

Bylaws Page 1 of 34

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BAGLEY, PLLC

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JENKINS BAGLEY, PLLC

Attn: Carson B. Bagley

285 W. Tabernacle, Ste. 301

St. George, UT 84770

BYLAWS

OF

RIVER SHADOW ESTATES

HOMEOWNERS ASSOCIATION, INC.

(A Planned Unit Development)

Prepared by:

 **JENKINS BAGLEY**

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**BYLAWS
OF
RIVER SHADOW ESTATES HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I - GENERAL

1.1. Purpose of Bylaws.

These Bylaws are adopted by the Board of Directors (defined as “Trustees” in the Declaration) in accordance with Utah Code § 16-6a-206 for the regulation and management of the affairs of River Shadow Estates Homeowners Association, a Utah nonprofit corporation (the “Association”), organized to be the association to which reference is made in the Declaration of Covenants, Conditions, and Restrictions of River Shadow Estates, recorded on September 9, 2002, as Entry Number 00780117, in the official records of the Washington County Recorder, State of Utah, as amended by the Amended and Restated Declaration of Covenants, Conditions, and Restrictions of River Shadow Estates Homeowners Association recorded on April 9, 2010 as Document Number 20100011580, in the official records of the Washington County Recorder, State of Utah, as may be amended or supplemented from time to time (the “Declaration”), to perform the functions as provided in the Declaration and to further the interests of Owners of Lots within the Property.

1.2. Terms Defined in Declaration.

Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration. As used herein, the terms “Board of Directors” and “Board” shall have the same meaning and be synonymous with the term “Trustees” as that term is defined in the Declaration.

1.3. Controlling Laws and Instruments.

These Bylaws are controlled by and shall always be consistent with the provisions of the Utah Revised Nonprofit Corporation Act (Utah Code 16-6a-101, et seq.) (“Nonprofit Act”) and the Community Association Act (Utah Code 57-8a-101 et seq.) (“Association Act”) (collectively the “Acts”), the Declaration, and the Articles of Incorporation of the Association (“Articles”) filed with the Division of Corporations and Commercial Code of the Utah Department of Commerce (the “Division”), as any of the foregoing may be amended from time to time.

ARTICLE II - OFFICES

2.1. Principal Office.

The principal office of the Association shall be at the address identified in the Association’s latest annual report filed with the Division. The Board of Directors in its discretion may change from time to time the location of the principal office. (A member of the Board shall hereinafter be referred to as a “Director.”)

2.2. Registered Office and Agent.

The Acts require that the Association have and continuously maintain in the State of Utah a registered office and a registered agent. The registered agent must be an individual who resides in the State of Utah and whose business office is identical with the registered office. The initial registered office and the initial registered agent are specified in the Articles and may be changed by the Association at any time, without amendment to the Articles, by filing a statement as specified by law with the Division.

ARTICLE III - MEMBERS

3.1. Members

A "Member" is the entity or person or, if more than one, all persons collectively, who constitute the Owner of a Lot within the Property. Every Member is an Owner and every Owner is a Member.

3.2. Memberships Appurtenant.

Each membership shall be appurtenant to the fee simple title to a Lot. The person or persons who constitute the owner of fee simple title to a Lot shall automatically be the holder of the membership appurtenant to that Lot and the membership shall automatically pass with fee simple title to the Lot.

3.3. Members' Voting Rights.

Subject to the provisions in the Declaration and the Articles, each Member shall be entitled to one (1) vote for each Lot which the Member owns within the Property.

3.4. Voting by Joint Owners.

In the event there is more than one (1) Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy or through ballot, 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. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever, other than to determine whether a quorum exists.

3.5. Resolution of Voting Disputes.

In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of Members at a meeting, the Board shall act as arbitrators and the decision of a disinterested majority of the Board, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

3.6. Transfer of Memberships on Association Books.

Transfer of membership shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot to which the membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the membership as the owner of the membership entitled to all rights in connection therewith, including the right to vote and to receive notice.

3.7. Delinquent Member.

As used in this section, "Delinquent Member" means a lot owner who fails to pay an assessment when due.

3.7.1 The Board may terminate a Delinquent Member's right:

- (a) to receive a utility service for which the Member pays as a common expense; or
- (b) of access to and use of recreational facilities.

3.7.2 (a) Before terminating a utility service or right of access to and use of recreational facilities under Subsection 3.7.1 the Manager or Board shall give the Delinquent Member notice. Such notice shall state:

- (i) that the Association will terminate the Member's utility service or right of access to and use of recreational facilities, or both, if the Association does not receive payment of the assessment within fourteen (14) calendar days;
- (ii) the amount of the assessment due, including any interest or late payment fee; and
- (iii) the Member's right to request a hearing under Subsection 3.7.3.

(b) A notice under Subsection 3.7.2(a) may include the estimated cost to reinstate a utility service if service is terminated.

3.7.3 (a) The Delinquent Member may submit a written request to the Board for an informal hearing to dispute the assessment.

(b) A request under Subsection 3.7.3(a) shall be submitted within fourteen (14) days after the date the Delinquent Member receives the notice under Subsection 3.7.2(a).

3.7.4 The Board shall conduct an informal hearing requested under Subsection 3.8.3 in accordance with the standards provided in Article X of these Bylaws.

3.7.5 If the Delinquent Member requests a hearing, the Association may not terminate a utility service or right of access to and use of recreational facilities until after the Board:

- (a) conducts the hearing; and
- (b) enters a final decision.

3.7.6 If the Association terminates a utility service or a right of access to and use of recreational facilities, the Association shall take immediate action to reinstate the service or right following the Member's payment of the assessment, including any interest and late payment fee.

3.7.7 The Association may:

- (a) levy an assessment against the Delinquent Member for the cost associated with reinstating a utility service that the Association terminates as provided in this section; and
- (b) demand that the estimated cost to reinstate the utility service be paid before the service is reinstated, if the estimated cost is included in a notice under Subsection 3.7.2(b).

ARTICLE IV - MEETING OF MEMBERS

4.1. Place of Members' Meetings.

Meetings of Members shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

4.2. Annual Meetings of Members.

Annual Meetings of the Members shall be held at such time of day as is fixed by the Board and specified in the notice of meeting. The Annual Meetings shall be held to elect Directors of the Association and to transact such other business as may properly come before the meeting.

