

BYLAWS

OF

MILLSTONE MANOR HOMEOWNERS ASSOCIATION, INC.

CITY OF OGDEN, WEBER COUNTY

THESE BYLAWS OF MILLSTONE MANOR HOMEOWNERS ASSOCIATION, INC. ("Bylaws") is made as of the date of the recording in the Weber County Recorder's Office by the MILLSTONE MANOR HOMEOWNERS ASSOCIATION ("Association") pursuant to the Utah Condominium Ownership Act and the Utah Revised Nonprofit Corporation Act.

RECITALS

1. Capitalized terms in these Bylaws are defined in Article I of the Amended and Restated Declaration of Condominium of Millstone Manor Condominiums ("Declaration").
2. No Bylaws have ever been created or have ever governed the Condominium Project. Nevertheless, should such Bylaws be discovered, these Bylaws will amend and replace them.
3. These Bylaws are adopted in order to complement the Declaration and to eliminate ambiguity, to further define the rights of the Association and the Unit Owners, to provide for the ability to more easily govern and operate the Association, and, to further the Association's efforts to safely, efficiently, and economically provide a quality living environment.

ARTICLE I
DEFINITIONS

1.1 **Definitions.** Except as otherwise provided herein or as may be required by the context, all terms defined in the Declaration shall have the same meanings when used in these Bylaws.

ARTICLES II
MEMBERS

2.1 **Annual Meetings.** The annual meeting of Members shall be held on the 2nd Thursday of November of each year at 6:30 p.m., beginning the year in which these Bylaws are adopted. The purpose of the annual meeting shall be electing Board Members and transacting such other business as may come before the meeting. If the election of Board Members cannot be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Board of Directors shall cause the election to be held either at a special meeting of the Members to be convened as soon thereafter as may be convenient or at the next annual meeting of the members. The Board of Directors may from time to time by resolution change the date and time for the annual meeting of the Members.

2.2 **Special Meetings.** Special meetings of the Members may be called by a majority of the Board of Directors, the President, or upon the written request of Members holding not less than thirty-five percent (35%) of the Allocated Interest of the Association. Any written request for a special meeting presented by the Members shall be delivered to the President and shall include the original signature of each

Member affirmatively supporting such request along with a complete statement of the purpose "of the" meeting on each page containing signatures. The President shall then call, provide notice of, and conduct a special meeting within 30 days of receipt of the request.

2.3 Place of Meetings. The Board of Directors may designate any place in the Weber County limits reasonably convenient for the members of the Association as the place of meeting for any annual or special meeting. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be at the principal office of the Association.

2.4 Notice of Meetings. The Board of Directors shall cause written or printed notice of the date, time, and place (and in the case of a special meeting, the purpose or purposes) for all meetings of the Members. Such written or printed notice shall be delivered to each Member of record entitled to vote at such meeting not more than sixty (60) nor less than ten (10) days prior to the meeting. Such notice may be hand-delivered or mailed. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at the Member's address registered with the Association, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Unit address shall be deemed to be the Member's registered address for purposes of notice in this Section.

2.5 Qualified Voters. A Member shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Association if he or she is in full compliance with all of the terms, covenants, conditions of the Declaration, or these Bylaws, and shall have fully paid his or her share of any assessments (together with any interest and/or late fees) prior to the commencement of the meeting.

2.6 Record Date for Notice Purposes. The Board of Directors may designate a record date, which shall not be more than sixty (60) nor less than ten (10) days prior to the meeting, for the purpose of determining Members entitled to notice of any meeting of the Members. If no record date is designated, the last date on which a notice of the meeting is mailed or delivered shall be deemed to be the record date for determining Members entitled to notice. The persons or entities appearing in the records of the Association on such record date as the Owner(s) of record of Units in the Condominium Project shall be deemed to be the Members of record entitled to notice of the meeting of the Members.

2.7 Quorum. At any meeting of the Members, the presence of Members and holders of proxies entitled to cast more than twenty percent (20%) of the Allocated Interest of the Association shall constitute a quorum for the transaction of business. If however, such quorum shall not be present or represented at any meeting, the Board of Directors shall have power to adjourn the meeting and reschedule for a time no earlier than two (2) days, nor later than thirty (30) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an oral announcement at the meeting to be rescheduled. The presence of Members and holders of proxies entitled to cast more than ten percent (10%) of the Allocated Interest of the Association shall constitute a quorum for the transaction of business at the rescheduled meeting.

2.8 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member or by the Member's attorney when duly authorized in writing. If a Unit is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) owner of such Unit or the Members' attorneys when duly

authorized in writing. Such instrument authorizing a proxy to act shall be dated, set forth the specific matters or issues upon which the proxy is authorized to act, and may allow the proxy to vote on any issue arising at any particular meeting or meetings. Only Members or the legal representative of a Member may be proxies. Such instrument shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

2.9 **Votes.** With respect to each matter submitted to a vote of the Members, each Member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Unit of such member, as shown in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles, these Bylaws, the Declaration, or the Act. The election of Board Members shall be by secret ballot. When more than one (1) Person owns an interest in a Unit, any Person who is the owner may exercise the vote for such Unit on behalf of all Co-Owners of the Unit. In the event of two (2) conflicting votes by Co-Owners of one (1) unit, no vote shall be counted for that Unit. In no event shall fractional votes be exercised in respect to any Unit.

