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BYLAWS

OF

ORCHARD VISTA P.U.D. HOMEOWNERS ASSOCIATION

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BYLAWS OF

ORCHARD VISTA P.U.D. HOMEOWNERS ASSOCIATION

ARTICLE I NAME, PRINCIPAL OFFICE, AND DEFINITIONS

- 1.1 Name. The name of the owners association shall be Orchard Vista P.U.D. Homeowners Association, hereinafter the "Association."
- 1.2 <u>Principal Office</u>. The principal office of the Association shall be located at Advanced Community Services, P.O. BOX 179, Lehi, UT, 84043 or at any other place as may be designated in the most recent document on file with the Utah Department of Commerce, Division of Corporations and Commercial Code (the "Division) providing information regarding the principal office of the Association. The Association shall maintain at its principal office a copy of such corporate records as may be required by § 16-6a-1601 of the Nonprofit Act (as defined below).
- 1.3 Registered Office. The registered office of the Association required to be maintained by § 16-6a-501 of the Nonprofit Act shall be the registered office as originally so designated in the Articles or subsequently designated as the Association's registered office in the most recent document on file with the Division providing such information. The Association shall maintain a registered agent at the registered office, as required by § 16-6a-501 of the Nonprofit Act. The registered office and registered agent may be changed from time to time as provided in §§ 16-6a-501 and 502 of the Nonprofit Act.
- 1.4 Controlling Law and Definitions. These Bylaws shall operate under the Utah Revised Nonprofit Corporation Act, § 16-6a-701, et seq., Utah Code Ann., as amended ("Nonprofit Act"), and the Community Association Act, § 57-8a-101, et seq., Utah Code Ann., as amended ("Association Act"). The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions, Orchard Vista P.U.D., as may be amended from time to time, recorded in the official records of Salt Lake County, Utah on as Entry No. 9782763, in Book 9322, beginning on Page 697 (the "Declaration") unless the context indicates otherwise.

ARTICLE II ASSOCIATION: MEMBERSHIP, VOTING AND MEETINGS

- 2.1 <u>Membership in the Association</u>. The Association shall be a nonprofit Utah corporation charged with the duties and vested with the powers prescribed by law and set forth in the Declaration and these Bylaws. Every Owner of a Lot shall be a Member of the Association.
- 2.2 <u>Votes in the Association; Voting Procedures</u>. The Association shall have one class of voting membership with each Owner of a Lot, allotted one (1) vote for each Lot owned. The votes for each Lot must be cast as a unit, and fractional votes shall not be allowed. In the event there is more than one Owner of a particular Lot, the vote relating to such Lot shall be

exercised by a majority of such Owners represented by one Owner as may be determined among themselves. In the event more than one Owner attempts to cast the vote or votes for a particular Lot, the vote or votes for that Lot shall be deemed void and shall not be counted. A vote cast at any meeting by any of such Owners shall be conclusively presumed to be the vote attributable to the Lot concerned unless an objection is immediately made by another Owner of the same Lot at the time the vote is cast. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever until the matter is resolved to the reasonable satisfaction of the Board. In such case, the Board may, but shall not be required to, apportion such Lot's vote among the Owners thereof. A change in the ownership of a Lot shall be effective for voting purposes from the time the deed or other instrument effecting such change is recorded in the official records of Salt Lake County, Utah; the Board shall thereafter be given written notice of such change and provided satisfactory evidence thereof.

