

To: Dave Mortensen

From: Kelly

BYLAWS
OF
GOVERNOR'S SQUARE HOMEOWNERS ASSOCIATION

ARTICLE I

IDENTITY

Section 1. The name of the corporation is "Governor's Square Homeowners Association," hereinafter the "Association."

Section 2. The principal office of the Association shall be in the Governor's Square Condominium Project, hereinafter the "Project," located at 424 East Center Street, Salt Lake City, Salt Lake County, Utah.

ARTICLE II

DEFINITIONS

Except as otherwise specifically provided herein, all terms in these Bylaws shall have meanings as defined in that certain instrument entitled "Declaration of Condominium of Governor's Square Condominiums" applicable to the Project and recorded in the Office of the County Recorder of Salt Lake County, State of Utah, hereinafter the "Declaration." As used herein, "Member" shall mean and refer to those persons entitled to membership in the Association in accordance with the Declaration and the Articles of Incorporation of the Association. Where the context so requires, the terms "Member" and "Unit Owner" are used interchangeably herein. The terms "Member" and "Unit Owner" shall not refer to any mortgagee or lien holder, unless such person has acquired title for other than security purposes.

ARTICLE III

APPLICATION

All Unit Owners, tenants, occupants, guests or others who might use the facilities of this Condominium Project in any manner are subject to the provisions set forth in these Bylaws. The mere acquisition, rental or use of any of the Units or use of Common Areas will signify that these Bylaws are accepted, ratified and will be observed by such persons.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Place of Meetings. Meetings of Members shall be held at such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.

Section 2. Annual Meeting of Members. The first annual meeting of the Members shall be held on the 15th day of January, 1980, at such time and place as the Management Committee shall specify. Thereafter, the annual meeting shall be held on such date of each succeeding year; provided, however, that whenever such date falls on a Sunday or a legal holiday, the meeting shall be held on the next succeeding business day, and provided further, that the Management Committee may by resolution fix the date of the annual meeting on such other date and at such place as it may deem appropriate or desirable.

Section 3. Special Meetings of Members. Special meetings may be called at any time by written notice served by the Management Committee, or by Members having forty percent (40%) of the total votes of the membership.

Section 4. Notices. Written notice of each annual or special meeting, as well as any other notice required or permitted to be delivered as provided in these Bylaws, shall be given by or at the direction of the Management Committee, or, in the case of a special meeting, by Members having forty percent (40%) of the total votes of the membership, by either delivering the same personally or by mail. If delivery is by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to each Member at the address given by such person to the Management Committee for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed by Members from time to time by notice in writing to the Management Committee. Such notice shall specify the place, day and hour of the meeting and in the case of special meetings, the purpose of the meeting, and shall be delivered at least fifteen (15) days before each annual meeting and at least seven (7) days before each special meeting to each Member entitled to vote thereat.

Section 5. Quorum. At any meeting of the Members, the presence in person or by proxy of Members holding more than forty percent (40%) in the aggregate in interest of the undivided ownership of Common Areas shall constitute a quorum for any and all purposes, except where by express provision a greater vote is required, in which event a quorum shall be the number required for such vote. In the absence of a quorum, those Members present, though less than a quorum, may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until holders of the amount of interest requisite to constitute a quorum shall be in attendance. At any such reconvened meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 6. Proxies. At all meetings of the Members, each Member may vote in person or by proxy. Each proxy shall be revocable and shall cease automatically upon the conveyance of the affected Member's Condominium Unit. All proxies shall be in writing and, in the case of proxies for the annual meeting, shall be delivered to the Secretary of the Association at least five (5) days prior to said annual meeting. Proxies for special meetings shall be delivered to the Secretary at least three (3) days prior to the holding of such special meetings. The Secretary shall enter a record of such proxies in the minutes of the meeting.

Section 7. Voting. When a quorum, as provided hereinabove or in the Condominium Ownership Act, is present at any meeting, the vote of Members representing more than fifty percent (50%) of the undivided ownership of Common Areas, present in person or represented by proxy, shall decide any question brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the statutes of the State of Utah, the Declaration, the Articles of Incorporation or of these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 8. Record Members. At annual meetings of the Members, only such persons shall be entitled to vote in person or by proxy as appear as Owners or Contract Purchasers in the records of the County Recorder for Salt Lake County, State of Utah, on the thirtieth (30th) day before such annual meeting. The Management Committee may, by resolution, fix a date in advance of a special meeting of the Members upon which date a Member must appear as an Owner or Contract Purchaser in the records of the County Recorder for Salt Lake County, State of Utah, in order to be entitled to vote at such special meeting; provided, however, that said date shall in no event be fixed at fewer than five (5) nor more than thirty (30) days prior to the date for such special meeting.

Section 9. Waivers of Notice. Any Member may at any time waive any notice required by these Bylaws, or by statute, or otherwise. The presence of a Member in person or by proxy at any meeting of the Members shall be deemed to be such a waiver.