2.10 **Waiver of Irregularities.** All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Members present, and in the decision and votes of the Board of Directors or of the Owners shall be deemed waived if no objection is made either at the meeting or within thirty (30) days of the date of the meeting, or within 30 days of notice of any decision by the Board of Directors.

2.11 **Informal Action by Members.** Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by enough Members such that the vote would have passed if all of the members had been in attendance at a regularly called meeting.

ARTICLE III BOARD OF DIRECTORS

3.1 **General Powers.** The property, affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors may exercise all of the powers of the Association, whether derived from the Act or the Declaration, except such powers that the Articles, these Bylaws, the Declaration, or the Act vest solely in the Members.

3.2 **Number, Tenure, and Qualifications.** The property, business, and affairs of the Association shall be governed and managed by a Board of Directors composed of five (5) persons, each of whom shall meet the qualifications in the Declaration. At each annual meeting, the Members shall elect for terms of two (2) years each the appropriate number of Board Members to fill vacancies by expiring terms of Board Members.

3.3 **Regular Meetings.** The Board of Directors shall hold regular meetings at least quarterly, at the discretion of the Board of Directors. The Board of Directors may designate any place in Weber County, Utah as the place of meeting for any regular meeting called by the Board of Directors. Meetings may also be held with members appearing telephonically so long as any member appearing telephonically consents to such appearance. If no designation is made, the place of the meeting shall be at the principal office of the Association.

3.4 **Special Meetings.** Special meetings of the Board of Directors may be called by the President, Vice President, or a majority of the Board Members on at least five (5) days prior notice to each Board Member. The person or persons authorized to call special meetings of the Board of Directors may fix any place, within Weber County, as the place for holding the meeting. Notice shall be given personally, by regular U.S. Mail at such Board Member's registered address, or by telephone. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. Any Board Member may waive notice of a meeting.

3.5 **Quorum and Manner of Action.** A majority of the then authorized number of Board Members shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Board Members present at any meeting at which a quorum is present and for which proper notice was provided to the Board Members shall be the act of the Board of Directors. The Board Members shall act only as the Board of Directors, and individual members shall have no powers as such.

3.6 **Compensation.** No Board Member shall receive compensation for any services that such member may render to the Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in performance of such duties as a Board Member to the extent such expenses are approved by a majority of the other Board Members.

3.7 **Resignation and Removal.** A member of the Board of Directors may resign at any time by delivering a written resignation to either the President or the Board of Directors. Unless otherwise specified therein, such resignation shall take effect upon delivery. A Board Member may be removed at any time, with or without cause, at a special meeting of the Members duly called for such purpose upon the affirmative vote of at least fifty-one percent (51%) of the Allocated Interest of the Association. A Board Member may also be removed by the affirmative vote of a majority of the other Board Members if he or she, in any twelve (12) month period, misses either three (3) consecutive or seventy-five percent (75%) of the regularly scheduled Board of Directors meetings.

3.8 **Vacancies and Newly Created Board Memberships.** If vacancies shall occur in the Board of Directors by reason of the death, resignation, disqualification, or Board of Directors removal as provided in Section 3.7 of a Board Member, the Board Members then in office shall continue to act, and such vacancies shall be filled by a majority vote of the Board Members then in office, though less than a quorum. Any vacancy in the Board of Directors occurring by reason of removal of a Board Member by the Members may be filled by election by the Members at the meeting at which such Board Member is removed. Any Board Member elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor.

3.9 **Informal Action by Board Members.** Any action that is required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Board Members.

ARTICLE N OFFICERS

4.1 **Officers.** The officers of the Association shall be a President, Vice President, and a Secretary/Treasurer and such other officers as may from time to time be appointed by the Board of Directors.

4.2 Election Tenure and Qualifications. The officers of the Association shall be chosen by the Board of Directors annually at the first regular meeting of the Board of Directors following the annual meeting of the members. In the event of failure to choose officers at such regular meeting of the Board of Directors, officers may be chosen at any regular or special meeting of the Board of Directors. Each such officer (whether chosen at a regular meeting of the Board of Directors or otherwise) shall hold such office until the next ensuing regular meeting of the Board of Directors and until a successor has been chosen and qualified, or until such officer's death, or until resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any person may hold any two (2) or more of such offices, except that the President may not also be the Secretary/Treasurer. No person holding two (2) or more offices shall act in or execute any instrument in the capacity of more than one (1) office. The President, Vice President, and Secretary/Treasurer must be and remain Board Members of the Association during the entire term of their respective offices.

4.3 Subordinate Officers. The Board of Directors may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine. Subordinate officers need not be Board Members of the Association.

4.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to any member of the Board of Directors or to any Managing Agent. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced upon the affirmative vote of a majority of the Board of Directors at anytime, with or without cause.

4.5 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board of Directors at any regular or special meeting.

