

ASPEN COVE AT SCOFIELD HOMEOWNERS' ASSOCIATION



BYLAWS

Pursuant to Sections 57-8a (Community Association Act), and
Section 16-6a (Utah Revised Nonprofit Corporation Act)
et seq., of the UTAH CODE ANNOTATED, as amended

As Amended
May 1, 2014

**BYLAWS OF
ASPEN COVE AT SCOFIELD
HOMEOWNERS' ASSOCIATION**

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**AMENDED AND RESTATED BYLAWS
OF
ASPEN COVE AT SCOFIELD HOMEOWNERS' ASSOCIATION, INC.
(A Utah Non Profit Corporation)**

ADOPTED EFFECTIVE AS OF MAY 1, 2014

ARTICLE I – DEFINITIONS

“Architectural Control Committee” shall mean the committee of three or more persons appointed by the Board of Directors of the Aspen Cove at Scofield Homeowners’ Association, Inc., to review and approve the plans for all improvements to be constructed on the properties according to the guidelines outlined in the CC&R’s.

“Articles of Incorporation” Government required documents outlining the reason for and structure of the corporation.

“Assessment” shall mean the annual dues owed to the Association from each lot owner and any charge imposed or levied by the Board of Directors on or against a lot or a lot owner pursuant to the Association Documents.

“Association” shall mean and refer to Aspen Cove at Scofield Homeowners’ Association and the members therein.

“Association Documents” shall mean the governing documents of this Association. If there is any conflict among or between the Association Documents priority shall be given to Association Documents in the following order; CC&R’s of the Association, Bylaws, Articles of Incorporation and any rules and regulations of the Association. The CC&R’s shall stand firm as the governing document of the lot owners of Aspen Cove at Scofield Homeowners’ Association in all instances.

“Board of Directors” shall be those persons who jointly oversee the affairs of the Association who are either elected by vote of the members or appointed.

“Bylaws” The official document that outlines the internal operations of the governing body of the Association.

“Declaration of Covenants, Conditions, Restrictions, Assessments, Liens, and Easements” Also known as “The CC&R’s” is a binding contract between the property owner and the Association. This contract shall run with the land imposing duties and restrictions upon the use of the land regardless of the owner.

“Delinquent Lot Owner” shall mean a lot owner who fails to pay an assessment or fine when due.

“Entitled to Vote” shall mean no lot shall have more than one vote per lot in the affairs of the Association, even though there may be one or more persons or entities holding ownership in a lot.

“Electronic Notification” shall mean email or facsimile.

“Fidelity bond” shall mean a form of insurance protection that covers policyholders for losses that incur as a result of fraudulent acts by specified individuals entrusted with Association funds.

“Fiduciary” shall mean the trust and confidence the Association members have given the Board of Directors acting for and on behalf of the Association without conflict of interest and executing their duties with the highest standard of care.

“Impact Fee” shall mean the amount specified in the CC&R’s for a construction fee imposed on the lot owner when any building is constructed on the property owner’s lot. This fee is to help maintain the roadways throughout the community after heavy trucks are used in the construction process.

“Officers” shall mean the specific title and role a director serving on the Board of Directors has (example; President, Secretary, etc.).

“Presumption of assent” shall mean all actions taken at a Board of Directors meeting is deemed to have been approved by all directors in attendance unless otherwise protested.

“Proxy vote” shall mean an Association Members right to either appoint another to cast their vote or give a representative, of their choice, the completed ballot for deposit with the Association Secretary.

“Quorum” shall mean the minimum number of members necessary to conduct the business of the Association.

“Recreational Facilities” shall mean the common areas and all of its amenities.

“Reserve Analysis” shall mean an analysis to determine the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, or restoring common areas that have a useful life of no fewer than three

(3) years but less than thirty (30) years, when the cost cannot reasonably be funded from the association's general budget or from other association funds; and the appropriate amount of any reserve fund.

“Reserve Fund” shall mean a line item in the annual budget of the Association that identifies the amount to be placed into a reserve fund for maintenance, repair, and replacement of association owned property.

“Special Assessments” shall mean any financial amount deemed necessary by the Board of Directors and voted in favor of by a quorum of the outstanding membership of Aspen Cove at Scofield Homeowners' Association.

“Tenure” shall mean the length of a Board Members term of office.

“Waiver of Notice” shall mean the process in which the Board of Directors may exercise the right to use a waiver of notice in order to hold an emergency meeting.