- 2.3 <u>Transfer of Association Membership</u>. The rights and obligations of any Member other than Declarant shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership of an Owner's Lot, and then only to the transferee of ownership of the Lot. A transfer of ownership of a Lot may be effected by deed, intestate succession, testamentary disposition, foreclosure or such other legal process as is now in effect or as may hereafter be established under or pursuant to applicable law. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership of a Lot shall operate to transfer the Membership appurtenant to said Lot to the new Owner thereof. Each purchaser shall notify the Association of his, her or its purchase of a Lot.
- 2.4 <u>Membership and Ownership Rights</u>. Each Member shall have the respective rights, duties and obligations set forth in the Declaration and these Bylaws and such other rights, duties and obligations as are set forth in the documents governing the Subdivision, as the same may be amended from time to time ("Governing Documents").
- Annual Meeting. There shall be an annual meeting of the Association on the day and at the time and reasonable place in the Subdivision, or some other reasonable location in Salt Lake County unless a meeting at another location would significantly reduce the cost to the Association and/or inconvenience to the Members, as may be designated by written notice by the Board. The Board shall give to each Member entitled to vote at a meeting notice consistent with these Bylaws in a fair and reasonable manner. Any notice that conforms to the requirements of this Section 2.5 is deemed fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered. Unless otherwise determined by the Board, notice of the annual meeting to the Members shall be hand delivered or sent via first-class or registered mail postage prepaid at least ten (10) days prior to the date set for said meeting. Such notice shall specify the place, day and hour of the meeting and a brief statement of the matters on the agenda which the Board intends to present or believes others will present for action by the Members, including the general nature of any proposed amendment to the Governing Documents, any budgetary matters and any proposal to remove an officer or a Director. Such notice shall be deemed to be delivered when deposited in the United States mail to each Member at such Member's address as shown in the records of the Association or to any other mailing address designated in writing by the Member. When giving written notice of an annual or special meeting of the Members, the Board shall give notice of a matter a Member intends to raise at the meeting if (a) requested in writing to do so by a person entitled to call a

special meeting; and (b) the request is received by the Secretary or President at least ten (10) days before the Association gives notice of the meeting.

- 2.6 <u>Special Meetings</u>. Special meetings of the Association may be called by the President, a majority of the Board, or Members representing at least twenty-five percent (25%) or more of the total votes allocated to Members of the Association ("Total Votes of the Association"). Special meetings may be held at a reasonable place in the Subdivision, or some other reasonable location in Salt Lake County unless a meeting at another location would significantly reduce the cost to the Association and/or inconvenience to the Members, to consider matters which, by the terms of these Bylaws, require the approval of all or some of the Members or for any other reasonable purpose. Notice of the special meeting shall be delivered to each Member in the same manner as the notice of annual meetings pursuant to the provisions of Section 2.5 above.
- 2.7 <u>Waiver of Notice</u>. Waiver of notice of a regular or special meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at any meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.
- 2.8 <u>Members of Record</u>. 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 Board shall fix in advance a date as the record date for any such determination of Members. The record date shall not be 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, unless otherwise extended by the Board. If no record date is fixed, the record date for such determination of Members entitled to vote shall be four o'clock in the afternoon on the day before the day on which notice of the meeting is mailed or delivered. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section 2.8, such determination shall apply to any continuation of such meeting following an adjournment.
- 2.9 Quorum. Except as otherwise provided in these Bylaws, a quorum shall be those Members present in person or by proxy.
- 2.10 <u>Business</u>. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment.
- 2.11 <u>Proxies</u>. Members may vote in person by proxy in accordance with § 16-6a-712 of the Nonprofit Act; provided, however, that no proxy shall be valid unless in writing and signed by the Owner or his, her or its duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to any meeting for which it is to be effective. A proxy is valid for 11 months from its date of execution, unless a different time period is expressly provided in the proxy. An appointment of a proxy is effective against the Association when received by the

Secretary, including receipt by the Secretary of an electronic transmission or receipt immediately before the meeting begins. An appointment of proxy is revocable by the Member. An appointment of a proxy is revoked by the Member appointing the proxy attending any meeting and voting in person or signing and delivering to the Secretary a writing stating that the appointment of the proxy is revoked or a subsequent appointment form.

