may be designated by the Management Committee. The treasurer shall be responsible for disbursing the funds of the Association as may be ordered by the Management Committee, taking proper vouchers for such disbursements, and rendering to the president and to the other members of the Management Committee at the regular meetings of the Management Committee (or at such other times as they may require it), a statement of all financial transactions and an account of the financial condition of the Association; and, in general, the treasurer shall perform all the duties incident to the office of treasurer and such other duties as may from time to time be

assigned to the treasurer by the Management Committee.

Section 5.10 Secretary. The secretary shall: (a) act as secretary of, and keep the minutes of, all meetings of the Management Committee and of the Members; (b) cause to be given notice of all meetings of the Members; (c) be custodian of the corporate seal (if any) and shall affix the seal, or cause it to be affixed, to all proper instruments when appropriate; (d) have charge of the books, records and papers of the Association relating to its organization as a corporation; (e) see that all reports, statements and other documents relating to the Association and required by law are properly kept or filed; and (f) in general perform all the duties incident to the office of secretary. The secretary shall also have such powers and perform such duties as are assigned to the secretary by these Bylaws or applicable law, and shall have such other powers and perform such other duties, not inconsistent with these Bylaws, as the Management Committee shall from time to time prescribe. The Management Committee may combine the offices of Secretary and Treasurer as one office.

Section 5.11 Compensation. The officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by Members holding a majority of outstanding votes at a meeting expressly called for that purpose.

ARTICLE 6 - LITIGATION

Section 6.1 Expenses. If any action is brought by a member of the Management Committee on behalf of the Association, the expenses of suit, including reasonable attorneys' fees, shall be considered a common expense of the Association. If any action is brought against the Owners, the Management Committee or any member of the Management Committee, or against any officer, employee, or agent of the Association in their capacities as such, with the result that the ultimate liability asserted would, if established, be borne by all the Owners, then the expenses of suit, including reasonable attorneys' fees, shall be a Common Expense.

Section 6.2 Notice and Control. With respect to any action brought against the Association, the Management Committee, or the officers, employees, or agents of the Association, in their respective capacities as such, the named defendant(s) of such suit shall provide written notice to the Management Committee as soon as reasonably practicable of the existence of the suit. The Management Committee shall then assume control over the defense of the suit, and the Owners and Mortgagees shall have no right to participate in the defense other than through the Management Committee. With respect to any action brought against one or more, but less than all, Owners in their capacity as Owners, the Owners so named shall promptly give written notice thereof to the Management Committee. The Owners shall be responsible for their own defense of such suits, including the expenses associated therewith.

ARTICLE 7 - ACCOUNTING

Section 7.1 Role of Treasurer. The books and accounts of the Association shall be kept in accordance with generally accepted accounting procedures under the direction of the

treasurer.

Section 7.2 Membership Register; Other Required Records. The Association shall maintain in its principal office a register of Members, which register shall include the name(s) of every Member, the Lot owned by such Member, and the mailing address and telephone number of such Member. The Association shall also keep and maintain all records a nonprofit corporation is required to keep under applicable law.

Section 7.3 Access to Records. To the extent required under Utah Code Ann. §§16-6a-710 and 16-6a-1601 through 1603, the membership register, books of account and other records maintained by the Association (which records shall not include any records subject to attorney-client privilege or with respect to which the Association has any legal obligation of confidentiality) shall be made available for inspection and copying by any Member of the Association or such Member's duly appointed representative at any reasonable time and for a purpose reasonably related to such Member's interest as an Owner, at the office where the records are maintained. Upon receipt of an authenticated written request from a Member along with the fee prescribed by the Management Committee to defray the costs of reproduction, the Management Committee, the treasurer, or other custodian of records of the Association shall prepare and transmit to the Member a copy of any and all records requested and required to be made available hereunder. The Association may, as a condition to permitting a Member to inspect the membership register or to its furnishing information from the register, require that the Member agree in writing not to use, or allow the use, of information from the membership register for commercial or other purposes not reasonably related to the regular business of the Association and the Member's interest as an Owner. The Management Committee shall establish reasonable rules with respect to each of the following:

- (a) Notice to be given to the custodian of the records by the Member desiring to make the inspection or obtain copies;
- (b) Hours and days of the week when such an inspection may be made; and
- (c) Payment of the cost of reproducing copies of documents requested by a Member.

