

# BYLAWS

## OF UNION GARDENS COURT P.U.D. OWNERS ASSOCIATION, INC.

*A Utah Non-Profit Corporation*

Pursuant to the provisions of the Utah Revised Non-profit Corporation Act (the "Act"), the members of Union Gardens Court P.U.D. Owners Association, Inc. and the Board of Trustees of Union Gardens Court P.U.D. Owners Association, Inc., a Utah non-profit corporation, hereby adopt the following Bylaws for such non-profit corporation.

### ARTICLE I

#### NAME AND PRINCIPAL OFFICE

1. **Name.** The name of the corporation is Union Gardens Court P.U.D. Owners Association, Inc., hereinafter referred to as the "Association."
2. **Principal Office.** The principal office of the Association shall be located in Salt Lake County, State of Utah, as is registered at any given time with the Utah Department of Commerce. Meetings of the Members of the Association may be held at such places within Salt Lake County, State of Utah, as may be designated by the Board of Trustees.

### ARTICLE II

#### DEFINITIONS

When used in these By-Laws, the following terms shall have the meaning indicated:

1. **Articles** shall mean and refer to the Articles of Incorporation of the Union Gardens Court P.U.D. Owners Association, Inc., a corporation formed under the Utah Non-Profit Corporation and Act.
2. **Association** shall mean and refer to the Union Gardens Court P.U.D. Owners Association, a Utah non-profit corporation which has been organized by the filing of the Articles.
3. **Common Areas** shall mean and refer to that part of the Property which is designated as Common Area on the Plat, including all improvements now or hereafter constructed or located thereon.
4. **Declaration** shall mean and refer to the instrument entitled "Declaration of Protective Covenants, Conditions, Restrictions and Easements For The Union Gardens Planned Unit Development," executed and acknowledged by Declarant on December 17, 2004 and filed at the Salt Lake County Recorder's Office on December 20, 2004 as Entry Number 9253055, in Book 9074, pages 5463-5489, concurrently with the filing of the plat of said development, and as that Declaration may hereafter be amended.
5. **Dwelling Unit** shall mean and refer to a building located on any of the Lots which are designed and intended for use and occupancy as a single-family residence, together with all improvements which are used in conjunction with such residence.
6. **Lot** shall mean and refer to any residential lot or parcel of land shown upon any recorded subdivision plat of the Property.
7. **Member** shall mean and refer to every person who is entitled to membership in the Association pursuant to the Declaration and in the Articles.
8. **Owner** shall mean and refer to the person or persons or other legal entity or entities holding fee simple interest of record to any Lot which is a part of the Property. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term Owner shall not mean or include a mortgage or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.
9. **Property** shall mean and refer to the tract of real property situated in Salt Lake County, State of Utah, and particularly described in the Declaration, together with such portion of the real property described in any Notice of Addition of Property which may be subsequently recorded with respect thereto.

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377 E Union Garden Ct  
Midvale UT 84047  
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GARY W. OTT  
RECORDER, SALT LAKE COUNTY, UTAH

**ARTICLE III**  
**MEETING OF MEMBERS**

1. **Annual Meetings.** The annual meeting of Members shall be held on a date and time convenient for attendance by Members, but in any case shall occur every year. The Board of Trustees, by a majority vote, shall have the authority to set the time and date of the annual meeting. The purpose of the annual meeting shall be the:

- (a) Election of the Trustees to fill expiring or otherwise open positions,
- (b) Election of the open positions, if any, of the Architectural Committee,
- (c) Review of the past and proposed Association budget,
- (d) Consideration of proposed assessments, if any; and
- (e) Transaction of such business as may properly come before the Members.

If the election of the Board of Trustees does not take place on the day designated herein for the annual meeting, the Board of Trustees shall cause such election to be held at a special meeting of the Members as soon thereafter as is convenient.

2. **Special Meeting.** A special meeting of the Members for any purpose may be called by the President, by the Board of Trustees, or upon written request of Members who hold at least one-fourth (1/4) of all the votes of the Owners in the Association. A special meeting may be called for any lawful purpose, provided, however that only those matters which are included in the notice shall be considered at any special meeting.

3. **Place of Meetings.** The Board of Trustees may designate any place within Salt Lake County, State of Utah, as the place for any annual meeting or for any special meeting called by the Board. If no designation is made, the place of the meeting shall be the registered office of the Association in Salt Lake County, Utah.

4. **Notice of Meetings.** Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to all Members at least ten (10) days, but not more than thirty (30) days prior to the meeting date. Such notice shall be deemed to have been given if mailed, postage prepaid, within the required time period to the person who appears as a Member at the time of mailing, at the latest address for such person appearing in the records of the Association. Any such notice shall state the time, place and date of any such meeting.