ARTICLE II – NAME, PURPOSE, AND OFFICE

SECTION 2.1 Name. The name of this Corporation shall be “Aspen Cove at Scofield Homeowners' Association, Inc.” (“Association”).

SECTION 2.2 Purpose. The purpose of which the Corporation is formed is set forth in the Articles of Incorporation of this organization.

SECTION 2.3 Principal Place of Business. The principal office of the Association shall be at such location as the Board of Directors shall direct. The Association may have such other offices as the Board of Directors may designate or as the business of the Association may require from time to time.

SECTION 2.4 Registered Office. The registered office of the Association, pursuant to the provision of Section 16-6a-1006 *et seq.*, UTAH CODE ANN., as amended, of the Utah Revised Nonprofit Corporation Act, to be maintained in the State of Utah, may be changed from time to time by the Board of Directors.

ARTICLE III – MEETINGS OF THE MEMBERS

SECTION 3.1 Meetings of Homeowners' Association Members. The semi-annual meetings of the

Association members shall be held on such date and at such time and place as designated by the Board of Directors and stated in the notice of the meeting. Unless otherwise determined by the Board of Directors the meetings will be held in January and June of every year.

- (a) The first meeting will be held for the purpose of electing the Board of Directors, approval of proposed budget and for the transaction of such other business as is properly brought before the meeting in accordance with these Bylaws.
- (b) The second meeting will be held for the purpose of gathering and organizing work groups for projects located within the community and the transaction of such other business.

SECTION 3.2 Special Meetings. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the majority of the Board of Directors. Special meetings of members may not be called by any other person or persons unless the Board is petitioned by a majority of lot owners in the association to hold a special meeting. Written notice of a special meeting stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called shall be given to each member entitled to vote at such meeting, and only such business as is stated in such notice shall be acted upon thereat.

SECTION 3.3 Place of Meetings. Meetings of the Association for the election of directors or for any other purpose shall be held at such time and place, within the State of Utah, as shall be designated from time to time by the Board of Directors (and in the case of a special meeting, as authorized by Section 3.2 of this Article) and stated in the notice of the meeting or in a duly executed waiver of notice thereof. The meetings shall be held at the place most convenient for the most members within the State of Utah.

SECTION 3.4 Notice of Homeowners' Association Meetings. Pursuant to Section 16-6a-704 *et seq.*, of the UTAH CODE ANN., as amended, Fair and reasonable notice stating the place, date, and time of the meeting, either annual, semi-annual or special and a description of its purpose and any matter or matters that must be approved by the members for which the meeting is called, shall be delivered not less than thirty (30) nor more than sixty (60) days before the date of the meeting, either personally, by mail, by facsimile, electronic notification, or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting. Pursuant to Section 16-6a-103 *et seq.*, of the UTAH CODE ANN., as amended, a written notice is effective when received or five days after it is mailed and a publication is effective on the date of the first publication. Pursuant to Section 57-8a-214 *et seq.*, of the UTAH CODE ANN., as amended, a lot owner may, by written demand, require a notice by mail.

SECTION 3.5 Voting Lists. The Secretary shall make a list of the members of the Association entitled to vote at a meeting of the Homeowners' Association, or by any adjournment thereof, arranged in alphabetical order, with the lot number held by each member. This list shall be evidence as to the Homeowners' Association members entitled to vote at the meeting. Results of such votes shall be proclaimed in a resolution and stored with all official association documents.

SECTION 3.6 Quorum. Changes, amendments, and modifications to the Association Documents and any assessments, whether regular or special, shall have the assent of sixty percent (60%) of the votes of each class of members, who are voting in person or by proxy at the meeting of the members, written notice of which setting forth the fact that the imposition of the change in association documents, assessments, whether regular or special, shall be discussed, shall be sent to all members not less than fifteen (15) days and not more than fifty (50) days prior to the meeting. When conducting regular association business, a majority vote of the members in attendance of any association meeting shall be necessary to prevail upon any issue at all meetings of members unless otherwise referenced herein and restricted.

At the first meeting called, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not coming forth at any meeting, another meeting may be called, provided there has been 10 days prior written notice to all members and there shall be no required quorum to conduct business at the subsequent meeting, provided that no such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

SECTION 3.7 Proxies. At meetings of members, a member may vote by proxy executed in writing by member or by member's duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

SECTION 3.8 Voting of Members. Unless otherwise provided, each member at a meeting of the Association shall be entitled to cast one (1) vote for each recorded lot upon each qualified matter submitted to a vote. The Board of Directors, in its discretion may require that any votes cast at such meeting shall be cast by written ballot.