Section 7.4 Management Committee Members' Right of Inspection. To the extent required under Utah Code Ann. §§16-6a-710 and 16-6a-1601 through 1603, every member of the Management Committee shall have the right at any time to inspect books, records and documents of the Association and to inspect all real and personal properties owned or controlled by the Association. This right of inspection shall include the right to make extracts and copies of records, subject to the right of the Association to require that the Management Committee member agree in writing not to use, or allow the use of, the information from the membership register for commercial or other purposes not reasonably related to the business of the Association and the Management Committee member's duties with respect thereto.

ARTICLE 8 - PARLIAMENTARY RULES

The proceedings of all meetings of the Members, of the Management Committee and

of any committees of the Management Committee shall be governed and conducted according to the latest edition of Robert's Manual of Parliamentary Rules, unless determined otherwise by the Management Committee.

ARTICLE 9 - CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 9.1 Contracts. Except as limited or restricted by the Declaration, the Articles, these Bylaws or applicable law, the Management Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. No contract or other transaction between the Association and one or more of the members of its Management Committee, or between the Association and any corporation, firm or association in which one or more of the members of its Management Committee are directors or trustees, or are financially interested, is void or voidable because such member or members are present at the meeting of the Management Committee or a committee thereof which authorizes or approves the contract or transaction or because his, her or their votes are counted, if the contract or transaction is just and reasonable as to the Association at the time it is authorized or approved. Interested members of the Management Committee may be counted in determining the presence of a quorum at a meeting of the Management Committee or a committee thereof which authorizes, approves or ratifies a contract or transaction.

Section 9.2 Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Management Committee. No loan approved by the Management Committee in an amount in excess of \$10,000 shall be contracted until approved by Members holding a majority of the votes represented, personally or by valid proxy, at a duly convened meeting of Members.

Section 9.3 Checks and Drafts. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Management Committee.

Section 9.4 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Management Committee may elect.

ARTICLE 10 - PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

None of the net earnings or pecuniary profit from the operations of the Association shall at any time inure to any Member, member of the Management Committee, officer or employee of, or member of a committee of or person connected with, the Association, or any other private individual, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Association in effecting any of its purposes as shall be fixed by the Management Committee and other payments and disbursements which may be made in furtherance of one or more of its purposes. To the extent that Members receive a benefit from the general maintenance, acquisition, construction, management and care of the

Common Area, this benefit shall not constitute an inurement; to the extent a rebate of excess dues, fees or Assessments (and not net earnings) is paid to Members, such payment shall not constitute an inurement.

ARTICLE 11 - INDEMNIFICATION

Section 11.1 Authority to Indemnify Directors; Third Party Actions. To the fullest extent permitted under Utah Code Ann. § 16-6a-901 et seq., the Association shall provide indemnification to members of the Management Committee and Architectural Committee, officers and others pursuant to this Article 11. The Association shall indemnify any member of the Management Committee or Architectural Committee of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact he or she is or was an authorized representative of the Association (which, for the purposes of this Article shall mean a member of the Management Committee or Architectural Committee, officer, employee or agent of the Association, or a person who is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, person, partnership, joint venture, trust or other enterprise) against judgments, fines, amounts paid in settlement and reasonable expenses (including attorneys' fees), incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful, except that no indemnification shall be made in connection with any proceeding charging that such person derived an improper personal benefit, whether or not involving action in an official capacity, in which such person was adjudged liable on the basis that he or she derived an improper personal benefit.

The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 11.2 Authority to Indemnify Directors; Derivative Actions. The Association shall indemnify any director of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was an authorized representative of the Association, against expenses (including attorneys' fees but not amounts paid in settlement) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association or in connection with any other proceeding charging that such person derived an improper personal benefit, whether or not

involving action in an official capacity, in which such person was adjudged liable on the basis that the he or she derived an improper personal benefit.