5. **Quorum.** Except as otherwise provided in the Articles for meetings specifically required in the event of certain assessments, in the Declaration, or by law, those Members present in person or by proxy shall constitute a quorum at any properly noticed meeting of the Members.

6. **Proxies.** At any meeting of Members, a Member may vote by proxy or by special ballot executed in writing by the Member or by his duly authorized attorney-in-fact. All proxies shall be filed with the Secretary of the Association before or at the time of the meeting. Unless otherwise provided therein, no proxy shall be valid after eleven (11) months from the date of its execution.

7. **Necessary Vote.** Except with respect to those matters which, pursuant to the Articles, the Declaration, or applicable law, require a vote greater than a majority, a simple majority of all those Members, present in person or represented by proxy, who are entitled to cast votes at a meeting shall be sufficient for the adoption of any matter voted on by the Members.

**ARTICLE IV**  
**BOARD OF TRUSTEES**

1. **Number, Tenure and Qualifications.** The property, affairs and business of the Association shall be managed by a Board of Trustees composed of three (3) individuals who are also Members of the Association. Trustees shall serve for a minimum of three (3) years. Trustees shall serve staggered terms, with a successor Trustee being elected each year. A Trustee shall hold office until his term expires or until his successor has been duly elected and qualifies. Trustees may serve longer terms if elected to do so by the Members. Changes in the number of Trustees may be made only by amendment of these By-Laws.

2. **Compensation.** Trustees shall serve without compensation and shall not receive directly or indirectly any financial benefit by virtue of their position as Trustee.

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

**ARTICLE V**  
**NOMINATION AND ELECTION OF TRUSTEES**

1. **Nomination.** Nomination for election to the Board of Trustees can be made by a any Member. Nominations may be made from the floor at the annual meeting. All nominees must be Members of the Association.

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

**ARTICLE VI**  
**MEETINGS OF THE TRUSTEES**

1. **Meetings.** Meetings of the Board of Trustees shall be held as need arises, but in no case shall the Board of Trustees meet less than twice a year to conduct Association business. Trustees may provide by resolution the time and any place within the State of Utah for the holding of meetings without notice to the Members other than such resolution.

2. **Notice.** Notice, stating the place, day, and hour of any special meeting of the Board shall be given to all Trustees at least three (3) days prior to the meeting date. Such notice shall be deemed to have been properly furnished if mailed postage prepaid or emailed at least three (3) business days before the meeting date to each Trustee at his address or email address. Attendance by a Trustee at any meeting shall constitute a waiver of notice of such meeting unless the Trustee attends for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened. Neither the business to be transacted at, nor the purpose of any meeting, need be specified in the notice thereof.

3. **Quorum.** All Trustees then in office shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the Trustees at a meeting at which a quorum is present shall constitute the act of the Board of Trustees unless the act of a greater number is required by law.

4. **Action Taken Without a Meeting.** The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Trustees. Any action so taken shall have the same effect as though taken at a meeting of the Trustees.

**ARTICLE VII**  
**POWERS AND DUTIES OF THE BOARD OF TRUSTEES**

1. **Powers.** The Board of Trustees shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Common Areas, and personal conduct of the Member and their guests thereon, and establish penalties for the infractions thereof;

(b) Suspend the voting rights and right to use of common area facilities of a Member during a period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infractions of published rules and regulations

(c) Exercise for the benefit of the Association the powers, duties, and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws, the Articles, or the Declaration;

(d) Declare the office of the Member of the Board of Trustees to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Trustees;

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties.

2. **Duties.** It shall be the duty of the Board of Trustees to:

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

- (b) Supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;
- (c) As is more fully provided in the Declaration, to:
- (d) Fix the amount of the monthly assessment against each Dwelling Unit and to send written notice of such assessment to every Owner subject thereto as provided in the Declaration.
- (d) Foreclose the lien against, or otherwise pursue collection proceedings against any Owner(s) and the associated Lot for which assessments are not paid within thirty (60) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
- (e) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board and/or the Association's Manager for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (f) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (h) Cause the Common Areas, and those portions of the Lots which the Association has responsibility for, to be maintained; and
- (i) To carry out all other duties of the Association set forth in the Articles and the Declaration.