4.3. Special Meetings of Members.

Special meetings of the Members may be called by the president or the Board or by Members holding not less than twenty-five percent (25%) of the total votes of all Members. No business shall be transacted at a special meeting of the Members except as indicated in the notice thereof.

4.4. Record Date/Members List.

4.4.1. The record date for the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or in order to make a determination of such Members for any other proper purpose for the taking of any other lawful action shall be as set forth in Subsection 4.4.2 below, unless the Board, in advance of sending notice, set a date by resolution as the record date for any such determination of Members. Such record date shall not be more than sixty (60) days prior to the meeting of Members or the event requiring a determination of Members.

4.4.2. Members entitled to notice of a meeting of the Members are the Members of the Association at the close of business on the business day preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. Members entitled to vote at a meeting of

the Members are the Members of the Association on the date of the meeting, and who are otherwise eligible to vote. The record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action are Members of the Association at the later of (a) the close of business on the day on which the Board adopts the resolution relating to the exercise of the right; or (b) the close of business on the sixtieth (60th) day before the date of the exercise of the right. A record date fixed under this Section may not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. A determination of members entitled to notice of or to vote at a meeting of Members is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote.

4.4.3. The Association shall only be required to prepare a list of the names of the Members as provided for in Section 9.3.3.

4.5. Notice of Members' Meetings.

Written notice stating the place, day and hour of any meeting shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice of an annual, regular or special meeting shall include: (a) the names of any known candidate for Director and shall identify any other matter which it is known may come before the meeting; (b) potential conflicting interest transactions of a Director, party related to a Director, or an entity in which the Director is a director or has a financial interest, if any; (c) notice of any indemnification or advance of expenses to a Director in connection with a legal "proceeding" as defined in the Acts; (d) notice of any amendment to these Bylaws proposed by the Members and a copy, summary or general statement of the proposed amendment; (e) notice of a proposed plan of merger; (f) notice of a proposed sale of the properties by the Association other than in the regular course of activities; (g) notice of a proposed dissolution of the Association; and (h) any matter a Member intends to raise at the meeting if requested in writing to do so by a person entitled to call a special meeting and the request is received by the secretary or president at least ten (10) days before the Association gives notice of the meeting. The notice of a special meeting shall state the purpose or purposes for which the meeting is called.

4.6. Proxies at Meetings.

A Member entitled to vote at a meeting may vote in person or by proxy executed in writing by the Member or his duly authorized attorney-in-fact and filed with the secretary of the meeting prior to the time the proxy is exercised.

4.7. Ballots at Meetings.

A written ballot, if delivered by the Association to every Member entitled to vote on the matter or matters therein as described in Section 4.8 below, may be used in connection with any annual, regular, or special meeting of Members, thereby allowing Members the choice of either voting in person or by written ballot delivered by a Member to the Association in lieu of attendance at such meeting. Any written ballot shall comply with the requirements of Sections

4.8 and 4.8.1 and shall be counted equally with the votes of Members in attendance at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8. Ballots without a Meeting.

The Association may utilize ballots without a meeting to take any action that may be taken at any annual, regular or special meeting of the Members provided the Association delivers a written ballot to every member entitled to vote. Any ballot utilized without a meeting shall be valid only when (a) the time by which all ballots must be received has passed so that a quorum can be determined and (b) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

4.8.1 All solicitations for votes by written ballot shall: (a) set forth each proposed action, (b) provide for an opportunity to vote for or against each proposed action, (c) indicate the number of responses needed to meet the quorum requirements; (d) state the percentage of approvals necessary to approve each matter other than election of Directors; (e) specify the time by which a ballot must be received by the Association in order to be counted; and (f) be accompanied by written information sufficient to permit each person casting the ballot to reach an informed decision on the matter.

4.8.2 Any written ballot shall comply with the requirements in this Section and shall be counted equally with the votes of Members in attendance (by person or proxy) at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8.3 Members shall be provided a fair and reasonable amount of time before the day on which the Association must receive ballots. An amount of time is considered to be fair and reasonable if (a) Members are given at least fifteen (15) days from the day on which the notice is mailed, if the notice is mailed by first-class or registered mail; (b) Members are given at least thirty (30) days from the day on which the notice is mailed, if the notice is mailed by other than first-class or registered mail; or (c) considering all the circumstances, the amount of time is otherwise reasonable.

4.9. Revocation of Proxy or Ballot.

A proxy or ballot may be revoked, prior to the time the proxy is exercised or the ballot counted, by (a) the Member attending the meeting and voting in person, or (b) the Member signing and delivering to the secretary or other person authorized to tabulate proxy or ballot votes (i) a writing stating that the appointment of proxy or ballot is revoked, or (ii) a subsequent proxy form or ballot. A proxy or ballot shall automatically cease upon the conveyance by a Member of the Lot of the Member and the transfer of the membership on the books of the Association. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. The death or incapacity of the Member appointing a proxy or issuing a ballot does not affect the right of the Association to accept the proxy's authority or count the ballot unless notice of the death or incapacity is received by the secretary

or other officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority or the ballot is counted.

4.10. Written Consents Without a Meeting.

Unless prohibited by the Articles, any action required to be taken or which may be taken at a meeting of Members may be taken without a meeting and without prior notice, if one or more consents in writing, setting forth the action taken, are signed by the members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Members entitled to vote on the action were present and voted. Directors may not be elected by written consent, except by unanimous written consent of all Members entitled to vote for the election of Directors. Any action taken under this Section is not effective unless all written consents are received within a sixty (60) day period and have not been revoked. A written consent may be given by electronically transmitted facsimile or other form of communication providing the Association with a complete copy of the written consent, including a copy of the signature to the written consent.

4.11. Telecommunications.

Any or all of the Members may participate in an annual, regular 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 by a means permitted under this Section is considered to be present in person at the meeting.

