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Rainbow Canyon Homeowners Association

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Bylaws Page 1 of 30
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**CORRECTED SECOND AMENDED AND RESTATED BYLAWS
OF
RAINBOW CANYON HOMEOWNERS ASSOCIATION
(Formerly known as Shadow Canyon Homeowners Association)**

Prepared by:



Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
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**CORRECTED SECOND AMENDED AND RESTATED BYLAWS
OF
RAINBOW CANYON HOMEOWNERS ASSOCIATION
(Formerly known as Shadow Canyon Homeowners Association)**

**ARTICLE I
NAME, LOCATION, AND PURPOSE**

Section 1. Name. The name of the corporation is RAINBOW CANYON HOMEOWNERS ASSOCIATION, hereinafter referred to as the “Association.” The corporation may elect to conduct business under a trade name or style as may from time to time be designated by the Association and registered with Department of Commerce, State of Utah.

Section 2. Location. The principal office of the Association shall be at the address identified in the Association’s latest annual report filed with the Division, but meetings of the Members and the Board may be held at such places within the State of Utah, County of Washington, as may be designated by the Board.

Section 3. Purpose of Bylaws. These Corrected Second Amended and Restated Bylaws of Rainbow Canyon Homeowners Association (Formerly known as Shadow Canyon Homeowners Association) (the “Bylaws”) were prepared to correct the legal description contained in the Second Amended and Restated Bylaws (defined below). The Second Amended and Restated Bylaws were adopted by a vote of a majority of a quorum of Members present in person or by proxy, pursuant to Article XII, Section 1 of the Amended Bylaws (defined below). These Bylaws are for the regulation and management of the affairs of Rainbow Canyon Homeowners Association, a Utah nonprofit corporation (the “Association”), to which reference is made in the Corrected Fourth Amended and Restated Declaration of Covenants, Conditions, and Restrictions of Rainbow Canyon, a Residential Planned Unit Development (Formerly known as Shadow Canyon) in the official records of the Washington County Recorder, State of Utah, as 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.

These Bylaws amend, restate, wholly replace, and substitute for the following:

- Amended Bylaws of Shadow Canyon Homeowners Association, recorded with the Washington County Recorder on August 29, 2017, as Document No. 20170035164 (“Amended Bylaws”);
- Shadow Canyon Homeowners Association Db a Rainbow Canyon Homeowners Association Bylaws Amendment 2017-1, recorded with the Washington County Recorder on November 2, 2017, as Document No. 20170044345;
- Second Amended and Restated Bylaws of Rainbow Canyon Homeowners Association (Formerly known as Shadow Canyon Homeowners Association), recorded with the

Washington County Recorder on August 16, 2023, as Document No. 20230024694 (“Second Amended and Restated Bylaws”); and

- any other amendments, supplements, or annexing documents to the Bylaws for the Association, whether or not recorded with the Washington County Recorder.

Section 4. Controlling Laws and Instruments. These Bylaws are subject to 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. Where these Bylaws differ from the Nonprofit Act or the Association Act, these Bylaws shall control unless the provisions of either the Nonprofit Act or the Association Act, or both, are mandatory and not default provisions.

Section 5. 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 II DEFINITIONS

Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration.

ARTICLE III MEMBERS

Section 1. Members. A “Member” is the person or, if more than one (1), all persons collectively, who constitute the Owner of a Lot within the Property.

Section 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.

Section 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.

Section 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, 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.

Section 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 shall, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

Section 6. Transfer of Memberships on Association Books. Transfer of membership shall be made on the books of the Association only upon the 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.

Section 7. Assignment of Voting Rights to Tenants and Mortgagees. A Member may assign the Member's right to vote to a tenant occupying the Member's Living Unit or to a Mortgagee of the Member's Living Unit for the term of the lease or the mortgage and any sale, transfer or conveyance of the Living Unit and the Lot upon which it is situated shall, unless otherwise provided in the document of sale, transfer, or conveyance, be subject to any such assignment of voting rights to any tenant or Mortgagee. Any such assignment of voting rights and any revocation or termination of any assignment of voting rights shall be in writing and shall be filed with the secretary of the Association. Any such assignment of voting rights shall be automatically terminated and revoked upon the sale, transfer, or conveyance of the Lot.