#### **ARTICLE VIII** **OFFICERS**

1. **Number and Qualifications.** The Officers of the Association shall be a President, a Vice-President, and a Secretary and a Treasurer. Any two (2) or more offices may be held by the same person. Officers must be Members of the Association and can be the same as, or different than, the Trustees.
2. **Tenure.** The Officers of the Association shall be annually elected by the Board of Trustees at the first meeting of the Board held after the annual meeting of the Members. If election of Officers does not occur at such meeting, it shall be held as soon thereafter as is convenient. Each Officer shall hold office until his successor has been duly elected and qualifies or until he is removed. Any Officer may be removed by the Board whenever in its judgment the best interest of the Association would be served thereby.
3. **Vacancies.** A vacancy resulting from death, resignation, removal or any cause shall be filled by the Board of Trustees for the unexpired portion of the term of the person previously in office.
4. **President.** The President shall be the principal executive Officer of the Association. The President shall, when present, preside at all meeting of the Members and of the Board of Trustees. Except in cases where the signing and execution thereof is expressly delegated by the Board of Trustees or by these By-Laws to some other Officer or agent of the Association or where required by the Declaration or by law to be otherwise signed, or executed, the President, together with the Secretary/Treasurer or any other Officer of the Association authorized by the Board of Trustees, may sign any deeds, mortgages, contracts, or other instruments which the Board of Trustees has properly authorized to be executed. The President shall, in general, perform all duties incident to the office of the President and such other duties as may from time to time be prescribed by the Board of Trustees.
5. **Vice-President.** In the absence of the President or in the event of his/her death, inability, or refusal to act, the Vice-President shall perform all of the duties of the President. When so acting, the Vice President shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice-President shall perform such duties as may from time to time be assigned to him/her by the President or by the Board of Trustees.
6. **Secretary.** The Secretary shall keep minutes of the meetings of the Members and of the Board of Trustees in one or more books provided for that purpose, shall see that all notices are given in accordance with the provisions of these By-Laws, the Declaration and law, shall maintain a membership list, and in general, shall perform all duties incident to the office of the Secretary and such other duties as may from time to time be assigned to him by the President or by the Board of Trustees.
7. **Treasurer.** If required by the Board of Trustees, the Treasurer shall give a bond for the faithful discharge of his duties in such sums and with such surety or sureties as the Board shall determine. The Treasurer shall have the custody of and shall be responsible for all funds of the Association, shall receive and give receipts for money

due and payable to the Association, shall deposit all such money in the name of the Association in such banks, trust companies, or other depositories as are selected by the Board, shall perform all accounting, financial record-keeping, and similar services which may be necessary or desirable in connection with the Association's affairs, and, in general, perform all duties incident to the office of the Treasurer and such other duties as may for time to time be assigned to him by the President or by the Board of Trustees.

8. **Compensation.** Officers shall receive no salary or other compensation for their services as such and shall not benefit directly or indirectly or receive any profit or pecuniary advantage by virtue of their position as Officers. Provided, however, the Board of Trustees may vote to reimburse the Officers their reasonable expenses associated with serving as Officers.

#### **ARTICLE IX** **ARCHITECTURAL COMMITTEE**

1. **Number, Composition and Function.** Owners of a majority of the Lots shall annually appoint a committee composed of three (3) Members, the function of which is to enforce and administer the provisions of the Declaration relating to control of improvements and landscaping within the Property. Members of the Committee shall hold office at the pleasure of the Board. If no such committee is appointed, the Board shall perform the duties of the Committee.

2. **Majority.** The act, concurrence, or determination of any two or more committee members, whether such act, concurrence, or determination occurs at a meeting, without a meeting, at the same time, or at different times, shall constitute the act or determination of the Committee.

3. **Compensation.** The Board of Trustees may provide by resolution that members of the Committee shall be reimbursed their reasonable expenses incurred in connection with their services as committee members.

4. **No Liability for Damages.** The Committee shall not be held liable for damages by reason of any action, inaction, by approval or disapproval by it with respect to any request made pursuant the Declaration.

#### **ARTICLE X** **LIABILITY AND INDEMNIFICATION OF DIRECTORS AND OFFICERS**

1. **No Liability.** Members of the Board of Trustees and officers of the Association are not personally liable to the Association or its members for civil claims arising from acts or omissions made in the performance of their duties as committee members or officers unless the acts or omissions are the result of intentional misconduct.

2. **Indemnification of Directors and Officers.** No committee member, officer, employee or agent of the Association shall be personally liable for any obligations of the Association or for any duties or obligations of the Association arising out of any acts or conduct of the committee member, officer, employee or agent performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person and his or her heirs and administrators who shall serve at any time hereafter as a committee member, officer, employee or agent of the Association from and against any and all claims, judgments and liabilities to which such persons shall become subject by reason of their having heretofore or hereafter been a committee member or officer of the Association, or by reason of any action alleged to have heretofore or hereafter been taken or omitted to have been taken by him or her as such committee member, officer, employee or agent and shall reimburse each such person for all legal and other expenses reasonably incurred by him or her in connection with any such claim or liability, including power to defend such person from all suits or claims as provided for under the provisions of Utah law; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of their own gross negligence or willful misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which the person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically herein provided for. The Association, its committee members, officers, employees and agents shall be fully protected in taking any action or making any payment, or in refusing so to do in reliance upon the advice of counsel.