4.12. Quorum at Members' Meetings.

Except as may be otherwise provided in the Declaration, the Articles, or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the representation, in person, by proxy or by ballot, of Members entitled to cast at least twenty-five percent (25%) of the votes of all Members shall constitute a quorum at any meeting of such Members. Members present in person or by proxy or represented by ballot at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum. If a quorum is not present at any meeting, another meeting may be called by the Board of Directors issuing a Notice of Members Meeting at which meeting the Members that are present in person or by proxy or represented by ballot shall constitute a quorum, except as otherwise provided in the Declaration, the Articles, or these Bylaws. No such subsequent meeting shall be held more than sixty (60) days following such preceding meeting at which a quorum was not present.

4.13. Adjournment of Members' Meetings.

Members present in person or by proxy at any meeting at which a quorum or reduced quorum, as the case may be, was present may adjourn the meeting from time to time, without notice other than announcement at the meeting, for a total period or periods not to exceed sixty (60) days after the date set for the original meeting. Except as may be otherwise expressly

provided in the Declaration or Articles, at any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall be the same as the quorum requirement of the meeting so adjourned, and any business may be transacted which might have been transacted at the adjourned meeting.

4.14. Vote Required at Members' Meetings.

At any meeting where a quorum is present, action on a matter, other than the election of Directors, is approved if the votes cast favoring the action exceed the votes cast opposing the action unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws. In the case of elections to the Board, a quorum is not required and when there is more than one (1) candidate, the person or persons receiving the highest number of votes shall be elected.

4.15. Cumulative Voting Not Permitted.

Cumulative voting by Members in the election of Directors shall not be permitted.

4.16. Order of Business.

The order of business at any meeting of Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) election of Directors, if applicable; (d) report of finances; and (e) any other Association business.

4.17. Expenses of Meetings.

The Association shall bear the expenses of all regular and annual meetings of Members and of special meetings of Members.

4.18. Waiver of Notice.

A Member may waive any notice required by the Acts or by these Bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. A waiver shall be in writing, signed by the Member entitled to the notice, and delivered to the Association for inclusion in the minutes; or filing with the corporate records. The delivery and filing required above may not be conditions of the effectiveness of the waiver. A Member's attendance at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

4.19. Signature of Members.

Except as otherwise provided in the Acts, all votes, consents, written ballots, waivers, proxy appointments, and proxy or ballot revocations shall be in the name of the Member and signed by the Member with a designation of the Member's capacity; i.e., owner, partner, president, director, member, trustee, conservator, guardian, etc.

ARTICLE V - BOARD OF DIRECTORS

5.1. General Powers and Duties of the Board of Directors.

The Board shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board shall have the power to exercise or cause to be exercised for the Association all of the powers, rights and authority of the Association not reserved to Members in the Declaration, the Articles, these Bylaws, or the Acts.

5.2. Special Powers and Duties of the Board of Directors.

Without limiting the foregoing statement of general powers and duties of the Board or the powers and duties of the Board as set forth in the Declaration, the Board shall be vested with the following specific powers and duties:

5.2.1 Assessments. The duty to fix and levy from time to time assessments, special assessments, and all other assessments upon the Members of the Association as provided in the Declaration; and to enforce the payment of such delinquent assessments as provided in the Declaration.

5.2.2 Insurance. The duty to contract and pay premiums for fire and casualty and liability and other insurance in accordance with the provisions of the Declaration.

5.2.3 Common Areas. The duty to manage and care for the Common Areas, and to employ personnel necessary for the care and operation of the Common Areas, and to contract and pay for necessary or desirable improvements on property acquired by the Association in accordance with the Declaration.

5.2.4 Agents and Employees. The power to select, appoint, and remove all officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Declaration, the Articles, and these Bylaws.

5.2.5 Borrowing. The power, with the approval of the Members representing at least two-thirds (2/3) of the voting power of the Association, to borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt, and securities therefor.

5.2.6 Enforcement. The power to enforce the provisions of the Declaration, the rules and regulations of the Association, these Bylaws, or other agreements of the Association.

5.2.7 Delegation of Powers. The power to delegate its powers according to law.

5.2.8 Rules and Regulations. The power to adopt such rules and regulations with respect to the interpretation and implementation of the Declaration, use of Common Areas, and use of any property within the Property, including the Homes and living units, and to levy fines and penalties for infractions and violations thereof; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles, and these Bylaws.

5.2.9 Emergency Powers. The right to exercise such emergency powers as provided for in the Acts.

5.3. Qualifications of Directors.

A Director must be a natural person eighteen (18) years of age or over and an Owner of a Lot within the Property or, if the Owner of any such Lot is a partnership, corporation, limited liability company, trust, or other legal entity, must be a designated representative of such partnership, corporation, limited liability company, trust, or other legal entity. If a Director conveys or transfers title to his Lot, or if a Director who is a designated representative of a partnership, corporation, limited liability company, trust or other legal entity ceases to be such designated representative, or if the partnership, corporation, limited liability company, trust, or other legal entity of which a Director is a designated representative transfers title to its Lot, such Director's term as Director shall immediately terminate and a new Director shall be selected as promptly as possible to take such Director's place. Any Director no longer qualified to serve under the standards provided for in this Section 5.3 may be removed by a majority vote of the Directors then in office.

5.4. Number of Directors.

The number of Directors of the Association shall be five (5).

5.5. Term of Office of Directors and Elections.

The affairs of the Association shall be managed by a Board of Directors composed of five (5) individuals. The Board of Directors shall be elected by secret ballot or other allowable method for election of Directors as determined by the Board at a meeting of the Members to serve as follows:

At each annual meeting of the Members, the Members shall elect Directors for terms of two (2) years, with an odd number of Directors (at least two

(2) less than the entire Board) elected in odd-numbered years and an even number of Directors elected in even-numbered years.

Directors newly elected at the annual meeting of the Members shall take office immediately. Newly elected Directors are invited to attend Board meetings to familiarize them with the Association procedures prior to taking office. Only Members who are not in violation of the Declaration, these Bylaws or Association rules and regulations shall be eligible to run for a position on the Board.

In an election of multiple Directors, that number of candidates equaling the number of Directors to be elected, having the highest number of votes cast in favor of their election, are elected to the Board. When only one (1) Director is being voted upon, the candidate having the highest number of votes cast in his or her favor is elected to the Board.