SECTION 3.9 Action by Written Ballot. Pursuant to Section 16-6a-709 *et seq.*, of the UTAH CODE ANN., as amended, any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the

matter. This section does not prohibit the use of electronic ballots if the results can be generated by a report and only allows one vote per lot.

A written ballot shall:

- (a) Set forth each proposed action; and
- (b) Provide an opportunity to vote for or against each proposed action; and
- (c) Indicate the number of responses needed to meet the quorum requirements; and
- (d) State the percentage of approvals necessary to approve each matter other than election of directors; and
- (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.

Approval by written ballot pursuant to this section shall be valid only when the time by which all ballots must be received by the Association has passed so that a quorum can be determined:

- (a) members are given at least 15 days from the day on which the notice is mailed, if the notice is mailed by first-class, registered mail or electronic mail;
- (b) members are given at least 30 days from the day on which the notice is mailed, if the notice is mailed by other than first-class or registered mail;
- (c) 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.

Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document. A written ballot delivered to every member entitled to vote on the matter or matters therein, as described in this section, may also 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 this Section and shall be counted equally with the votes of members in attendance at any meeting for every purpose, including satisfaction of a quorum requirement.

SECTION 3.10 Action by Members Without Formal Meeting. Any action required to be taken at a meeting of the members may be taken without a meeting if consent in writing (including electronic notification) is evident, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, and is filed in the minutes of the proceedings. The consent shall

have the same effect as a unanimous vote.

ARTICLE IV – BOARD OF DIRECTORS

SECTION 4.1 Number, Tenure and Qualifications. The affairs of the Association shall be managed by a Board of Directors consisting of not less than five (5) and no more than seven (7) with an additional two (2) alternate Board Members. Each member shall serve a two (2) year term. Each Board Member shall hold office until a successor shall have been elected and qualified.

The past President of the Board of Directors may attend Board meetings as a non-voting participant. This is to serve for informational purposes in order to assist the new Board of Directors with issues they may not have knowledge about.

Board Members must be at least 18 years of age, residents of the State of Utah and a member of the Association. A Board Member shall not be considered unless they are current on their dues and have no violation of any of the Association Documents.

SECTION 4.2 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of remaining Board Members. An alternate Board Member will be considered the most likely candidate to fill a vacancy on the Board of Directors. Board Members elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

ARTICLE V – POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 5.1 Fiduciary Relationships. The members of the Board of Directors and each Officer of this Association have a fiduciary relationship with the members of the Association. This fiduciary relationship imposes obligations of trust and confidence in favor of the Association and its members. It requires the members of the board to act in good faith and in the best interests of the members of the Association. It means that board members must exercise due care and diligence when acting for this Association, and it requires them to act within the scope of their authority.

The fact that the Association is a not-for-profit corporation, or that the members of the Board are volunteers and in most cases unpaid, does not relieve them from the high standards of trust and responsibility that the fiduciary relationship requires. When a member accepts a position on the Board of Directors, he or she is presumed to have knowledge of the duties and responsibilities of a board member. Board members cannot

be excused from improper action on the grounds of ignorance or inexperience. Any liability of board members for negligence and mismanagement shall be in favor of the Association and the property owners. Each board member must recognize the fiduciary relationship and the responsibilities that the board has to the Association and each of its members. The Board of Director's duties must be performed with the care and responsibility that an ordinary prudent person would exercise under similar circumstances, and the ultimate responsibilities of these unique positions cannot be delegated to a manager, a management company, or other third party.

SECTION 5.2 General Powers. The Board of Directors shall have power to cause to be kept a complete record of all its acts and Association affairs. To supervise all officers, agents, and others authorized to act on behalf of the Association and to see that their duties are properly performed. Also more specifically:

- (a) Call meetings of the members;
- (b) appoint and remove at its pleasure all officers, agents or others authorized to act on behalf of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed to prohibit the employment of any member, officer, or director of the Association in any capacity whatsoever;
- (c) to fix the amount of the assessment against each Lot for each fiscal year in accordance with provisions of the CC&R's and levy, collect the assessments necessary to operate the Association and carry on its activities, and to create such reserves for extraordinary expenditures as may be deemed appropriate by the Board of Directors;
- (d) assess fines against lot owners for any violation of the Association Documents;
- (e) to collect from delinquent lot owners within the guidelines outlined in the Association Documents and within the scope of any State laws;
- (f) prepare a roster of the members and assessments applicable thereto which shall be kept by the Treasurer of the Association and shall be open to inspection by any member;
- (g) send written notice of each assessment to every member subject thereto;
- (h) issue or to cause the Treasurer to issue, upon demand by any authorized person, a record in recordable form setting forth whether any assessment has been paid and, if not, the amount then due and owing. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid;
- (i) to make payment of all ad valorem taxes assessed against Association owned property, both real and personal;
- (j) To appoint such committees as the Board of Directors may desire and to grant to such committees

such duties and responsibilities as the Board of Directors may deem advisable;

- (k) authorize and cause the Association to enter into contracts for the day-to-day operation of the Association and the discharge of its responsibilities and obligations;
- (l) exercise for the Association all powers, duties, and authority vested in or delegated to the Association (except as may be expressly reserved to the members) by the Association Documents.

SECTION 5.3 Specific Duties of the Board of Directors. The Board of Directors among other things shall have the power to (a) enforce these Bylaws and the CC&R's; (b) provide for the reconstruction and all replacement of any portion of the common areas, water system or roadways when necessary; and (c) secure a right-of-way for entry and exit into and upon any lot or other parcel of land serviced by the Association's water system for the purpose of inspection, maintenance for which the Association is responsible; (d) provide security for the development through locks, gates, fences, electric lights, patrols and other appropriate measures; (e) maintain all general improvements for development.

SECTION 5.4 Imposing Fines. Pursuant to Section 57-8a-208 *et seq.*, of the UTAH CODE ANN., as amended. The Board of Directors before assessing a fine against a lot owner for a violation of the Association Documents the following requirements shall be met:

- (a) notify the lot owner of the violation and inform the owner that a fine will be imposed if the violation is not remedied within the time provided in the Association Documents, which shall be at least 48 hours;
- (b) a fine assessed under this section shall be made only for a violation outlined in the Association Documents that is specifically listed in those documents;
- (c) be in the amount specifically provided for in the Association Documents for that specific type of violation or in an amount commensurate with the nature of the violation and accrue interest and late fees as provided in the Association Documents;
- (d) unpaid fines may be collected as an unpaid assessment as set forth in the Association Documents or in pursuant to Section 57-8a-208 *et seq.*, of the UTAH CODE ANN. as amended;
- (e) a lot owner who is assessed a fine under this section may request an informal hearing to protest or dispute the fine within 14 days from the date the fine is assessed;
- (f) a hearing requested under this section shall be conducted in accordance with standards provided in the Associations Documents;
- (g) no interest or late fees may accrue until after the hearing has been conducted and a final decision has been rendered.

SECTION 5.5 Limits on Rules and Design Criteria. Pursuant to Section 57-8a-218, 219 *et seq.*, UTAH CODE ANN., as amended, the Board of Directors may create Association Rules providing they shall be reasonable and treat similarly situated lot owners similarly.

Acceptable Rules:

- (a) may adopt generally applicable rules for the use of common areas; or
- (b) deny use privileges to a lot owner who is delinquent in paying assessments, abuses the common areas, or violates the Association Documents;
- (c) regulate the use, maintenance, repair, replacement, and modification of common areas;
- (d) impose and receive any payment, fee, or charge for the use, rental, or operation of the common areas, except limited common areas; and a service provided to a lot owner;
- (e) impose a charge for a late payment of an assessment;
- (f) provide for the indemnification of its officers and board consistent with Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act;
- (g) Prohibit an activity within a dwelling on an owner's lot if:
 - 1) the activity is not normally associated with a project restricted to residential use;
 - 2) creates monetary costs for the Association or other lot owners;
 - 3) creates a danger to the health or safety of occupants of other lots;
 - 4) generates excessive noise or traffic;
 - 5) creates unsightly conditions visible from outside the dwelling;
 - 6) creates an unreasonable source of annoyance to persons outside the lot.

Unacceptable Rules:

- (a) altering the method of levying assessments; or
- (b) increase the amount of assessments as provided in the CC&R's;
- (c) may not interfere with the use or operation of an amenity that the association does not own or control or the exercise of a right associated with an easement;
- (d) may not divest a lot owner of the right to proceed in accordance with a completed application for design review, or to proceed in accordance with another approval process, under the terms of the Association Documents in existence at the time the completed application was submitted by the owner for review;
- (e) a rule may not require a lot owner to dispose of personal property that was in or on a lot before the adoption of the rule or design criteria if the personal property was in compliance with all rules and other Association Documents previously in force;
- (f) a rule may not be inconsistent with any provisions already set forth in the Association Documents.