3. **Other Rights.** The indemnification herein provided shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested committee members, or otherwise, both as to action in his or her official capacity and as to action in another

capacity while holding such office, and shall continue as to a person who has ceased to be a committee member, officer, employee or agent, and shall inure to the benefit of the heirs, executors, and administrators of such person.

4. **Trustees' Immunity.** The liability of a committee member to the Association or its members for monetary damages due to a breach of fiduciary duty is eliminated. However, there shall be liability: (a) for any breach of a committee member's duty of loyalty to the Association or its members; (b) for any acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or (c) for any transaction from which the committee member derived an improper personal benefit. This provision affects only transactions occurring subsequent to the effective date of the Declaration.

5. **Advances.** Expenses incurred in defending a civil or criminal action, suit or proceeding as contemplated in this Article may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon a majority vote of a quorum of the Board of Trustees and upon receipt of an undertaking by or on behalf of the committee member, officer, employee or agent to repay such amount or amounts unless it ultimately is determined that he or she is entitled to be indemnified by the Association as authorized by this Article.

6. **Insurance.** The Association shall purchase and maintain insurance on behalf of any person who was or is a committee member, officer, employee or agent of the Association, or who was or is serving at the request of the Association as a trustee, director, officer, employee or agent of another corporation, entity, or enterprise (whether for profit or not for profit), against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the laws of the State of Utah, as the same may hereafter be amended or modified.

7. **Fidelity Bonds.** Committee members may be covered by fidelity bonds at the discretion of the Board of Trustees.

8. **Payments and Premiums.** All indemnification payments made, and all insurance premiums for insurance maintained pursuant to this Article shall constitute expenses of the Association and shall be paid with funds from the Common Expense Fund referred to in the Declaration.

#### **ARTICLE XI** **ASSESSMENTS**

As is more fully provided in the Declaration, each Member is obligated to pay the Association assessments which may be secured by a continuing lien upon the Lot against which the assessment is made. Any assessment which is not paid when due shall be termed delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the legal rate. The Association may bring an action against the Owner personally obligated to pay the same or it may foreclose the lien against the Lot and interest, cost, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

#### **ARTICLE XII** **FUNDS**

All cash of the Association shall be deposited in one of two or more accounts (the Maintenance Funds), one of which shall be designated as the Operating Fund and one of which shall be designated as the Reserve Fund, in such bank or banks or other insured depository institution, as the Board of Trustees shall determine. Funds may be withdrawn from such accounts upon the signature of any two Officers.

#### **ARTICLE XIII** **RULES AND REGULATIONS**

The Board of Trustees may from time to time adopt, amend, repeal and enforce reasonable rules and regulations governing the use and operation of the Project, to the extent such rules and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Members shall be provided with copies of all rules and regulations adopted by the Board of Trustees, and with copies of all amendments and revisions thereof.


**ARTICLE XIV  
AMENDMENTS**

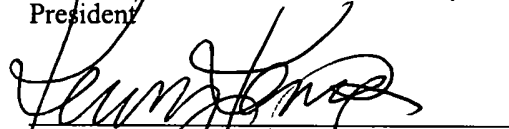
1. **Procedure.** These By-Laws may be amended at a regular or a special meeting of the Board of Trustees, by a vote of the majority of a quorum of Trustees present.
2. **Conflict.** In case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.


**ARTICLE XV  
FISCAL YEAR**

The Association's fiscal year shall begin on the first day of January and end on the 31st day of December of every year, except the first fiscal year shall begin on the date of incorporation.

**IN WITNESS WHEREOF**, the undersigned, being the current Board of Trustees of Union Gardens Court P.U.D. Owners Association, Inc. have hereto set our hands this 12<sup>th</sup> day of June, 2013.

  
Annette Thompson  
President

  
Kenny Kemp  
Vice President

  
Shashi Rathan  
Secretary/Treasurer

COUNTY OF SALT LAKE    )  
                                  ss.  
STATE OF UTAH         )

SUBSCRIBED AND SWORN TO before me this 22<sup>nd</sup> day of June, 2013, by ANNETTE THOMPSON, KENNY KEMP, and SHASHI RATHAN.