5.6. Nominating Committee.

Nominations for election to the Board shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting of the Members. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more Members of the Association. The nominating committee shall be appointed by the Board prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the Members.

5.7. Removal of Directors by the Members.

At any meeting of the Members, the notice of which indicates such purpose, any or all of the Directors may be removed, with or without cause, by the affirmative vote of Members holding a majority of the voting interests of all Members; and a successor may be then and there elected to fill the vacancy thus created.

5.8. Resignation of Directors.

Any Director may resign at any time by giving written notice to the president, to the secretary, or to the Board stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective. A Director who resigns may deliver to the Division a statement setting forth (a) that person's name; (b) the name of this Association; (c) information sufficient to identify the report or other document in which the person is named as a Director or officer; and (d) the date on which the person ceased to be a Director or officer or a statement that the person did not hold the position for which the person was named in the corporate report or other document.

5.9. Vacancies in the Board of Directors.

Any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his or her predecessor in office. A directorship to be filled by reason of an increase in the number of Directors shall be filled only by vote of the Members. A Director elected by the Board to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members, but not the Board. Should any vacancy of the Board remain unfilled for a period of two (2) months, the Members may, at a special meeting of the Members called for that purpose, elect a Director to fill such vacancy by a majority of the votes of those Members present at such meeting, or represented by proxy or ballot, are entitled to cast.

5.10. Appointment of Committees.

The Board, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees which shall consist of two or more Directors and which, unless otherwise provided in such resolution, shall have and may exercise the authority to make recommendations (but not final decisions) to the Board in the management of the Association, except authority with respect to those matters specified in the Acts as matters which such committee may not have and exercise the authority of the Board.

5.11. General Provisions Applicable to Committees.

The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law. The provision of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of the Board shall be applicable to meetings of committees of the Board.

ARTICLE VI - MEETING OF DIRECTORS

6.1. Place of Directors' Meetings.

Meetings of the Board of Directors shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

6.2. Annual Meeting of Directors.

The annual meeting of the Board shall be held on the same date as, or within ten (10) days following, the annual meeting of Members. The business to be conducted at the annual meeting of the Board shall consist of the appointment of officers of the Association and the transaction of such other business as may properly come before the meeting. No prior notice of the annual meeting of the Board shall be necessary if the meeting is held on the same day and at the same place as the annual meeting of Members at which the Board is elected or if the time and place of the annual meeting of the Board is announced at the annual meeting of Members.

6.3. Other Regular Meetings of Directors.

The Board may hold other regular meetings and may, by resolution, establish in advance the times and places for such regular meetings. The resolution of meeting schedule shall be given to all Members of the Association at least forty-eight (48) hours before the first meeting scheduled. No prior notice of any regular meeting need be given after establishment of the time and place thereof by such resolution.

6.4. Special Meetings of Directors.

Special Meetings of the Board may be called by the president or any two (2) members of the Board other than the president.

6.5. Open Meetings/Member Right to Participate.

Except as provided in Subsection 6.6, a Board meeting, whether in person or by means of electronic communication, at which the Board can take binding action shall be open to each Member or the Member's representative if the representative is designated in writing. At each meeting, the Board shall provide each Member a reasonable opportunity to offer comments. The Board may limit the comments to one specific time period during the meeting. A Director may not avoid or obstruct the requirements of this Section. However, nothing in this section shall affect the validity or enforceability of an action of a Board.

6.6. Closed Meetings.

The Board may close a meeting 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.

If after a vote of the majority of all other Directors, it is determined that a Director has not maintained the confidentiality of any matter covered in the previous paragraph that is addressed at a closed meeting ("Confidential Matter"), the non-offending Directors may take one of the two following steps: (1) exclude the offending Director from any closed meetings at which that matter is addressed, or (2) create a committee to address the Confidential Matter and exclude the offending Director from that committee.

6.7. Notice to Directors of Board Meetings.

In the case of all meetings of the Board for which notice is required by these Bylaws, notice stating the place, day and hour of the meeting shall be given not less than two (2) nor more than thirty (30) days before the date of the meeting (plus any time added to effectuate delivery under Section 9.18), by mail, fax, electronic means, telephone or personally, by or at the

direction of the persons calling the meeting, to each member of the Board. If by telephone such notice shall be deemed to be effective when given by telephone to the Director. If given personally, such notice shall be deemed effective upon delivery of a copy of a written notice to, or upon verbally advising, the Director or some person who appears competent and mature at his home or business address as either appears on the records of the Association.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice to the Director or waiver of such meeting.

6.8. Notice to Members of Board Meetings.

At least forty-eight (48) hours before an open Board meeting (plus any time added to effectuate deliver under Section 9.18), the Association shall give written notice of the meeting via email to each Member who requests notice of a meeting in writing, unless: (a) notice of the meeting is included in a meeting schedule that was previously provided to the Member; or (b) the meeting is to address an emergency and each Director receives notice (receipt deemed effective as set forth under Section 9.18) of the meeting less than forty-eight (48) hours before the meeting. The notice to the Members shall: (a) be delivered to the Member by email, to the email address that the Member provides to the Board or the Association (or via mail if requested in writing by the Member); (b) state the time and date of the meeting; (c) state the location of the meeting; and (d) if a Director may participate by means of electronic communication, provide the information necessary to allow the Member to participate by the available means of electronic communication.

6.9. Proxies.

For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be considered to be present at a meeting and to vote if the Director has granted a signed written proxy: (a) to another Director who is present at the meeting; and (b) authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this Section 6.9 and as permitted by Section 6.16, Directors may not vote or otherwise act by proxy.

6.10. Telecommunications.

The Board may permit any Director to participate in a regular or special meeting of the Board by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director so participating in such a meeting is considered to be present in person at the meeting.

6.11. Quorum of Directors.

A majority of the number of Directors fixed in these Bylaws shall constitute a quorum for the transaction of business. For the purpose of determining the presence of a quorum, Directors will be counted if represented in person or by proxy, if applicable.

6.12. Adjournment of Directors' Meeting.

Directors present at any meeting of the Board may adjourn the meeting from time to time, whether or not a quorum shall be present, without notice other than announcement at the meeting, for a total period or periods of not to exceed thirty (30) days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6.13. Vote Required at Directors' Meeting.