SECTION 5.6 Notice of Rules Proposed. Pursuant to Section 57-8a-217 *et seq.*, UTAH CODE ANN., as amended, before the Board of Directors adopts, amends, modifies, cancels, limits, creates exceptions to, or expands the rules and design criteria of the Association, the Board shall:

- (a) at least 15 days before the Board will meet to consider a change to a rule or design criterion, deliver notice to lot owners, as provided below that the Board is considering a change to a rule or design criterion;
- (b) notification may be provided by electronic means. A lot owner may, by written demand, require an association to provide notice to the lot owner by mail;
- (c) provide an open forum at the Board meeting giving lot owners an opportunity to be heard at the Board meeting before the Board takes action; and
- (d) deliver a copy of the change in the rules or design criteria approved by the Board to the lot owners within 15 days after the date of the Board meeting.

The Board may adopt a rule without first giving notice to the lot owners under this section if there is an imminent risk of harm to a common area, a limited common area, a lot owner, an occupant of a lot, a lot, or a dwelling. In such circumstances, the Board shall provide notice to the lot owners of a rule adopted under this section and an explanation to warrant the change without notice given.

SECTION 5.7 Action for Disapproval of Rules. Pursuant to Section 57-8a-217 *et seq.*, UTAH CODE ANN., as amended, Board action is disapproved if within 60 days after the date of the Board meeting where the action was taken:

- (a) there is a vote of disapproval by at least 51% of all the allocated voting interests of the lot owners in the association; and
- (b) the vote is taken at a special meeting called for that purpose by the lot owners under the declaration, articles, or bylaws; or
- (c) the declarant delivers to the Board a writing of disapproval; and
- (d) the declarant is within the period of declarant control; or
- (e) for an expandable project, the declarant has the right to add real estate to the project.

The board has no obligation to call a meeting of the lot owners to consider disapproval, unless lot owners submit a petition, in the same manner as the Association Documents provide for a special meeting, for the meeting to be held. Upon the Board receiving a petition the effect of the Board's action is stayed until after the meeting is held and subject to the outcome of the meeting.

ARTICLE VI – MEETINGS OF THE BOARD OF DIRECTORS

SECTION 6.1 Regular Meetings. A regular meeting of the Board of Directors shall be held on a quarterly basis or more often as needed.

SECTION 6.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Board Members for corporate matters requiring immediate action.

SECTION 6.3 Notice. Notice of regular or any special meeting shall be given at least three (3) days previously thereto by written notice delivered personally, electronically, by mail to each Board Member at member's residence or business address, telephone, or by facsimile notice shall be deemed to be delivered. Unless otherwise described in Section 6.7 of this Article.

SECTION 6.4 Quorum. A majority of Board members, in office immediately before the meeting begins, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the Board of Directors.

SECTION 6.5 Presumption of Assent. A Board member of the Association who is present at a meeting of the Board of Directors in which action on any Association matter is taken shall be presumed to have assented to the action unless the member's dissent shall be entered in the minutes of the meeting or unless the member shall file written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board member who voted in favor of any such action.

SECTION 6.6 Action by Directors Without a Meeting. Any action required to be taken at a meeting of the Board of Directors entitled to vote on the action or of one of its committees may be taken without a meeting if a consent in writing or by electronic notification, setting forth the action to be taken and all the Board Members consent in writing or by electronic notification to taking the action without a meeting, and is filed in the minutes of the proceedings of the Board or of the committee. The consent shall have the same effect as a unanimous vote.

SECTION 6.7 Waiver of Notice. Notice of any meeting of the Board of Directors may be waived in

writing by any director at any time, either before or after such meeting, and attendance at such meeting in person shall constitute a waiver of notice of the place, day and hour of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully convened.

SECTION 6.8 Board Meetings Public. All meetings of the Board shall be open to all members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the meeting would be governed by the attorney-client privilege. Any member that desires to have notice of all meetings shall contact the Secretary and have a means of electronic notification available. The Board of Directors reserves the right to exclude any member from attending for the following reasons, but not limited to:

- a) Inhibiting the progress of the Board moving forward with their outlined duties.
- b) Nuisances that causes offence, annoyance, trouble, or injury.

SECTION 6.9 Special Assessments. No assessment may be levied by the Board of Directors at a Board meeting.