4.6 The President. The President shall preside at meetings of the Board of Directors and at meetings of the Members. At the meetings, the President shall have all authority typically granted to the person presiding over the meeting including but not limited to: (1) the right to control the order of the meeting, (2) the right to arrange for the removal of any disruptive Owner or person, (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modem Rules of Order." The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Board of Directors.

4.7 The Vice President. The Vice President shall perform all duties of the President when the President is absent or unable or refuses to act at any meeting of the Board of Directors or Members. The Vice President shall perform such other duties as required by the Board of Directors.

4.8 The Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration or any resolution the Board of Directors may require such person to keep. The Secretary/Treasurer shall also act in the place and stead of the Vice President in the event of the President's and Vice President's absence or inability or refusal to act. The Secretary/Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Directors, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Members and at any meeting of the Board of Directors.

The Secretary/Treasurer shall perform such other duties as required by the Board of Directors.

4.9 **Compensation.** No officer shall receive compensation for any services rendered to the Association as an officer provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board of Directors.

ARTICLE V COMMITTEES

5.1 **Designation of Committees.** The Board of Directors may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee designated hereunder shall include at least one (1) Board Member. No member of such committee shall receive compensation for services rendered to the Association as a member of the committee; provided, however, that the committee member may be reimbursed for expenses incurred in performance of such duties as a committee member to the extent that such expenses are approved by the Board of Directors. A committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board of Directors in a written resolution. The Board of Directors may terminate any committee at any time.

5.2 **Proceeding of Committees.** Each committee designated hereunder by the Board of Directors may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board of Directors.

5.3 **Quorum and Manner of Acting.** At each meeting of any committee designated hereunder by the Board of Directors, the presence of members constituting at least a majority of the authorized membership of such committee (but in no event less than two (2) members) shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board of Directors hereunder shall act only as a committee, and the individual members thereof shall have no powers as such. A committee may exercise the authority granted by the Board of Directors.

5.4 **Resignation and Removal.** Any member of any committee designated hereunder by the Board of Directors may resign at any time by delivering a written resignation to the President, the Board of Directors, or the presiding officer of such committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board of Directors may at any time, with or without cause, remove any member of any committee designated by it thereunder.

5.5 **Vacancies.** If any vacancy shall occur in any committee designated by the Board of Directors due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy by the Board of Directors, constitute the then total authorized membership of the committee and, provided that two (2) or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board of Directors.

ARTICLE VI INDEMNIFICATION

6.1 **Indemnification** No Board Member or officer shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Board Member or officer performed for or on behalf of the Association. The Association shall and does hereby indemnify

and hold harmless each person who shall serve at any time as a Board Member or officer of the Association, as well as such person's heirs and administrators, from and against any and all claims, judgments and liabilities to which such persons shall become subject, by reason of that Board Member having reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him as such Board Member or officer, and shall reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability provided that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this Section shall not exclude any other right to which such 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 provided for herein or otherwise permitted. The Association, its Board 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.

6.2 **Other Indemnification.** The indemnification herein provided shall not be deemed exclusive of any other right to indemnification to which any person seeking indemnification may be under any Bylaw, agreement, vote of disinterested Board Members or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding such office. It is the intent hereof that all Board Members and officers be and hereby are indemnified to the fullest extent permitted by the laws of the State of Utah and these Bylaws. The indemnification herein provided shall continue as to any person who has ceased to be a Board Member, officer or employee and shall inure to the benefit of the heirs, executors and administrators of any such person.

6.3 **Insurance.** The Board of Directors, in its discretion, may direct that the Association purchase and maintain insurance on behalf of any person who is or was a Board Member, officer, or employee of the Association or is or was serving at the request of the Association as a Board Member, officer, employee or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against liability under the provisions of this Article VI.

6.4 **Settlement by Association.** The right of any person to be indemnified shall be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE VII AMENDMENTS

7.1 **Amendments** These Bylaws may be amended, altered or repealed and new Bylaws may be adopted by the Members upon the affirmative vote of a majority of the Allocated Interest of the Association; provided, however, that such action shall not be effective unless and until recordation in the office of the recorder of Weber County, State of Utah. In such instrument the Board of Directors shall certify that the vote required by this Section for amendment has occurred.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

8.1 **Waiver.** No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

8.2 **Invalidity: Number: Captions.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used in these Bylaws, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

8.3 **Conflicts.** These Bylaws are intended to comply with the Declaration. In case of any irreconcilable conflict, the Declaration shall control over these Bylaws.

EXECUTED this 5 day of March, ²⁰¹⁰ 2009: A

THE MILLSTONE MANOR HOMEOWNERS ASSOCIATION

BY: Luke E. Dalton

TITLE: Secretary

STATE OF UTAH)
) SS:
COUNTY OF WEBER)

On the 5th day of March 200¹⁰~~9~~, personally appeared before me Luke E. Dalton ^{RD Secretary}. Who by me being duly sworn, did say that he is the President of Millstone Manor Homeowners Association, Inc. and that the foregoing instrument was approved by at least a majority of the Membership of said homeowners association.

Kelli Duran
Notary Public
Residing At: Ray, UT
Commission Expires 6/1/2012