- 2.12 <u>Conduct of Meetings</u>. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. Robert's Rules of Order Newly Revised (latest edition) shall govern the conduct of the Association's meeting when not in conflict with these Bylaws.
- 2.13 <u>Actions Requiring Member Vote</u>. The following actions shall require approval of a majority of the Total Votes of the Association:
 - 2.13.1 Adoption of Association Rules.
 - 2.13.2 Approval of an annual budget.
 - 2.13.3 Approval of reserve amounts.
- 2.14 <u>Action Without Meeting</u>. Any action which, under the provisions of the Nonprofit Act may be taken at a meeting of the Members, may be taken without a meeting in the manner permitted by the Nonprofit Act.
- 2.15 <u>Majority Vote</u>. As used in these Bylaws, the term "majority" shall mean those votes, Members, or other groups as the context may indicate totaling more than fifty percent (50%) of the total eligible number. The vote of a majority of the Members present in person at a meeting at which a quorum shall be present shall be binding upon all Members for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws, the Nonprofit Act or by other applicable Utah law.
- 2.16 Adjourned Meetings. If any meeting of Members cannot be held, the Members who are present, either in person or by proxy, may adjourn the meeting and reconvene it at a time not less than five (5) days nor more than thirty (30) days following the time the original meeting was called. Such adjourned meetings may be held without further notice if the date, time, and place the meeting is to be reconvened is announced at the meeting at which such adjournment is taken.
- 2.17 <u>Minutes, Presumption of Notice</u>. Minutes or a similar record of the proceedings of meetings of Members, when signed by the President or Secretary, shall be presumed truthful evidence of the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE III BOARD OF DIRECTORS

- 3.1 Role of the Association. The Association shall govern the Subdivision and shall do such things as are within its powers and as may reasonably be required to maintain the Subdivision and its Common Areas as an attractive and desirable planned community, including without limitation the authority to adopt rules governing use of the Common Areas, architectural standards, and other rules as may be beneficial to the Subdivision ("Association Rules"). Such Association Rules shall be adopted as set forth in Section 2.13 above. The Association may exercise any expressed or implied right or privilege given to the Association expressly by the Governing Documents or any other right or privilege reasonably necessary to effectuate any such right or privilege.
- 3.2 <u>Number and Powers</u>. The affairs of the Association shall be conducted by a Board of Directors ("Board") consisting of either three (3) or five (5) directors ("Directors"), as determined by the Board or the Owners from time to time, and such officers as the Board may elect or appoint in accordance with the Articles and these Bylaws as the same may be amended from time to time. The Board may also appoint various committees and appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Neighborhood and the Association. The Board shall determine the compensation to be paid to the manager. The Board's responsibilities shall include, but shall not be limited to, the following:
 - 3.2.1 preparing and administering an operational budget, which budget must be approved by a majority of the Total Votes of the Association;
 - 3.2.2 establishing and administering an adequate reserve fund, the amount of such reserves to be approved by a majority of the Total Votes of the Association;
 - 3.2.3 scheduling and conducting the annual meeting and other meetings of the Members;
 - 3.2.4 collecting and enforcing the Assessments;
 - 3.2.5 accounting functions and maintaining records, including pledging Assessments as collateral to secure financing for the Association;
 - 3.2.6 promulgation and enforcement of the Association Rules, which Association Rules shall be adopted by a majority of the Total Votes of the Association;
 - 3.2.7 maintenance of the Common Areas; and
 - 3.2.8 all the other duties imposed upon the Board pursuant to the Governing Documents, including enforcement thereof.
- 3.3 <u>Composition</u>. Each Director shall have one equal vote. The Directors shall be Owners. In the case of an Owner that is not a natural person, one (1) officer, director, member, partner or trust officer of such Owner may be designated by such Owner as eligible to serve as a

Director; such designation must be provided to the Association and may only be changed once each calendar year or at such time as the designee is no longer an officer, director, member, partner or trust officer of the Owner.