At any meeting of the Board, if a quorum is present, a majority of the votes present in person or by proxy, if applicable, and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws.

6.14. Officers at Meetings.

The president shall act as chairman and the Board shall appoint a secretary to act at all meetings of the Board.

6.15. Waiver of Notice.

A waiver of notice of any meeting of the Board, signed by a Director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Director. Attendance of a Director at a meeting in person shall constitute waiver of notice of such meeting unless (a) at the beginning of the meeting or promptly upon the Director's later arrival the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and, after objecting, the Director does not vote for or assent to action taken at the meeting, or (b) the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or (c) the Director causes written notice of the Director's dissent or abstention as to any specific action to be received by (i) the presiding officer of the meeting before adjournment of the meeting; or (ii) the Association promptly after adjournment of the meeting.

6.16. Dissent or Abstention.

The right of dissent or abstention pursuant to Section 6.15 is not available to a Director who votes in favor of the action taken.

6.17. Action of Directors Without a Meeting.

6.17.1 By Written Consent. Any action required or permitted by the Nonprofit Act, Declaration, the Articles, or these Bylaws that may be taken at a Board meeting, may be

taken without a meeting if all Directors consent to the action in writing. Action is taken under Subsection 6.17.1 at the time the last Director signs a writing describing the action taken, unless, before that time, any Director revokes a consent by a writing signed by the Director and received by the secretary or any other person authorized by these Bylaws or the Board to receive the revocation. Action under this Subsection 6.17.1 is effective at the time it is taken, unless the Board establishes a different effective date.

6.17.2 With Advance Notice. Any action required or permitted by the Nonprofit Act, Declaration, Articles or these Bylaws that may be taken at a Board meeting may be taken without a meeting if notice is transmitted in writing to each Director and each Director, by the time stated in the notice: (a) (i) signs a writing for such action; or (ii) signs a writing against such action, abstains in writing from voting, or fails to respond or vote; and (b) fails to demand in writing that action not be taken without a meeting.

The notice required by Subsection 6.17.2 shall state: (a) the action to be taken; (b) the time by which a Director must respond to the notice; (c) that failure to respond by the time stated in the notice will have the same effect as: (i) abstaining in writing by the time stated in the notice; and (ii) failing to demand in writing by the time stated in the notice that action not be taken without a meeting; and (d) any other matters the Association determines to include.

Action is taken under this Subsection 6.17.2 only if at the end of the time stated in the notice: (a) the affirmative votes in writing for the action received by the Association and not revoked pursuant to this Subsection equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Directors then in office were present and voted; and (b) the Association has not received a written demand by a Director that the action not be taken without a meeting other than a demand that has been revoked pursuant to this Subsection.

A Director's right to demand that action not be taken without a meeting shall be considered to have been waived unless the Association receives such demand from the Director in writing by the time stated in the notice transmitted pursuant to this Subsection and the demand has not been revoked.

A Director who in writing has voted, abstained, or demanded action not be taken without a meeting pursuant to this Subsection 6.17.2 may revoke the vote, abstention, or demand in writing received by the Association by the time stated in the notice transmitted.

Unless the notice transmitted pursuant to Subsection 6.17.2 states a different effective date, action taken pursuant to this Subsection is effective at the end of the time stated in the notice.

6.17.3 General Provisions. A communication under this Section 6 may be delivered by an electronic transmission. An electronic transmission communicating a vote, abstention, demand, or revocation under Subsection 6.17.2 is considered to be written, signed, and dated for purposes of this section if the electronic transmission is delivered with information from which the Association can determine: (a) that the electronic transmission is transmitted by the Director; and (b) the date on which the electronic transmission is transmitted. The date on

which an electronic transmission is transmitted is considered the date on which the vote, abstention, demand, or revocation is signed. For purposes of this Section 6, communications to the Association are not effective until received. Action taken pursuant to this Section 6 has the same effect as action taken at a meeting of Directors and may be described as an action taken at a meeting of Directors in any document.

ARTICLE VII - OFFICERS

7.1. Officers, Employees and Agents.

The officers of the Association shall be natural persons 18 years of age or over and shall consist of a president, a secretary, a treasurer, and such other officers, assistant officers, employees, and agents as may be deemed necessary by the Board. Officers other than the president need not be Directors. The same person may simultaneously hold more than one office.

7.2. Appointment and Term of Office of Officers.

The officers shall be appointed by the Board at the annual meeting of the Board and shall hold office, subject to the pleasure of the Board, until the next annual meeting of the Board or until their successors are appointed, whichever is later, unless the officer resigns, or is removed earlier.

7.3. Resignation and Removal of Officers.

An officer may resign at any time by giving written notice of resignation to the Association. A resignation of an officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board may: (a) (i) permit the officer to remain in office until the effective date; and (ii) fill the pending vacancy before the effective date if the successor does not take office until the effective date; or (b) (i) remove the officer at any time before the effective date; and (ii) fill the vacancy created by the removal. The Board may remove any officer at any time with or without cause. An officer who resigns, is removed, or whose appointment has expired may file a statement in the same form as provided in Section 5.8.

7.4. Vacancies in Officers.

Any vacancy occurring in any position as an officer may be filled by the Board. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

7.5. President.

The president shall be a member of the Board and shall be the principal executive officer of the Association and, subject to the control of the Board, shall direct, supervise, coordinate and have general control over the affairs of the Association, and shall have the powers generally

attributable to the chief executive officer of a corporation. The president shall preside at all meetings of the Board and of the Members of the Association.

7.6. Vice President.

The vice president, if any, may act in place of the president in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the president.

7.7. Secretary.

The secretary shall be the custodian of the records and the seal, if any, of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association set forth in Section 9.3 are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of Members, of the Board, and of committees of the Board; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform all duties incident to the office of secretary and such other duties as may, from time to time, be assigned to him by the Board or by the president. The Board may appoint one or more assistant secretaries who may act in place of the secretary in case of his death, absence or inability to act. The duties of the secretary may be delegated to a property management company.