ARTICLE IV MEETING OF MEMBERS

Section 1. Annual Meetings. A meeting of the members shall be held at least annually on the anniversary from the date of the organizational meeting of the Association, and each subsequent regular annual meeting of the members shall be held on or about the same day of the same month of each year thereafter at the hour of 7:00 P.M. or as noticed by the Board. 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.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board, or upon written request of the members who are entitled to vote a minimum of twenty-five percent (25%) of all the votes of the entire membership.

Section 3. Notice of Meetings. Written notice stating the place, day and hour of any meeting shall be given not less than fifteen (15) nor more than sixty (60) days before the date of the meeting (plus any time added to effectuate delivery under XIV, Section 14). 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 trustee or has a financial interest, (as set forth in Utah Code § 16-6a-825), 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 (receipt deemed effective as set forth under Article XIV, Section 14) by the secretary or president at least ten (10) days before the Association gives notice of the meeting, plus any time added to effectuate delivery under Article XIV, Section 14. The notice of a special meeting shall state the purpose or purposes for which the meeting is called.

Section 4. Quorum. The presence at the meeting of members, present in person, by ballot, or by proxy, entitled to cast twenty-five percent (25%) of the votes of the entire membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat, by a majority vote, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. At any adjourned meeting a quorum shall be a simple majority of the votes of the membership present or represented and any business may be transacted that might have been transacted at the meeting as first convened had there been a quorum. The Members present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of one (1) or more Members or their proxy or proxies so as to leave less than a quorum present or represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person, by ballot, or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 6. Record Date/Members List.

(a) 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 Section 6(b) below, unless the Board, in advance of sending notice, sets 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.

(b) 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 effective, 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 (i) the close of business on the day on which the Board adopts the resolution relating to the exercise of the right; or (ii) 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.

(c) The Association shall only be required to prepare a list of the names of the Members as provided for in Article XI, Section 1(c).

Section 7. Ballots at Meetings. A written ballot may, upon the election of the Board, be used in connection with any annual, regular, or special meeting of Members, thereby allowing Members the choice of either voting in person, by proxy, 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 Article IV, Section 8, 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 8. Ballots Without a Meeting and Electronic Voting. The Association may, upon the election of the Board or upon specific request of a Member for a special meeting of the Members, 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.

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

(b) 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.

(c) 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 (i) 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; (ii) 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 (iii) considering all the circumstances, the amount of time is otherwise reasonable.

(d) The Association and its members, by adoption of these Bylaws, agree to allow voting by electronic means. To effectuate electronic voting, ballots may be signed electronically as provided for in Article IV, Section 17.

Section 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 the earlier of (i) the day after the meeting of the Members for which the proxy was expressly submitted; or (ii) 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.

Section 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 (1) or more written consents, 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 10 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 electronic transmission or other form of communication providing the Association with a complete copy of the written consent, including: (i) the date the written consent was sent and (ii) the signature (including electronic signatures as provided in Section Article IV, Section 17).

Section 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 11 is considered to be present in person at the meeting.

Section 12. Adjournment of Members' Meetings. Members present in person or by proxy at any meeting, whether or not there is a quorum may adjourn the meeting from time to time. If the meeting is adjourned, the Board shall issue a new 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 forty-five (45) days following such preceding meeting at which a quorum was not present.

Section 13. 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.

Section 14. Order of Business. Unless otherwise changed by resolution of the Board or the Members, 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.

Section 15. Expenses of Meetings. The Association shall bear the expenses of all regular and annual meetings of Members and of special meetings of Members.

Section 16. 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.

Section 17. 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. Pursuant to Utah Code Section 46-4-201 a signature may not be denied legal effect or enforceability solely because it is in electronic form, i.e., an electronic signature. As used herein, the term "electronic" means relating to technology having electrical, digital, magnet, wireless, optical, electromagnetic, or similar capabilities. As used herein, the term "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a ballot and executed or adopted by a person with the intent to sign the ballot.

ARTICLE V
BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of five (5) Directors, who must be members of the Association.

Section 2. Term of Office. The Board shall be elected 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 three (3) years, with an odd number of Directors (at least two (2) less than the entire Board) elected in even-numbered years and an even number of Directors elected in odd-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 the 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 position is being voted upon, the candidate having the highest number of votes cast in his or her favor is elected to the Board.