- Election and Term of Office. The Board shall be elected by the Members. The terms of the Directors shall be staggered so that the terms of one of the Directors will expire and successors will be elected each year by the Members as provided by these Bylaws. Unless a shorter term is required to create staggered terms, Directors shall serve terms of three (3) years. Directors shall serve until their successors have been duly elected and qualified unless removed pursuant to Section 3.5 below. Directors may be elected to serve any number of consecutive terms. Nominations for election to the Board shall be made by resolution of the Board or by a petition filed with the Secretary of the Association at least fifteen (15) days prior to the Members' meeting. Such petition shall be signed by three (3) or more Owners and signed by the nominee named therein indicating his or her willingness to serve as a member of the Board, if elected. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected.
- 3.5 <u>Removal of Directors and Vacancies</u>. Any Director may be removed, with or without cause, by the vote of Members holding a majority of the Total Votes of the Association. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such Director.
 - 3.5.1 Any Director elected by the Members who has three (3) consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent in the payment of any Assessment or other charge due the Association, may be removed by the vote of a majority of the Directors, and a successor may be appointed by a majority vote of the Directors to fill the vacancy for the remainder of the term.
 - 3.5.2 In the event of the death, disability, or resignation of a Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term. Any Director appointed by the Board shall be selected from among the Members.
- 3.6 <u>Compensation</u>. No Director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the Total Votes in the Association at a regular or special meeting. Any Director may be reimbursed by the Association for reasonable expenses for the Director's attendance at the Board meetings, or any other expenses incurred on behalf of the Association upon approval of a majority of the Total Votes of the Association. Any Directors may be employed by the Association in another capacity and receive compensation for such employment; provided that such employment shall be approved by vote or in writing by all Directors not including the Director to be employed.
- 3.7 <u>Regular Meetings</u>. The Board meetings shall be held at least annually at such times and places within the Subdivision, or some other reasonable and suitable location in Salt

Lake County, unless a meeting at another location would significantly reduce the cost to the Association and/or the inconvenience to the Directors, as the Board shall determine. The Board shall give to each Director entitled to vote at a regular meeting notice of the meeting in a fair and reasonable manner. Any notice that conforms to the requirements of this Section 3.7 is deemed fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered. Unless otherwise determined by the Board, notice to each Director of the place, date, and time of the regular meeting is deemed fair and reasonable if the Board notifies each Director via electronic transmission or first-class or registered mail postage prepaid no fewer than three (3) business days prior to the time of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with first-class postage thereon prepaid. No notice shall be necessary to the newly elected Board in order to legally constitute such meeting, provided a majority of the Directors are present. The Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings.

- 3.8 Special Meetings. Special meetings of the Board may be called by the President or written notice signed by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Special meetings shall be held within the Subdivision, or some other reasonable location in Salt Lake County, unless a meeting at another location would significantly reduce the cost to the Association and/or inconvenience to the Directors. Written notice of any special meeting shall be sent to all Directors in the same manner as regular meetings as set forth in Section 3.7 above. If an agenda is prepared for a special meeting, the meeting shall be restricted to discussions of those items listed on the agenda. The notice of a special meeting need not describe the purpose of the special meeting unless otherwise required by the Nonprofit Act or these Bylaws.
- 3.9 <u>Waiver of Notice</u>. The transactions at any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.
- 3.10 Quorum, Voting and Adjournment. A majority of the Directors then serving shall constitute a quorum, and if a quorum is present, the decision of a majority of those present shall be the act of the Board. If less than a quorum is present at the meeting, the meeting may be adjourned from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. No Director may vote or act by proxy at any Board meeting.
- 3.11 Open Meetings. The Directors shall act only as a Board, and individual Directors shall have no powers as such. Regular and special meetings of the Board shall be open to all Members of the Association, and the Board shall give notice of all meetings to the Members at least five (5) days prior to such meeting. The Board may, with the approval of a majority of a quorum of its Directors, adjourn the meeting and reconvene in executive session, excluding non-Members in attendance, to discuss and vote upon matters of a sensitive nature, such as personnel

matters, litigation in which the Association is or may become involved, and similar orders of business.

- 3.12 Action Without Meeting. Any action that is required or permitted to be taken at a Board meeting may be taken without a meeting if all of the Board or all members of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors constitutes a quorum. Action taken pursuant to this Section 3.12 shall be a valid corporate action as though it had been authorized at a meeting of the Board or the committee, as the case may be. The Secretary shall file these consents with the minutes of the Board meetings.
- 3.13 <u>Telephonic Conference</u>. Directors or any committee members may participate in a meeting of the Board or committee by means of telephonic conference or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.
- 3.14 <u>Fiscal Year</u>. The fiscal year of the Association shall be set by resolution of the Board. In the absence of a Board resolution, the fiscal year shall be the calendar year.