7.8. Treasurer.

The treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board of Directors may, from time to time, require; shall arrange for the annual report required under Section 9.6 of these Bylaws; and, in general, shall perform all the duties incident to the office of treasurer and such other duties as may from time to time be assigned to him by the Board or by the president. The Board may appoint one or more assistant treasurers who may act in place of the treasurer in case of his death, absence or inability to act. The duties of the treasurer may be delegated to a property management company.

7.9. Bonds.

The Association may pay for fidelity bonds covering officers or other persons handling funds of the Association as provided for in the Declaration. The Association shall pay the premiums for any such bonds acquired.

ARTICLE VIII - INDEMNIFICATION OF OFFICIALS AND AGENTS

8.1. Right of Indemnification.

The Association shall indemnify any Director, officer, employee, fiduciary and agent (including without limitation the property manager) to the fullest extent allowed the Acts, or any replacement Sections thereof.

8.2. Authority to Insure.

The Association may purchase and maintain liability insurance on behalf of any Director, officer, employee, fiduciary and agent against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, including liabilities for which he might not be entitled to indemnification hereunder.

ARTICLE IX - MISCELLANEOUS

9.1. Amendment/Conflict.

These Bylaws may be amended, at any regular, annual, or special meeting of the Board, by a vote of the majority of the Board, except if it would result in a change of the rights, privileges, preferences, restrictions, or conditions of a membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class. The Members may amend the Bylaws even though the Bylaws may also be amended by the Board. Amendments to the Bylaws by Members shall be made in accordance with the Acts. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

9.2. Compensation of Officers, Directors and Members.

No Director shall have the right to receive any compensation from the Association for serving as a Director except for reimbursement of expenses as may be approved by resolution of disinterested members of the Board and except as may otherwise be approved by the Members. Officers, agents and employees shall receive such reasonable compensation as may be approved by the Board. Appointment of a person as an officer, agent or employee shall not, of itself, create any right to compensation.

9.3. Books and Records.

9.3.1 The Association shall keep as permanent records: (a) minutes of all meetings of its Members and Board; (b) a record of all actions taken by the Members or Board without a meeting; (c) a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association; (d) a record of all waivers of notices of meetings of Members and of the Board of Directors or any committee of the Board; and (e) a copy of the Declaration, as the same may be amended.

9.3.2 The Association shall maintain appropriate accounting records.

9.3.3 The Association or its agent shall maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members: (a) in alphabetical order, by class, and (b) showing the number of votes each Member is entitled to vote.

9.3.4 The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

9.3.5 The Association shall keep a copy of each of the following records at its principal office: (a) its Articles; (b) its Bylaws; (c) resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members; (d) the minutes of all Member meetings; (e) records of all actions taken by Members without a meeting; (f) all written communications to Members generally as Members for a period of three years; (g) a list of the names and business or home addresses of its current Directors and officers; (h) a copy of its most recent annual report; and (i) all financial statements prepared for periods ending during the last three (3) years.

9.4. Inspection of Records.

9.4.1 A Director or Member is entitled to inspect and copy any of the records of the Association described in Subsection 9.3.5: (a) during regular business hours; (b) at the Association's principal office; and (c) if the Director or Member gives the Association written demand, at least five (5) business days before the date on which the Member wishes to inspect and copy the records.

9.4.2 In addition to the rights set forth in Subsection 9.4.1, a Director or Member is entitled to inspect and copy any of the other records of the Association: (a) during regular business hours; (b) at a reasonable location specified by the Association; and (c) at least five (5) business days before the date on which the Member wishes to inspect and copy the records, if the Director or Member: (i) meets the requirements of Subsection 9.4.3; and (ii) gives the Association written demand.

9.4.3 A Director or Member may inspect and copy the records described in Subsection 9.4.2 only if: (a) the demand is made: (i) in good faith; and (ii) for a proper purpose; (b) the Director or Member describes with reasonable particularity the purpose and the records the Director or Member desires to inspect; and (c) the records are directly connected with the described purpose.

9.4.4 Notwithstanding any other provision in these Bylaws, for purposes of this Section: (a) "Member" includes: (i) a beneficial owner whose membership interest is held in a voting trust; and (ii) any other beneficial owner of a membership interest who

establishes beneficial ownership; and (b) “proper purpose” means a purpose reasonably related to the demanding Member’s or Director’s interest as a Member or Director.

9.4.5 The right of inspection granted by this Section may not be abolished or limited by the Articles or these Bylaws.

9.4.6 This Section does not affect: (a) the right of a Director or Member to inspect records relating to ballots; (b) the right of a Member to inspect records to the same extent as any other litigant if the Member is in litigation with the Association; or (c) the power of a court, independent of this Article, to compel the production of corporate records for examination.

9.4.7 A Director or Member may not use any information obtained through the inspection or copying of records permitted by 9.4.2 for any purposes other than those set forth in the demand made under 9.4.3.

9.4.8 The Association may redact the following information from any document the Association produces for inspection or copying (a) a Social Security number; (b) a bank account number; or (c) any communication subject to attorney-client privilege.

9.4.9 In a request to inspect or copy documents, a Member may:

- (a) elect whether to inspect or copy the documents;
- (b) if the Member elects to copy the documents, requests hard copies or electronic scans of the documents; or
- (c) subject to Subsection 9.4.10, requests that:
 - (i) the Association make the copies or electronic scans of the requested documents;
 - (ii) a recognized third-party duplicating service make the copies or electronic scans of the requested documents; or
 - (iii) the Member be allowed to bring any necessary imaging equipment to the place of inspection and make copies or electronic scans of the documents while inspecting the documents.

9.4.10 If the Association produces the copies or electronic scans, the copies or electronic scans shall be legible and accurate and the Member shall pay the Association the reasonable cost of the copies or electronic scans, which may not exceed: (a) the actual cost that the Association paid to a recognized third party duplicating service to make the copies or electronic scans; or (b) if an employee, manager, or other agent of the Association makes the copies or electronic scans, 10 cents per page and \$15 per hour for the employee’s, manager’s, or other agent’s time making the copies or electronic scans.

9.4.11 If a Member requests a recognized third-party duplicating service make the copies or electronic scans the Association shall arrange for the delivery and pick up of the original documents; and the Member shall pay the duplicating service directly. If Member requests to bring imaging equipment to the inspection, the Association shall provide the necessary space, light, and power for the imaging equipment.