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

Section 4. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at any meeting by obtaining the written approval of all the Directors. Such approval may be provided by electronic communication. Any action so approved shall be in accordance with Section 16-6a-813 of the Nonprofit Act and have the same effect as though taken at a meeting of the Directors. The form attached hereto as Exhibit B may be utilized by the Board when taking action without a meeting.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at least once every other month without notice at such place and hour as may be fixed from time to time by resolution of the Board. Meetings of the Board 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.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the president, or by any two (2) Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Open Meetings/Member Right to Participate. Except as provided in Article VII, Section 5, 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.

Section 5. 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 Confidential Matter is addressed, or (2) create a committee to address the Confidential Matter and exclude the offending Director from that committee.

Section 6. 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 Article XIV, Section 14), 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.

Section 7. Notice to Members of Board Meetings. At least forty-eight (48) hours before an open Board meeting (plus any time added to effectuate delivery under Article XIV, Section 14), the Association shall give written notice of the meeting via email to each Member who requests notice of a meeting, 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 Article XIV, Section 14) 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.

Section 8. 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 8, Directors may not vote or otherwise act by proxy.

Section 9. 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. If a Director is to participate in a Board meeting by electronic communication, the Board shall provide the information necessary to allow the Owners entitled to notice of the Board meeting under Article VII, Section 7 to participate by the available electronic means.

Section 10. 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 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.

Section 11. 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.

Section 12. Dissent or Abstention. The right to dissent or abstention pursuant to Article VII, Section 11, is not available to a Director who votes in favor of the action taken.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board shall have all powers necessary or desirable to permit it to manage and supervise the affairs of the Association. 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 the Members in the Declaration, the Articles, these Bylaws, or the Acts. Without limiting the foregoing statement of general powers of the Board or the powers and duties of the Board as set forth in the Declaration, the Board shall be vested with the power to:

(a) Adopt and publish rules and regulations governing the use of Property of the Association, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

(b) Suspend the voting rights and right to use of recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(c) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

(d) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board .

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

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

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

(b) Supervise all officers, agents, and employees of this Association and to see that their duties are properly performed.

(c) Establish the annual assessment period and fix the amount of the annual assessment against each Member for each Lot owned at least thirty (30) days in advance of each annual assessment.

(d) Send written notice of each assessment to every Owner subject thereto.

(e) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action of law against the Owner personally obligated to pay the same.

(f) 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 give, within ten (10) days after the receipt of such request (receipt by the Association deemed effective as set forth under Article XIV, Section 14), 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 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 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.

(g) Procure and maintain such insurance upon Association Property as a provided in the Declaration.

(h) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(i) Cause the Common Area to be maintained.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and may include a vice-president, who shall at all times be members of the Board, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the members.

Section 3. Term. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Article IX, Section 4.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board; see that orders and resolutions of the Board are carried out; sign all leases, mortgages, deeds, and other written instruments; and co-sign all checks and promissory notes.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act; and exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records, showing the members of the Association, together with their addresses; and perform such other duties as required by the Board. The duties of the secretary may be delegated to a property management company.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolutions of the Board; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public account at the completion of each fiscal year; and to be presented to the membership at its regular annual meeting and deliver a copy of each to the members. The duties of the treasurer may be delegated to a property management company.

ARTICLE IX COMMITTEES

The Board shall appoint such committees as deemed appropriate in carrying out its purposes. 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 not be applicable to meetings of committees of the Board.

ARTICLE X BOOKS AND RECORDS

Section 1. Books and Records.

(a) The Association shall keep as permanent records: (i) minutes of all meetings of its Members and Board; (ii) a record of all actions taken by the Members or Board without a meeting; (iii) a record of all actions taken by a committee of the Board in place of the Board on behalf of

the Association; (iv) a record of all waivers of notices of meetings of Members and of the Board or any committee of the Board; and (v) a copy of the Declaration, as the same may be amended.

(b) The Association shall maintain appropriate accounting records.

(c) 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: (i) in alphabetical order, by class, and (ii) showing the number of votes each Member is entitled to vote.

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

(e) The Association shall keep a copy of each of the following records at its principal office: (i) Declaration; (ii) Articles; (iii) Bylaws; (iv) resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members; (v) the minutes of all Member meetings for a period of three (3) years; (vi) records of all actions taken by Members without a meeting; (vii) all written communications to Members generally as Members for a period of three (3) years; (viii) a list of the names and business or home addresses of its current Directors and officers; (ix) a copy of its most recent annual report; (x) all financial statements prepared for periods ending during the last three (3) years; (xi) the most recent approved Board meeting minutes; and (xii) the most recent budget and financial report.