ARTICLE IV OFFICERS

- 4.1 <u>Designation</u>. The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may appoint other officers as it finds necessary and such officers shall have the authority to perform the duties prescribed by the Board. Any two offices may be held by the same person, except the offices of President and Secretary. Officers need not be Directors, but must be Owners.
- 4.2 <u>Election and Term</u>. The officers of the Association shall be elected annually by the Board. They shall hold office at the pleasure of the Board.
- 4.3 <u>Removal and Vacancies</u>. Upon the affirmative vote of a majority of the Board, any officer may be removed, either with or without cause. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled at any regular meeting of the Board or at any special meeting of the Board called for that purpose, for the unexpired portion of the term.
- 4.4 <u>President</u>. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Utah, including but not limited to the power to appoint committees from among the Members from time to time as the President may decide is appropriate to assist in the conduct of the affairs of the Association. The President may fulfill the role of Treasurer in the absence of the Treasurer. The President may cause to be prepared and may execute amendments, attested by the Secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

- 4.5 <u>Vice President</u>. The Vice President shall perform the functions of the President in his or her absence or inability to serve.
- 4.6 <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Members and the Board. The Secretary shall have charge of the Association's books and papers as the Board may direct and shall perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Utah. The Secretary may cause to be prepared and may attest to execution by the President of amendments to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable. The Secretary may fulfill the role of Treasurer in the absence of the Treasurer.
- Treasurer. The Treasurer shall be responsible for the Association's funds and 4.7 securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Board and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Utah. The Treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Board. Except for reserve funds described below, the Treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the Treasurer, and executed by two (2) Directors.
- 4.8 <u>Resignation</u>. 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 the 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.
- 4.9 Execution of Documents. The Board, except as in these Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no officer, agent, committee member, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.
- 4.10 <u>Statements of Unpaid Assessments</u>. The Treasurer, manager, or in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid Assessments ("Statements"). Pursuant to § 57-8a-206(1)(a) of the Association Act, a Statement shall be issued with respect to a Lot upon the written request of the Owner thereof. The Association may charge a reasonable fee for preparing Statements. The amount of this fee and the time of payment shall be established by resolution of the Board, but

shall not exceed \$10 in accordance with § 57-8a-206(1)(a)(ii) of the Association Act. Also in accordance with § 57-8a-206(1)(b) of the Association Act, the Statement is binding in favor of any person who relies in good faith on the Statement upon the remaining Owners, manager and Board. Unless the manager or the Board complies with a request for a Statement from an Owner within ten (10) days of its receipt of the same, any unpaid Assessment that became due prior to the date of the Owner's request was made is subordinate to a lien held by the person requesting the Statement pursuant to § 57-8a-206(1)(b).

4.11 <u>Committees</u>. The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

ARTICLE V ENFORCEMENT

- 5.1 <u>Board's General Rights of Enforcement of Provisions of this and Other Instruments.</u> The Board, as the agent and representative of the Owners and Members, shall have the right to enforce, by any proceeding at law or in equity, the covenants set forth in the Declaration, these Bylaws, and/or any and all restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (i) shall have been executed pursuant to, or subject to, the provisions of the Declaration, or (ii) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant.
- 5.2 <u>Abatement and Enjoinment of Violations by Owners</u>. In addition to the provisions set forth in Section 5.1 above, the violation of any of the Association Rules or the breach of any provision of the Governing Documents shall also give the Board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws to:
 - 5.2.1 Enter a Lot or Common Area in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any improvement, structure, thing or condition (except for additions or alterations of a permanent nature that may exist in that Lot) that is existing and creating a danger to the Owners in the Subdivision contrary to the intent and meaning of the provisions of the Governing Documents. The Board shall not be deemed liable for any manner of trespass by this action; or
 - 5.2.2 Enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.
- 5.3 Fine for Violation of Governing Documents. The Board may adopt resolutions providing for fines or other monetary penalties for the infraction of the Governing Documents. Fines will be levied after notice thereof and an opportunity to be heard. The Board may levy fines in amounts that it, in its sole discretion, shall determine to be reasonable for each violation of the Governing Documents, including those violations which persist after notice and an opportunity for a hearing is given. In accordance with § 57-8a-208(2) of the Association Act,