SECTION 6.10 Proxy Vote. The Board of Directors may not vote by proxy or secret ballot at Board Meetings.

ARTICLE VII – COMMITTEES

SECTION 7.1 Procedures for Committees of the Board. Any committees of the Board established shall be governed by the procedures set forth in this Section, except as may otherwise be provided in any resolution of the Board of Directors relating to such committee. A majority of the number of members of such committee shall constitute a quorum, and the act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee. A meeting of any such committee may be called by any member thereof, and notice of the place, day and hour of such meeting shall be given by or under the direction of the person calling the meeting, by mail, personal delivery, electronically, facsimile, or personal communication over the telephone or otherwise, at least forty-eight (48) hours prior to the time the meeting is to be held. The provisions of Article VI, Section 6.7 relating to waiver of notice shall be applicable to meetings of any such committee. By resolution adopted by a majority of the directors in office, the Board may remove from any such committee any member thereof and may fill any vacancy on any such committee, whether such vacancy is caused by resignation, removal or otherwise.

SECTION 7.2 Architectural Control Committee and Other Committees of the Board. The Board shall have an Architectural Control Committee (ACC), as provided by the CC&R's adopted for Aspen Cove Homeowners' Association Subdivision. Selection of such committee shall be by a majority of the directors in office. The Architectural Committee shall follow the guidelines as outlined in the CC&R's.

SECTION 7.3 Nominating Committee. Before November 30th of each year, the Board of Directors shall designate a Nominating Committee, with such number of members as the Board deems appropriate. The Nominating Committee may but need not consist solely of directors and shall not have or exercise any of the power of the Board. The Nominating Committee shall solicit and accept nominations from members, and any member may propose nominees to the Nominating Committee. Power to call a meeting, notice, and waiver of notice shall govern the procedure of the Nominating Committee. Within thirty (30) days after its appointment, the Nominating Committee shall approve and give notice to the Secretary of its list of nominees for the positions on the Board of Directors and shall indicate which of such nominees are proposed to be officers of the Association or chairperson of functional committees. In considering and making such recommendations, the Nominating Committee shall take into account such factors as it deems relevant. The Nominating Committee shall make as many nominations as it shall desire, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting of the Homeowners' Association.

SECTION 7.4 Functional Committees. The Board may authorize the formation of committees charged with the responsibility of performing designated functions for the Association. The Board shall appoint the chairperson of each such committee. Such chairperson shall be selected from the directors of the Association. The Board in appointing such chairperson shall take into account any recommendations of the Nominating Committee. The functional committees shall not have or exercise any of the power of the Board of Directors. The members of any such committee shall be as determined by the chairperson thereof. The procedure for meetings and the conduct of the business of such committees shall be informal, appropriate to the functions and goals of such committee and shall be determined by the chairperson thereof. It is not required that the procedures of Section 7.1 apply to such committees. Each functional committee shall keep such minutes of its meetings as its chairperson deems appropriate.

SECTION 7.5 Managers and Agents. The board may engage managers, management companies, agents, and other persons to perform such duties as the board shall delegate, except for those duties and authorities that may not be given to anyone other than a board member as stated in these Bylaws.

ARTICLE VIII - OFFICERS

SECTION 8.1 Number. The Officers of the Association shall be a President, a President-elect, a Secretary, a Treasurer, and such other Officers as may be elected in accordance with these Bylaws.

SECTION 8.2 Election and Term of Office. The officers of the Association shall be elected annually by the membership in attendance of the Aspen Cove at Scofield Homeowners' Association meeting held in January. A majority vote of those members in attendance entitled to vote at said meeting shall determine the officers and their title. Each officer shall hold office until the successor shall have been duly elected and shall have qualified or until death, or until officer shall resign or shall have been removed in the manner hereinafter provided.

SECTION 8.3 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed with or without cause by majority vote of the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Any member of the Board of Directors may resign by giving written notice to the President or Secretary of the Board. Resignation shall take effect on the date of receipt of such notice or at any later time specified therein and acceptance of the resignation shall not be necessary to make it effective.