(f) If the Association has an active website, the Association shall make the documents described in Article XI, Subsection 1(e) available to all Members, free of charge, through the website; or, if the Association does not have an active website, make physical copies of the documents described in Article XI, Subsection 1(e) available to Members during regular business hours at the Association's address registered with the Department of Commerce.

Section 2. Inspection of Records.

(a) A Director or Member is entitled to inspect and copy any of the records of the Association described in Article XI, Subsection 1(e): (i) during regular business hours; (ii) at the Association's principal office; and (iii) 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.

(b) In addition to the rights set forth in Article XI, Subsection 2(a), a Director or Member is entitled to inspect and copy any of the other records of the Association: (i) during regular business hours; (ii) at a reasonable location specified by the Association; and (iii) 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 Article XI, Subsection 2(c); and (ii) gives the Association written demand.

(c) A Director or Member may inspect and copy the records described in Article XI, Subsection 2(b) only if: (i) the demand is made: (A) in good faith and (B) for a proper purpose; (ii) the Director or Member describes with reasonable particularity the purpose and the records the Director or Member desires to inspect; and (iii) the records are directly connected with the described purpose.

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

and (ii) “proper purpose” means a purpose reasonably related to the demanding Member’s or Director’s interest as a Member or Director.

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

(f) This Section does not affect: (i) the right of a Director or Member to inspect records relating to ballots; (ii) 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 (iii) the power of a court, independent of this Article XI, to compel the production of corporate records for examination.

(g) A Director or Member may not use any information obtained through the inspection or copying of records permitted by Article XI, Subsection 2(b) for any purposes other than those set forth in the demand made under Article XI, Subsection 2(c).

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

(i)

- (i) In a written request to inspect or copy documents, a Member shall include:
- (A) the Association’s name;
 - (B) the Member’s name;
 - (C) the Member’s property address;
 - (D) the Member’s email address;
 - (E) a description of the documents requested; and
 - (F) any election or request described in Subsection (ii).

- (ii) In a written 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, request hard copies or electronic scans of the documents; or
 - (C) subject to Article XI, Subsection 2(j), request that:
 - (1) the Association make the copies or electronic scans of the requested documents;
 - (2) a recognized third-party duplicating service make the copies or electronic scans of the requested documents;
 - (3) 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; or
 - (4) the Association email the requested documents to an email address provided in the request.

(j) 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 and for the time spent meeting with the Member, which may not exceed: (i) the actual cost that the Association paid to a recognized third-party duplicating service to make the copies or electronic scans; or (ii) if an employee, manager, or other agent of the Association makes the copies or electronic scans, ten cents (\$.10) per page and fifteen dollars

(\$15.00) per hour for the employee's, manager's, or other agent's time making the copies or electronic scans.

(k) 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 a Member requests to bring imaging equipment to the inspection, the Association shall provide the necessary space, light, and power for the imaging equipment.

(l) Subject to Article XI, Subsection 2(m), if in response to a Members request to inspect or copy documents, the Association fails to comply with a provision of this section, the Association shall pay:

- (i) the reasonable costs of inspecting and copying the requested documents;
- (ii) for items described Article XI, Subsection 1(e), twenty-five dollars (\$25.00) to the Member who made the request for each day the request continues unfulfilled, beginning the sixth (6th) day after the day on which the Member made the request; and
- (iii) reasonable attorney fees and costs incurred by the Member in obtaining the inspection and copies of the requested documents.

(m) The Association is not liable for identifying or providing a document in error, if the Association identified or provided the erroneous document in good faith.

Section 3. 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 Article XI, Section 2 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 Article XI, Subsection 1(c) by furnishing to the Director or Member a list of Directors or Members that: (i) complies with Article XI, Subsection 1(c); and (ii) 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 (receipt by the Association deemed effective as set forth under Article XIV, Section 14), 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: (i) the Association's most recent annual financial statements, if any; and (ii) 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.

ARTICLE XI ASSESSMENTS

Assessments are set forth in the Declaration.