before assessing a fine under this Section, the Board shall notify the Owner of the violation and inform the Owner that a fine will be imposed if the violation is not remedied within the time provided in the Governing Documents, which shall be at least 48 hours. As set forth in § 57-8a-208(3) of the Association Act, a fine assessed under this Section shall be made only for a violation of a rule, covenant, condition, or restriction that is specifically listed in the Governing Documents, shall be in the amount designated by the Board and shall accrue interest and late fees as determined by the Board in a resolution. Unpaid fines may be collected as an unpaid Assessment and shall be secured by the Assessment Lien. Pursuant to § 57-8a-208(4) of the Association Act, an Owner who is assessed a fine under this Section may request an informal hearing to protest or dispute the fine within fourteen (14) calendar days from the date the fine is assessed. A hearing requested by an Owner shall be conducted in accordance with the standards adopted by the Board and no interest or late fees may accrue until after the hearing has been conducted and a final decision has been rendered in accordance with § 57-8a-208(4)(c).

- 5.4 <u>Rental or Lease of Lots by Owners</u>. If an Owner of a Lot rents or leases his, her or its Lot, then the following terms and conditions shall apply:
 - 5.4.1 <u>Rental Agreement</u>. Any Owner who rents or leases his, her or its Lot shall file with the Board or the Manager a copy of the rental or lease agreement affecting the applicable Lot. The provisions of these Bylaws shall apply with equal force to the occupants, guests, and tenants ("Occupants") of Lots.
 - 5.4.2 Owner Responsible. Any Owner who rents or leases or otherwise permits any other person to utilize his, her or its Lot (regardless of duration) shall be responsible for the conduct of his, her or its Occupants, and upon written notice from the Board or the manager, said Owner shall be responsible for correcting violations of the Governing Documents committed by such Occupants.
 - 5.4.3 Tenants' Violations. If an Owner fails to correct violations by his, her or its Occupants upon notice, the Board or the manager shall be deemed to be the agent of the Owner and empowered to take any enforcement action the Owner would be entitled to take, the reasonable costs of such action, including but not limited to fees and costs paid to third parties, to be assessed to the Owner and payable within thirty (30) days of assessment. Such costs shall be collected and enforced in the same manner as Assessments and shall be secured by the Assessment Lien.
 - 5.4.4 Remedies for Violations. The power of the Board or the manager hereunder shall include but not be limited to any and all legal remedies available under the laws of the State of Utah. Any Owner by the act of renting or leasing or otherwise permitting any other person to utilize his, her or its Lot shall be deemed to have consented to these procedures and shall indemnify and save harmless the Association, the Board and the manager from and against any and all liability therefor. It is expressly understood that the remedies available to the Association, the Board or manager shall include but not be limited to the right to seek eviction of the Occupant without the Association, the Board or manager incurring any liability to the Owner.

- 5.4.5 Future Lease Payments. If an Owner who is leasing his, her or its Lot fails to pay an Assessment levied against his, her or its Lot for more than sixty (60) days after the Assessment is due, the Board, upon compliance with § 57-8a-205 of the Association Act, may demand that the Lessee pay to the Association all future lease payments due to the Owner, beginning with the next monthly or other period payment, until the amount due to the Association is paid in full.
- 5.5 Specific Enforcement. In addition to such other rights as are specifically granted under the Declaration, the Board shall have the power to impose reasonable fines, which shall be secured by the Assessment Lien against the Lot of the violator, and to suspend a Member's right to vote or any person's right to use the Common Area for violation of any duty imposed under the Governing Documents; provided, however, nothing herein shall authorize the Board to limit ingress and egress to or from a Lot or to suspend a Member's right to vote due to nonpayment of Assessments. In addition, the Board may suspend any services provided by the Association to a Member or the Member's Lot if the Member is more than thirty (30) days delinquent in paying any Assessment or other charges owed to the Association. In the event that any Owner or Occupant of a Lot violates the Governing Documents and a fine is imposed, the fine shall first be individually assessed against such Owner or Occupant; provided, however, if the fine is not paid by the Owner or Occupant within the time period set by the Board, the Member shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Governing Documents shall not be deemed a waiver of the right of the Board to do so thereafter.
- 5.6 Notice. Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than fourteen (14) calendar days within which the alleged violator may present a written request for a hearing to the Board; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within fourteen (14) calendar days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 14-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and the Association Rules by any Person.
- 5.7 <u>Hearing</u>. If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, a proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.
- 5.8 Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article V, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of

parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

ARTICLE VI INDEMNIFICATION

- 6.1 <u>Indemnification of Directors and Officers</u>. To the maximum extent permitted by the Nonprofit Act or any other applicable law, the Association may indemnify any present or former Director, officer, committee member, or employee of the Association (collectively referenced, "Association Officials") in all cases in which an Association may indemnify an Association Official (including the estate, executor, administrator, heirs, legatees, or devisees of Without limiting the foregoing, the Association may indemnify its each such person). Association Officials in all cases in which it may do so under § 16-6a-902 of the Nonprofit Act, and shall indemnify its Association Officials in all cases in which it is required to do so under § 16-6a-903 of the Nonprofit Act. This provision constitutes authorization of indemnification as contemplated in § 16-6a-906 of the Nonprofit Act, so that the Association may indemnify Directors once a determination has been made in the specific case that indemnification is permissible in the circumstances because the Director has met the applicable standard of conduct set forth in § 16-6a-902 of the Nonprofit Act, as referenced above. The Association shall consider and act as expeditiously as possible on any and all requests by an Association Official for indemnification.
- 6.2 Advances of Expenses. Pursuant to the provisions of §§ 16-6a-904 and 16-6a-907 of the Nonprofit Act, if a determination is made, following the procedures of § 16-6a-906a of the Nonprofit Act, that an Association Official has met the statutory requirements for advancement of expenses, and if an authorization of payment is made, following the procedures and standards set forth in § 16-6a-906 of the Nonprofit Act, then the Association may pay for or reimburse the reasonable expenses incurred by an Association Official who is a party to a proceeding in advance of final disposition of the proceeding.
- 6.3 Scope of Indemnification. The indemnification and advancement of expenses authorized by this Article VI is intended to permit the Association to indemnify to the fullest extent permitted by the laws of the State of Utah any and all persons whom it shall have power to indemnify under such laws from and against any and all of the expenses, disabilities, or other matters referred to in or covered by such laws; notwithstanding anything to the contrary, the Association shall have no obligation to indemnify or provide for the advancement of expenses to any Association Official to the extent that such liability, damage, injury or other expense is covered by insurance proceeds.
- 6.4 Other Rights and Remedies. The rights to indemnification and advancement of expenses provided in this Article VI shall be in addition to any other rights which a party may have or hereafter acquire under any applicable law, contract, order, or otherwise.

- 6.5 <u>Insurance</u>. The Board shall obtain liability insurance coverage for the officers and Directors of the Association in such amounts as deemed appropriate and adequate by the Board.
- 6.6 <u>Severability</u>. If any provision of this Article shall be held to be invalid, illegal or unenforceable for any reason, the remaining provisions of this Article shall not be affected or impaired thereby, but shall, to the fullest extent possible, be construed so as to give effect to the intent of this Article that each party covered hereby may be entitled to the fullest protection permitted by law.

ARTICLE VII RECORDS

- 7.1 Records and Audits. The Association shall maintain financial records, and such other records as required by the Declaration or the Nonprofit Act. The cost of any audit shall be a common expense of the Association.
- 7.2 Examination. The Membership register, books of account and minutes of the meetings of the Association, of the Board and of committees of the Board, and all other records maintained by the Association or manager, shall be made available for examination and copying by any Member or by any of their duly authorized attorneys, at the expense of the Person examining the records during normal business hours and for a non-commercial purpose reasonably related to his, her or its interest as a Member, 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 Board to defray the costs of reproduction, the manager or other custodian of the records of the Association shall prepare and transmit to the Member a copy of any and all of the records of the Association requested. The Association may, as a condition to permitting an Owner to inspect the membership register or to its furnishing information from the register, require that the Owner 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 Owner's interest in the Association. inspection privileges do not apply to the personnel records of the employees of the Association and the records of the Association relating to another Member. The Board shall establish reasonable rules with respect to:
 - 7.2.1 Notice to be given to the custodian of the records by the Member desiring to make the inspection;
 - 7.2.2 Hours and days of the week when such an inspection may be made; and
 - 7.2.3 Payment of the cost of reproducing copies of documents requested by a Member.
- 7.3 <u>Inspection by Directors</u>. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association, subject only to the right of the Association to require that the Director 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 Director's interest in the Association.. The right of inspection by a Director includes the right to make a copy of relevant documents at the expense of the Association.