Section 11.3 Employees and Agents. To the extent that an authorized representative of the Association who neither was nor is a director or officer of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article or in defense of any claim, issue or matter therein, he or she shall be indemnified by the Association against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Such an authorized representative may, at the discretion of the Management Committee, be indemnified by the Association in any other circumstances to any extent if the Association would be required by Sections 1 and 2 of this Article to indemnify such person in such circumstances to such extent if he or she were or had been a director or officer of the Association.

Section 11.4 Procedure for Effecting Indemnification. Indemnification under Sections 1, 2, or 3 of this Article shall be made when ordered by a court or shall be made in a specific case upon a determination that indemnification of the authorized representative is required or proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made by the Management Committee by a majority vote of a quorum consisting of members who were not parties to such action, suit or proceeding, or in any other manner allowed under the laws of the State of Utah.

If a claim under this Article is not paid in full by the Association within ninety (90) days after a written claim has been received by the Association, the claimant may at any time thereafter bring suit against the Association to recover the unpaid amount of the claim and if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any action, suit or proceeding in advance of its final disposition where the undertaking and determinations necessary for advancing expenses have been made) that the claimant has not met the standards of conduct which make it permissible for the Association to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Association. Neither the failure of the Association (including its Management Committee or its independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct, nor an actual determination by the Association (including its Management Committee or its independent legal counsel) that the claimant has not met such applicable standard of conduct shall be a defense to the action or create a presumption that the claimant had not met the applicable standard of conduct.

Section 11.5 Advancing Expenses. Expenses (including attorneys' fees) incurred by a person that may be indemnified under the provisions of this Article, in defending a civil or criminal action, suit or proceeding, may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of:

1. An undertaking by that person or on that person's behalf by an authorized representative to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Association as required in this Article or authorized by law;

2. The person furnishes to the Association a written affirmation of his or her good faith belief that he or she has met the standard conduct set forth in Section 1 and 2 of this Article, and;

3. A determination is made that the facts then known to those making the determination under Section 4 of this Article would not preclude indemnification as provided by this Article.

Section 11.6 Scope of Article. Each person who shall act as an authorized representative of the Association, shall be deemed to be doing so in reliance upon such rights of indemnification as are provided in this Article.

The indemnification and advancement of expenses provided by the Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any agreement, vote of disinterested directors, statute or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office or position, and shall continue as to a person who has ceased to be an authorized representative of the Association and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE 12 - INSURANCE

Section 12.1 Insurance Against Liability Asserted Against Management Committee, Officers, Etc. The Association, whenever so authorized by the Management Committee, may purchase and maintain insurance on behalf of any authorized representative (which, for the purposes of this Article shall mean a member of the Management Committee or Architectural Committee, officer, employee or agent of the Association, or a person who is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, person, partnership, joint venture, trust or other enterprise) against any liability asserted against him or her and incurred by him or her in such capacity, or arising out of his or her status as such, whether or not the Association would be authorized or required to indemnify him or her by law or Article 12 of these Bylaws.

ARTICLE 13 - GENERAL PROVISIONS

Section 13.1 Amendment. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the Management Committee present at any regular meeting or at any special meeting. After obtaining the required vote, the President of the Association shall certify that the Bylaws have been properly adopted by signing the amended Bylaws. An amendment to the Bylaws shall be effective when the amendment has been recorded in the office of the Summit County Recorder. In the event of any conflict between these Bylaws

and the Articles of Incorporation of the Association, the Articles of Incorporation shall be controlling.

Section 13.2 Conflicts. In the case of any conflict between the Articles and these Bylaws, the Articles of Incorporation shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 13.3 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

Section 13.4 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of these Bylaws nor the intent of any provision hereof.

Section 13.5 Recovery of Costs. In the event of any legal action between the Association and any Member, whether arising out of these Bylaws, the Declaration, or any rules and regulations of the Association or otherwise, the prevailing party in such action will be entitled to recover all costs incurred by it in such action, including reasonable attorneys' fees and costs, as may be fixed by the court in such action.