ARTICLE XII AMENDMENTS

Section 1. Amendment. 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.

Section 2. Conflict. 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 shall control.

ARTICLE XIII MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year.

Section 2. 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.

Section 3. 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.

Section 4. 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.

Section 5. 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.

Section 6. 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.

Section 7. 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.

Section 8. Loan 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.

Section 9. 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.

Section 10. 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.

Section 11. 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.

Section 12. 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.

Section 13. 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 or that Member's agent.

Section 14. Manner of Giving Notice. Notwithstanding any other provision in the Declaration, Articles, Bylaws, or rules and regulations, the Association may provide notice to Owners orally or by electronic means, including text message, email, or the Association's website, 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 received and effective upon the earlier to occur of the following:

(a) when sent by facsimile, the notice is deemed effective 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, first-class mail, and addressed to the most recent address of the recipient according to the records of the Association, the notice is deemed effective at the earliest of the following: (a) when received; (b) six (6) days after it is mailed; or (c) on the date shown on the return receipt if sent by registered or certified mail, sent return receipt requested, and the receipt is signed by or on behalf of the addressee;

(c) when sent via electronic means such as an e-mail, text message or similar electronic communication, the notice is deemed effective within twenty-four (24) hours of being sent and a rejection or undeliverable notice is not received by the sender;

(d) when posted on the Association's website, the notice is deemed effective seventy-two (72) hours after it was posted;

(e) when hand delivered, the notice is deemed effective immediately upon delivery;

(f) when notice is given orally, the notice is deemed effective when communicated; or

(g) when delivered by other means, the notice is deemed effective upon such circumstances and conditions as are reasonably calculated to give notice to the Owner.

Section 15. Severability. Invalidation of any provision of the Governing Documents by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 16. Interpretation. The provisions of the Governing Documents shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Areas and other areas within the Property. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter. Except for judicial construction and express Utah law, the Board shall have the exclusive right to construe and interpret the provisions of the Governing Documents, and amendments thereto. In the absence of any adjudication by a court of competent jurisdiction or express Utah law to the contrary, the Board's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and Property benefitted or bound by the Governing Documents.

ARTICLE XIV
NOTICE AND HEARING PROCEDURE

Section 1. Association's Enforcement Rights. In the event of an alleged violation of the Declaration, the Articles, 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 (1) or more of the actions and to pursue one (1) or more of the remedies permitted by law or equity or under the provisions of the Declaration, these Bylaws, or the rules and regulations of the Association. 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 by law or equity or in the Declaration, these Bylaws, or the rules and regulations of the Association shall be cumulative, and none shall be exclusive.

Section 2. 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 Board may close the meeting to the general membership if the Board believes the discussion is likely to cause undue embarrassment or violate the individual's reasonable expectation of privacy.

(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.

Section 3. Decision. If a Respondent 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 of fine; 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.

[SIGNATURES ON FOLLOWING PAGE]

Exhibit A
(Legal Description)

These Corrected Second Amended and Restated Bylaws of Rainbow Canyon Homeowners Association (Formerly known as Shadow Canyon Homeowners Association) affect the following real property, all located in Washington County, State of Utah:

All of Lots 1 through 12, Lots 23 through 34, Lots 44 through 51, Lots 61 through 69, Lots 79 through 94, and Lots 106 through 121, together with all Common Area, Shadow Canyon 1 FKA Leisure Time Est 1 (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-1-1 through H-SCAN-1-12
PARCEL: H-SCAN-1-23 through H-SCAN-1-34
PARCEL: H-SCAN-1-44 through H-SCAN-1-51
PARCEL: H-SCAN-1-61 through H-SCAN-1-69
PARCEL: H-SCAN-1-79 through H-SCAN-1-94
PARCEL: H-SCAN-1-106 through H-SCAN-1-121

All of Lots 13 through 20 and Lots 35 through 42, together with all Common Area, Shadow Canyon 2A (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-2-A-13 through H-SCAN-2-A-20
PARCEL: H-SCAN-2-A-35 through H-SCAN-2-A-42

All of Lots 52 through 59 and Lots 70 through 77, together with all Common Area, Shadow Canyon 2B (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-2-B-52 through H-SCAN-2-B-59
PARCEL: H-SCAN-2-B-70 through H-SCAN-2-B-77