9.5. Scope of Inspection Right.

A Director or Member's agent or attorney has the same inspection and copying rights as the Director or Member. The right to copy records under Section 9.4 includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means. The Association may comply with a Director's or Member's demand to inspect the record of Members under Subsection 9.3.3 by furnishing to the Director or Member a list of Directors or Members that: (a) complies with Subsection 9.3.3; and (b) is compiled no earlier than the date of the Director's or Member's demand. Concerning financial statements, by no later than fifteen (15) days after the day on which the Association receives a written request of any Member, the Association shall mail to the Member the following that show in reasonable detail the assets and liabilities and results of the operations of the Association: (a) the Association's most recent annual financial statements, if any; and (b) the Association's most recently published financial statements, if any. Without consent of the Board, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member.

9.6. Annual Report.

The Board shall cause to be prepared and distributed to each Member, and any first mortgagee of a Member who has filed a written request therefor, not later than ninety (90) days after the close of each fiscal year of the Association, an annual report containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year, (c) a statement of changes in financial position for such fiscal year, and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found. The Board shall also annually distribute to the Members a summary of the latest reserve analysis or update and a full copy to any Member making such request.

9.7. Statement of Account.

Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner of a Lot or any person with any right, title or interest in a Lot or intending to acquire any right, title or interest in a Lot, the Association shall furnish, within ten (10) days after the receipt of such request, a written statement of account setting forth the amount of unpaid assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Lot and the Home or living unit thereon, and the amount of the assessments for the current fiscal period of the Association payable with respect to the Lot and the Home or living unit thereon. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other assessments have been levied.

9.8. Annual Corporation Reports.

The Association shall file with the Division, within the time prescribed by law, annual corporate reports in such form and containing the information required by law and shall pay the fee for such filing as prescribed by law.

9.9. Fiscal Year.

The fiscal year of the Association shall be the calendar year, and shall begin on January 1 and end the succeeding December 31. The fiscal year may be changed by the Board without amending these Bylaws.

9.10. Seal.

The Board may adopt a seal which shall have inscribed thereon the name of the Association and the words "SEAL" and "UTAH".

9.11. Shares of Stock and Dividends Prohibited.

The Association shall not have or issue shares of stock and no dividends shall be paid and no part of the income or profit of the Association shall be distributed to its Members, Directors or officers. Notwithstanding the foregoing, the Association may issue certificates evidencing membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

9.12. Loans to Directors, Officers and Members Prohibited.

No loan shall be made by the Association to its Members, Directors or officers, and any Director, officer or Member who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

9.13. Limited Liability.

The Association, the Board, the Architectural Control Committee, and any agent or employee of the Association, the Board, or the Architectural Control Committee, shall not be liable to any person for any actions or for any failure to act in connection with the affairs of the Association if the action taken or failure to act was in good faith and without malice.

9.14. Minutes and Presumptions Thereunder.

Minutes or any similar record of the meetings of Members or of the Board, when signed by the secretary or acting secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given shall be prima facie evidence that the notice was given.

9.15. Checks, Drafts and Documents.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by resolution of the Board.

9.16. Execution of Documents.

The Board, except as these Bylaws otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of 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 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.

9.17. Right to Inspect.

Notwithstanding the other provisions of this Article, unless otherwise provided in these Bylaws, a right of a Member to inspect or receive information from the Association applies only to a voting Member of the Association.

9.18. Manner of Giving Notice.

Notwithstanding any other provision in the Declaration, Articles, Bylaws or rules and regulations, the Association may provide notice to Owners by electronic means, including text message, or email, except that an Owner may, by written demand, require the Association provide notice to that Owner by mail. Any notice required to be given will be deemed to have been given upon the earlier to occur of the following:

- (a) when sent by facsimile, the notice is deemed given when the sender receives a facsimile acknowledgment confirming delivery of the facsimile;
- (b) when placed into the care and custody of the United States Postal Service, the notice is deemed given three (3) calendar days after the date the notice is deposited into a receptacle of the United States Postal Service, with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association;
- (c) when sent via electronic means such as an e-mail, text message or similar electronic communication, the notice is deemed given within twenty-four (24) hours of being sent and a rejection or undeliverable notice is not received by the sender;
- (d) when hand delivered, the notice is deemed given immediately upon delivery; or
- (e) when delivered by other means, the notice is deemed given upon such circumstances and conditions as are reasonably calculated to give notice to the Owner.

ARTICLE X - NOTICE AND HEARING PROCEDURE

10.1. Association's Enforcement Rights.

In the event of an alleged violation of the Declaration, these Bylaws, or the rules and regulations of the Association by a Member or occupant ("Respondent"), the Board shall have the right, upon an affirmative vote of a majority of all Directors, to take any one or more of the actions and to pursue one or more of the remedies permitted under the provisions of the Declaration, these Bylaws, or the rules and regulations of the Association. If, under the provisions of the Declaration, these Bylaws, or the rules and regulations, a Notice of Noncompliance and Right to Hearing (as defined below) is required prior to taking action or pursuing remedies, the following provisions of Article X of these Bylaws shall be applicable. The failure of the Board or the Architectural Control Committee to enforce the rules and regulations of the Association, these Bylaws, or the Declaration shall not constitute waiver of the right to enforce the same thereafter. The remedies set forth and provided in the Declaration, these Bylaws, or the rules and regulations of the Association shall be cumulative and none shall be exclusive.

10.2. Notice of Noncompliance and Right to Hearing.

A copy of the Complaint or Notice of Noncompliance and Right to Hearing ("Notice") shall contain a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the Respondent is charged and a reference to the specific provisions of the Declaration, these Bylaws, or the rules and regulations of the Association which the Respondent is alleged to have violated. The Notice shall be given to each Respondent, together with a statement which shall be substantially in the following form:

Unless a written request for a hearing signed by or on behalf of a person named as Respondent in the accompanying Complaint/Notice is delivered or mailed to the Board of Directors within thirty (30) days after the Complaint/Notice is served upon you, the Board may proceed upon the Complaint/Notice without a hearing, and you will have thus waived your right to a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled "Notice of Response" to the Board at the following address:

You may, but need not, be represented by counsel at any or all stages of these proceedings. If you desire the names and addresses of witnesses or an opportunity to inspect any relevant writings or items on file in connection with this matter in the possession, custody or control of the Board, you may contact:

A Respondent shall be entitled to a hearing on the merits of the matter if the Notice of Response is timely filed with the Board. A Respondent may file a separate statement by way of mitigation, even if he does not file a Notice of Response. If the charges relate to an occupant that is not a Member, both the occupant and the Member shall be considered Respondents.