Section 13.6 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of ascertaining persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:

- (a) if the objecting person was in attendance at the meeting, they are waived if no objection to the particular procedural issue is made at the meeting;
- (b) if the objecting person was not in attendance at the meeting but has proper notice of the meeting, they are waived if no objection to the particular procedural issue is made within thirty (30) days of the objecting person's receipt of actual or constructive notice of the action, vote, or decision that is the subject of the particular procedural issue;
- (c) if the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue is made within thirty (30) days of the objecting person's receipt of actual or constructive notice of the action, vote, or decision that is the subject of the particular procedural issue;
- (d) if the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue is made within sixty (60) days of the objecting person's receipt of actual or constructive notice of the action, vote, or decision that is the subject of the particular procedural issue; or

- (e) for any action, vote, or decision that occurred without a meeting, they are waived if no objection to the particular procedural issue is made within ninety (90) days of the objecting person's receipt of actual or constructive notice of the action, vote, or decision that is the subject of the particular procedural issue.

Section 13.7 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must be specific, shall include identification of the specific provision of the Governing Document or other law that has been violated, and shall include a brief statement of the facts supporting the claimed violation.

Section 13.8 Irregularities that Cannot Be Waived. The following irregularities cannot be waived under the prior subsection:

- (a) Any failure to comply with the provisions of the Declaration.
- (b) Any failure to obtain a proper quorum,
- (c) Any failure to obtain the proper number of votes, consents, or approvals required to pass a particular measure.

[End of Bylaws]

IN WITNESS WHEREOF, the undersigned President of the Association hereby certifies that the Management Committee properly adopted these Bylaws by a majority vote of the members of the Management Committee.

DATED this 31 day of ~~June, 2016~~^{March 2017}.

QUARRY MOUNTAIN RANCH HOMEOWNERS ASSOCIATION

By: _____
Signature
DAVID LOCKWOOD
Printed

Its: PRESIDENT

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

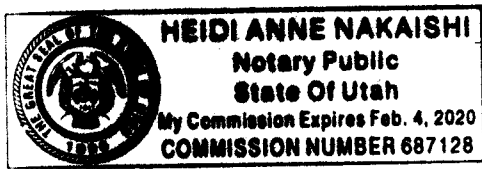
On this 31, day of ~~June, 2016~~^{March 2017}, personally appeared before me

David Lockwood, whose identity is personally known to me, (proven
(Name of Document Signer)

on the basis of satisfactory evidence) and who by me duly sworn/affirmed, did say that he/she is

the President, of Quarry Mountain Ranch Homeowners Association
(Title or Office) *(Name of Entity)*

and that said document was signed by him/her in behalf of said Corporation with all necessary authority, and acknowledged to me that said Corporation executed the same.



Heidi Nakaishi
Notary Public

EXHIBIT A

Legal Description

Quarry Mountain Ranch Subdivision, all lots, inclusive, as shown on the official Amended Plat on file and of record in the Office of the Recorder for Summit County, Utah and recorded on September 15, 2003 as Entry No. 673132, and all appurtenant Common Area and Facilities as shown thereon (as said Plat heretofore may have been amended or supplemented).

QMR-1-AM
QMR-2-AM
QMR-3-AM
QMR-4-AM
QMR-5-AM
QMR-6-AM
QMR-7-AM
QMR-8-AM
QMR-9-AM
QMR-10-AM
QMR-11-AM
QMR-12-AM
QMR-13-AM
QMR-14-AM
QMR-15-AM
QMR-16-AM
QMR-17-AM
QMR-18-AM
QMR-19-AM
QMR-20-AM
QMR-21-AM
QMR-22-AM
QMR-23-AM
QMR-24-2AM
QMR-25-2AM
QMR-26-AM
QMR-27-AM
QMR-28A-AM
QMR-30-2AM
QMR-31-AM
QMR-32-AM
QMR-33-AM
QMR-34-AM
QMR-35-AM
QMR-36-2AM