All of Lots 95 through 103 and Lots 122 through 130, together with all Common Area, Shadow Canyon 2C (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-2-C-95 through H-SCAN-2-C-103
PARCEL: H-SCAN-2-C-122 through H-SCAN-2-C-130

All of Lot 21, Lot 43, Lot 60, Lot 78, Lot 104, and Lots 131 through 146, together with all Common Area, Shadow Canyon 2D (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-2-D-21
PARCEL: H-SCAN-2-D-43
PARCEL: H-SCAN-2-D-60
PARCEL: H-SCAN-2-D-78
PARCEL: H-SCAN-2-D-104
PARCEL: H-SCAN-2-D-131 through H-SCAN-2-D-146

All of Lots 1 through 10 and Lots 21 through 30, together with all Common Area, Shadow Canyon 3A (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-3-A-1 through H-SCAN-3-A-10
PARCEL: H-SCAN-3-A-21 through H-SCAN-3-A-30

All of Lots 11 through 20, Lots 31 through 39, and Lots 84 through 86, together with all Common Area, Shadow Canyon 3B (H), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: H-SCAN-3-B-11 through H-SCAN-3-B-20
PARCEL: H-SCAN-3-B-31 through H-SCAN-3-B-39
PARCEL: H-SCAN-3-B-84 through H-SCAN-3-B-86

Exhibit B
(Action Without a Meeting Form)

Notice of Proposed Action Without a Meeting of the Board of Directors
Pursuant to Utah Code Section 16-6a-813
(Email Communication)

1. Stipulations: All Board members stipulate that this email communication and any response by email will be deemed a written communication and the email address of each Board member will act as their signature to the communication. Any response must be sent by a "reply to all." A response sent to all Board members in this email communication will be deemed a written response received by the Association.

2. Proposed Action: The following Action is proposed to be taken:

3. Response Options: Each Board member may respond to the proposed action in one of the following three ways (or language which is clear and the equivalent of the following):
 - a. Reply all via email stating, "I vote in favor of the proposed action,"
 - b. Reply all via email stating, "I abstain from the vote on the proposed action,"
 - c. Reply all via email stating, "I object to the proposed action being taken without a meeting."

4. Time to Respond: This Notice must be responded to by not later than the ____ day of _____, 20__, by _____ .m., Utah time.

5. Effect of Untimely Response: An untimely response will have the following effect:
 - a. abstaining from the vote on the proposed action; and
 - b. failing to timely demand the proposed action not be taken without a meeting.

6. When Action is Deemed Taken: The proposed action is taken only if at the end of the time stated in paragraph No. 4:
 - a. the affirmative votes are timely received and not timely revoked, which votes 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. there has not been received a demand pursuant to paragraph 3(c) that the action not be taken without a meeting, unless such demand has been revoked by the time stated in paragraph 4.
- 7. Right to Revoke: A Director who has voted, abstained, or demanded the action not be taken without a meeting pursuant to paragraph 3 and/or 5 may revoke the vote, abstention, or demand that the action not be taken without a meeting by sending a follow up reply email by the time set forth in paragraph 4 and stating the revocation and stating the desired response option provided for in paragraph 3.
- 8. Effective Date: The effective date of the Action deemed taken under paragraph 6 shall be the date and time set forth in paragraph 4, unless a later date and time for the effective date is specified in the proposed Action to be taken in paragraph 2.
- 9. Conditions for Email Communications:
 - a. An electronic transmission communicating a vote, abstention, demand, or revocation is considered to be written, signed, and dated for purposes of this action if the email is delivered with information from which the Board, as parties to the email communication can determine:
 - i. that the electronic transmission is transmitted by the Director; and
 - ii. the date on which the email is transmitted.
 - b. The date on which the email is transmitted is considered the date on which the vote, abstention, demand, or revocation is signed.
 - c. For purposes of this proposed Action, email communications to Board are not effective until received.
- 10. Statutory Effect: Pursuant to Utah Code Section 16-6a-813 action taken pursuant to this email communication 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.
- 11. Minutes: Notwithstanding the statutory effect provided for in paragraph 10, at the next regular Board meeting any action taken pursuant to this email communication and action without a meeting shall be announced at the meeting and recorded in the minutes of the Board. No action taken without a meeting shall be deemed void or ineffective if not announced at the next Board meeting or if not included in the Board minutes, or both.