7.4 Records. The books and accounts for the Association shall be kept in accordance with generally accepted accounting principles under the direction of the Treasurer. At the close of each fiscal year, the books and records of the Association shall be prepared by an independent public accountant approved by the Association, and financial statements shall be prepared by said accountant and distributed to all Members.

ARTICLE VIII ASSESSMENTS

All Assessments shall be made in accordance with the general provisions of the Declaration. The Treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the Neighborhood, specifying and itemizing the maintenance, repair and replacement expenses of the Neighborhood. Such records shall be available for examination by the Members during regular business hours. In accordance with the actions of the Board in assessing Neighborhood Expenses against the Lots and Members, the Treasurer shall keep an accurate record of such Assessments and of the payments thereof by each Member.

ARTICLE IX AMENDMENT TO BYLAWS

- 9.1 <u>By Members</u>. These Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of a majority of the Total Votes of the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.
- 9.2 <u>Limitation on Amendments</u>. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

ARTICLE X MISCELLANEOUS

- 10.1 <u>Notices</u>. Unless otherwise provided in these Bylaws, all notices demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:
 - 10.1.1 If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the street address of such Member's Lot; or
 - 10.1.2 If to the Association, the Board, or the manager, at the principal office of the Association or the manager, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section 10.1.

- 10.2 <u>Conflicts</u>. If there are conflicts between the provisions of Utah law and Governing Documents, the provisions of Utah law and the Declaration, the Articles, these Bylaws and the Association Rules (in that order) shall prevail.
- 10.3 <u>Waiver</u>. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason or any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
- 10.4 <u>Severability</u>. The provisions of these Bylaws 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.
- 10.5 <u>Captions</u>. 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.
- 10.6 <u>Use of Technology</u>. In recognition of the opportunities offered through computers and continuing advancements in the high technology fields, the Association may, as a common expense, provide for or offer services, which make use of computers and other technological opportunities. For example, to the extent Utah law permits, and unless otherwise specifically prohibited in these Bylaws, the Association may send required notices by electronic means; hold Board or Association meetings and permit attendance and voting by electronic means; and send and collect Assessments and other invoices over the computer.
- 10.7 <u>Effective Date</u>. These Bylaws shall take effect upon the approving vote of the Board.
- 10.8 <u>Seal</u>. The Board may by resolution provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the words "Corporate Seal."

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Orchard Vista P.U.D. Homeowners Association, a Utah nonprofit corporation;

That the foregoing Bylaws constitute the Bylaws of said Association, as duly adopted at a meeting of the HOA Board Members held on the 31st day of July, 2012.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association (if any) this 31st day of July, 2012.

alisa Llayel Bower
Secretary

State of Utah County of Scut Carton
On this 27 May of August 2012
On this 27 May of August public, personally appeared

ALISON BOWETS

personally known or proved to me through satisfactory evidence of identification, to be the person(s) whose name(s) la/are signed on the preceding or attached document and acknowledged to me that preceding or attached by polyuntarity at for its stated purpose.

Notary Public

MARYLYN PHUNG
Notary Public, State of Utah
Commission # 600233
My Commission Expires
August 17, 2014

RXLP ORCHARD VISTA	PUD	BLK,LOT-QUAR		
B FLG _ BLK/BLDG	IND FLG	LOT/QUAR	PARCEL NUMBER	OBSOLETE?
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	U	2	22-30-476-068-0000	
	U	3	22-30-476-067-0000	
	U	4	22-30-476-066-0000	
	U	5	22-30-476-065-0000	
	U	6	22-30-476-064-0000	
	U	7	22-30-476-063-0000	
	U	8	22-30-476-062-0000	
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PF5=RXKP PF7=RXAB ENTER=NEXT PF12=PREV PF10=LAST LINE DOWN AND ENTER=RXPN PF1=VTDI PF4=RETURN TO RXEN