10.3. Board of Directors.

The Board shall serve as the Hearing Committee. The Board shall elect a Chairman and appoint a hearing officer who shall take evidence and ensure that a proper record of all proceedings is maintained.

10.4. Notice of Hearing.

The Board shall provide a Notice of Hearing to all parties at least ten (10) days prior to the hearing, if such hearing is requested by a Respondent. The hearing shall be held no later than thirty (30) days after the Notice of Hearing is mailed or delivered to each Respondent. The Notice of Hearing to each Respondent shall be substantially in the following form, but may include other information:

You are hereby notified that a hearing will be held before The Board at:

on the _____ day of _____, 20____, at the hour of _____, upon the charges made in the Complaint/Notice served upon you. You may be present at the hearing, may but need not be represented by counsel, may present any relevant evidence, and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to seek the attendance of witnesses and to compel the production of books, documents or other items in the possession of the Association by applying to the Board of the Association.

10.5. Hearing.

- (a) At the hearing, the Respondent must show cause, if any cause can be shown, why said Respondent is not in violation of the Declaration, these Bylaws, or the rules and regulations of the Association, as set forth in the Notice.
- (b) Oral evidence shall be taken only on oath or affirmation administered by a Director. The use of affidavits and written interrogatories in lieu of oral testimony shall be encouraged by the Board.
- (c) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine witnesses on any matter relevant to the issues; to impeach

any witness; and to rebut the evidence against such party. If Respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.

- (d) The hearing need not be conducted according to technical rules relating to evidence of witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil action. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.
- (e) Neither the complainant nor the Respondent need be in attendance at the hearing. The hearing shall be open to attendance by any Member of the Association to the extent of the permissible capacity of the hearing room.
- (f) In rendering a decision, official notice may be taken at any time of any provision of the Declaration, these Bylaws, the rules and regulations of the Association, or any generally understood matter within the working of the Association. Persons present at the hearing shall be informed of the matters to be noticed by the Board, and these matters shall be made a part of the record of proceedings.
- (g) The Board may grant continuances on a showing of good cause.
- (h) Whenever the Board has commenced to hear the matter and a Director is forced to withdraw prior to a final determination by the Board, the remaining Directors shall continue to hear and decide the case.

10.6. Decision.

If a Respondent fails to file a Notice of Response as provided in Section 10.2 of these Bylaws, or fails to appear at a hearing, the Board may take action based upon the evidence presented to it without further notice to Respondent. However, the Respondent may make any showing by way of mitigation. After all testimony and documentary evidence has been presented to the Board, the Board may vote by secret written ballot, or otherwise, upon the matter, with a majority of the entire Board controlling. A copy of the Notice of Adjudication of the Board may be posted by the Board at a conspicuous place in the Property, and a copy shall be provided by the president of the Association to each person directly involved in the matter and his attorney, if any, in accordance with the notice provision(s) set forth in the Declaration, if any. The Notice of Adjudication may include (a) the terms of any disciplinary action; (b) the levy of any Assessment; or (c) other such actions or remedies as the Board deems appropriate. The decision of the Board shall become effective ten (10) days after it is given to each Respondent, unless otherwise ordered in writing by the Board. The Board may order a reconsideration at any time within fifteen (15) days following service of its decision on the involved persons, on its own motion or on petition by any party. However, no action against a Respondent arising from the

alleged violation shall take effect prior to the expiration of the later of (a) fifteen (15) days after each Respondent's receipt of the Notice of Hearing; or (b) ten (10) days after the hearing required herein.

10.7. Subsequent Violations for Same Offense.

If the Board determines that an Owner violates the Notice of Adjudication, the Board may immediately issue a Notice of Noncompliance by Board and Right to Hearing or file suit to enforce the Notice of Adjudication.

[SIGNATURES ON FOLLOWING PAGE]

CERTIFICATE OF PRESIDENT

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting President of River Shadow Estates Homeowners Association, a Utah nonprofit corporation ("Association"); and

2. The foregoing Bylaws constitute the Bylaws of the Association duly adopted at the meeting of the Board of Directors of the Association duly held on November 14, 2018

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 22nd day of January, ~~2019~~ 2020

**RIVER SHADOW ESTATES HOMEOWNERS
ASSOCIATION, INC.,**
a Utah nonprofit corporation

[Signature]
By: Royce Jessop
Its: President

STATE OF UTAH,)
) :ss.
County of Washington)

On this 22nd day of January, ~~2019~~ 2020, personally appeared before me Royce Jessop, whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who, being duly sworn (or affirmed), did say that he/she is the President of River Shadow Estates Homeowners Association, Inc., a Utah non-profit corporation, and that the foregoing document was signed by him/her on behalf of the Association by authority of its Bylaws, Declaration, or resolution of the Board, and he/she acknowledged before me that he/she executed the document on behalf of the Association and for its stated purpose.

[Signature]
Notary Public

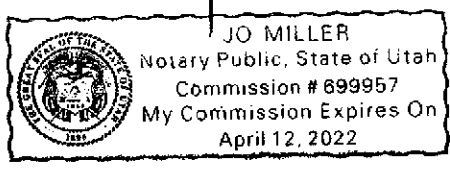


EXHIBIT A
(Legal Description)

These Bylaws of River Shadow Estates Homeowners Association affect the following real property, located in Washington County, State of Utah:

All of the real property identified as River Shadow Estates, according to the Official Plat thereof, Entry No. 00795095 on file in the Office of the Recorder of Washington County, State of Utah, including all of Lots 1 through 46, River Shadow Est (W), together with all common area.

PARCELS: W-RSE-1 through W-RSE-46