SECTION 8.4 President. The President shall be the principal Executive Officer of the Association and subject to the control of the Board of Directors, and shall in general supervise and control all of the business and affairs of the Association. The President shall, when present, preside at all meetings of the Association and of the Board of Directors. The President Shall sign, with the Secretary or any other proper Officer of the Association thereunto authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 8.5 Vice President. In the absence of the President or in the event of the President's death, inability, or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall

work in conjunction with the Treasurer. The Vice President may perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

SECTION 8.6 Secretary. The Secretary shall: (a) keep the minutes of the Board of Directors' meetings and the Homeowner's' Association; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) keep a register of the home address of each Lot Owner; and (d) keep all official documentation and instructions for various procedures for the Association on Association owned computer with external back up performed routinely (e) in general perform all of the duties incident to the office of Secretary and such duties as are assigned by the President or by the Board of Directors.

SECTION 8.7 Treasurer. The Treasurer shall: (a) have charge of and custody of and be responsible for all funds and securities of the Association; receive and give receipts for money due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as such be selected in accordance with the provisions of Article IX of these Bylaws; and (b) in general perform all of duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors. The Treasurer shall present at every Board and Association meeting a Budget vs Actual expenses for the present budget year. At the first annual Association meeting he or she shall present the past year Budget vs Actual and present the Association Members with the Board approved proposed budget for that year. The Treasurer shall cause a third party review of the Association financial records every 6 months and present such results at the following Association meeting to its members.

SECTION 8.8 Assignment of Other Duties. An officer of the Board of Directors shall be assigned to oversee the following areas of the Association, including but not limited to: Gates, Water, Common Area, Roads, etc. Any of these duties may be delegated to other persons or to a managing agent to ensure work is done on time and done correctly.

SECTION 8.9 Reimbursement and/or Compensation. The salaries, if any, of the agents or managers of the Association shall be fixed by the Board of Directors. Any Board Member shall be reimbursed for actual expenses incurred while performing duties for the Association.

SECTION 8.10 Fidelity Bonds. The Board shall obtain fidelity bond coverage with respect to any person who either handles or is responsible for funds held or administered by the Association, in an amount no less than the maximum funds that will be in the custody of the Association at any time while the bond is in force.

ARTICLE IX – FINANCIAL AND ADMINISTRATIVE

SECTION 9.1 Calendar Year. For financial management purposes the Association shall operate on a calendar year. Beginning on the first day of January and ending on the thirty-first day of December in each calendar year.

SECTION 9.2 Budget. The Board of Directors shall prepare and adopt a budget in November for the following calendar year, which shall contain estimates of the cost of maintaining and performing the functions of the Association, and shall levy an annual assessment based thereon against each Lot as outlined in the CC&R's.

SECTION 9.3 Notice of Annual Assessment. Notice of the annual assessment levied against each Lot, together with a copy of the budget as adopted by the Board of Directors, shall be made available to each member on or before January 1st of the year for which the budget is made.

SECTION 9.4 Notice of Termination of a Delinquent Owner's Rights. Pursuant to Section 57-8a-309 *et seq.*, of the UTAH CODE ANN., as amended, the board may terminate a delinquent lot owner's right to access and use of recreational facilities and withhold the Utah State Park Pass. The board shall give the delinquent lot owner notice in the following manner:

- (a) The notice shall state that the association will withhold the Utah State Park Pass and terminate the lot owner's right of access to and use of recreational facilities if the association does not receive payment of the assessment within fifteen (15) days of the postmarked date, the amount of the assessment due, including any interest or late payment fee; and lot owner's right to request a hearing under this Section.
- (b) A delinquent lot owner may submit a written request to the board for an informal hearing to dispute the assessment. The request shall be submitted within 14 days after the date the delinquent lot owner receives the notice under section (a).
- (c) If a delinquent lot owner requests a hearing, the association may not terminate a right of access to and use of recreational facilities until after the Board:
 - (i) conducts the hearing; and
 - (ii) enters a final decision.
- (d) If the Board of Directors terminates a right of access to and use of recreational facilities, the Board shall take immediate action to reinstate the service or right following the lot owner's payment of the assessment, including any interest and late payment fee.

SECTION 9.5 Contracts. The Board of Directors may authorize any officer or officers, agents or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 9.6 Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name.

SECTION 9.7 Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers as the Board of Directors of the Association may, from time to time, designate. Invoice approval is required by the Board member assigned to that area of responsibility, i.e., road maintenance, water system, postage and office supplies, etc. Upon invoice approval, the only signature required on the check is that of the Treasurer. The signature of two (2) Board members is required for expenditures exceeding \$2,000.00. Expenditures over \$10,000.00, not originally in the budget, are also subject to approval of the Association members present at a regular or special Association meeting. Nothing in this section shall preclude bill pay on reoccurring payments (i.e., utilities), reimbursements, or payment of any invoice by electronic means. If paid electronically the Treasurer shall inform the board members of the payment information, if any objections are present then the payment shall be fulfilled by written check.

SECTION 9.8 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 9.9 Financial Statements. Any member may request the most recent financial statement and receive it no later than fifteen (15) days after the day on which the Board receives a written request either in person, by mail, facsimile or by electronic notification. The statement shall be sent to the member showing in detail the assets and liabilities and results of the operations of the Association.

SECTION 9.10 Reserve Analysis / Reserve Fund. Pursuant to Section 57-8a-211 *et seq.*, of the UTAH CODE ANN., as amended, the Board of Directors shall cause a reserve analysis to be conducted no less frequently than every six (6) years. If no reserve analysis has been conducted since January 1, 2013, cause a reserve analysis to be conducted before January 1, 2014, review and, if necessary, update a previously conducted reserve analysis no less than every three (3) years. The board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the board, to conduct the reserve analysis.

A reserve analysis shall include:

- (a) a list of the components identified in the reserve analysis that will reasonably require reserve funds;
- (b) a statement of the probable remaining useful life, as of the date of the reserve analysis, of each component identified in the reserve analysis;
- (c) an estimate of the cost to repair, replace, or restore each component identified in the reserve analysis;
- (d) an estimate of the total annual contribution to a reserve fund necessary to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component's useful life and at the end of the component's useful life; and
- (e) a reserve funding plan that recommends how the association may fund the annual contribution described in this section.

Each year, the Board of Directors shall provide:

- (a) a summary of the most recent reserve analysis, including any updates, to each lot owner; and
- (b) a complete copy of the most recent reserve analysis, including any updates, to a lot owner upon request.

If the Association, in accordance with Article III, approves the creation of a reserve fund, the Board of Directors shall include a reserve fund line item in its annual budget following these guidelines:

- (a) the amount of the reserve fund line item shall be determined by:
- (b) the reserve analysis and the amount that the board determines is prudent under the circumstances; or
- (c) the Association Documents, if the documents require an amount greater than the amount determined under this section;
- (d) the Board may not use money in a reserve fund for daily maintenance expenses, unless a majority of Association Members vote to approve the use of reserve fund money for that purpose; or
- (e) for any purpose other than the purpose for which the reserve fund was established;
- (f) the Board shall maintain a reserve fund separate from other association funds;

This section may not be construed to limit the Board from prudently investing money in a reserve fund, subject to any investment constraints imposed by the Association Documents.

ARTICLE X- AMENDMENTS

Pursuant to Section 16-6a-1010 *et seq.*, of the UTAH CODE ANN., as amended, these Bylaws may be altered, amended or repealed and the Board of Directors may adopt new Bylaws as long as the results do not change 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 and those amendments do not materially change or add to the general purposes and restrictions established in the CC&R's for Aspen Cove at Scofield Subdivision, Plats "A-F", and any

restrictions established in the CC&R's for Aspen Cove at Scofield Subdivision, Plats "A-F", and any additional phases added, by the developer, as recorded with the Carbon County Recorder's Office. These changes may be made at any regular or special meeting of the Board of Directors. Any such decisions must be ratified at the next meeting of the Homeowner's' Association.


ARTICLE XI - ADOPTION OF THE AMENDED BYLAWS

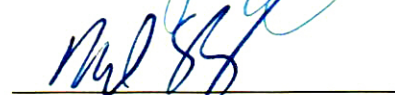
The foregoing Amended and Restated Bylaws were adopted by the Board of Directors of the Association in conformity with the procedures of the Utah Revised Nonprofit Corporation Act on May 1, 2014.


Board Members of the Association were entitled to vote as a single class on the Adoption of the Amended and Bylaws. The Amended Bylaws were approved and adopted by the Board of Directors of the Association as follows:


For 6
Against 0

IN WITNESS WHEREOF, the undersigned executes these Amended and Restated Bylaws and certifies to the truth of the facts herein stated this 1st day of May, 2014.

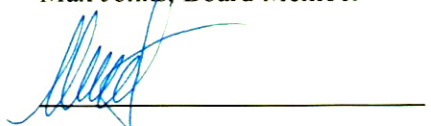

Sandy Hoffmann, President


Daniel Heugly, Treasurer


David Sorensen, Board Member


Bonnie Sorensen, Secretary


Max Johns, Board Member


Mike James, Board Member