ARTICLE V

MANAGEMENT COMMITTEE

Section 1. Purpose and Powers. The business, property and affairs of the Association shall be managed and governed by the Management Committee pursuant to Paragraph 19 of Section III of the Declaration; provided, however, that the Management Committee may enter into such management agreement or agreements with third persons as it may deem advisable.

Section 2. Regular Meetings. A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual meeting of the Members. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and

at such times as the Chairman of the Management Committee may from time to time designate.

Section 3. Special Meetings. Special meetings of the Management Committee shall be held whenever called by the Chairman, the Vice Chairman, or by any two (2) or more members thereof, on three (3) business days notice to each Member given by mail, in person, or over the telephone, which notice shall state the time, place and purpose of the meeting. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.

Section 4. Quorum. A majority of the members of the Management Committee then in office shall constitute a quorum.

Section 5. Voting. When a quorum, as provided herein or in the Condominium Ownership Act, is present at any meeting of the Management Committee, the vote of a majority of the Committee Members present shall decide any question of business brought before such meeting, unless a different vote is required by an express provision of the Act, the Declaration, or the Bylaws, in which case such express provision shall govern and control the decision of such question.

Section 6. Action Without Meeting. The members of the Management Committee shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Committee Members. Any action so approved shall have the same effect as though taken at a duly called meeting of the Management Committee.

Section 7. Compensation. Members of the Management Committee, as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member thereof from serving the Association in any other capacity and receiving compensation therefore.

Section 8. Waiver of Notice. Before or at any meeting of the Management Committee, any Member thereof may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Committee Member at any Management Committee meeting shall constitute a waiver by him of notice of the time and place of the meeting.

Section 9. Adjournment. The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary; provided, however, that no such meeting may be adjourned for longer than thirty (30) days.

ARTICLE VI

OFFICERS

Section 1. Designation and Election. The principal officers of the Association shall be a

Chairman, a Vice Chairman, a Secretary and a Treasurer, all of whom shall be elected by and from the Management Committee. Except as otherwise mentioned in Section III, Paragraph 19(b) of the Declaration, such election shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; provided, however, that elections of officers may be held at any other meeting of the Management Committee.

Section 2. Other Officers. The Management Committee may elect such other officers, in addition to the officers hereinabove expressly named, as it shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Management Committee.

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

Section 4. Removal of Officers and Agents. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of a majority of the then Members of the Management Committee.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Management Committee. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Duties. The duties of the officers are as follows:

(a) Chairman. The Chairman shall be the chief executive of the Association, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Association all instruments and contracts of material importance to its business and shall do and perform all acts and things which the Management Committee may require of him. He shall preside at all meetings of the Members and of the Management Committee. He shall have all of the general powers or duties which are normally vested in the office of the president of a corporation.

(b) Vice Chairman. The Vice Chairman shall act in the place and stead of the Chairman and perform his duties in the event of his absence or his inability or refusal to act. If neither the Chairman nor the Vice Chairman is able to act, the Management Committee shall appoint some other member thereof to do so on an interim basis. The

Vice Chairman shall also perform such other duties as shall from time to time be prescribed by the Management Committee.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Management Committee and of the Members; he shall have charge of such books and papers as the Management Committee may direct; and he shall in general perform all the duties ordinarily incident to the office of Secretary, and such other duties as the Management Committee may

require of him.

(d) Treasurer. The Treasurer shall have the responsibility for the funds of the Association; he shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association; he shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of, the Association in such depositories as may, from time to time, be designated by the Management Committee; he shall report the state of the finances of the Association at each annual meeting of the Members; and he shall perform such other duties as the Management Committee may require of him.

(e) Other Officers. All other officers of the Association shall have such authority and perform such duties as the Management Committee may from time to time determine.

Section 7. Compensation. No compensation shall be paid to any officer for his services and no remuneration shall be paid to an officer for services performed by him for the Management Committee in any other capacity unless a resolution authorizing such remuneration shall have been unanimously adopted by the Management Committee before the services are undertaken. However, an officer may be reimbursed for his actual expenses incurred in the performance of his duties as an officer.

ARTICLE VII

COMMITTEES

The Management Committee may, by resolution, appoint such committees as may be deemed appropriate in carrying out its duties, responsibilities and powers.

ARTICLE VIII

ASSESSMENTS

As more fully provided in the Declaration, each Unit Owner is obligated to pay to the Association various assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. Any assessment, amounts owed for utilities, cable television, or installment thereof, or monthly or annual dues as set forth and determined by the Management Committee, or the Homeowners Association, not paid within fifteen (15) days of the due date thereof, shall be delinquent and shall bear a late fee which shall not exceed Twenty-Five Dollars (\$25.00) per month for any annual assessments, special assessments or monthly fees or dues payable on that basis. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and late charges, interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment and shall be secured by said lien. No

Owner may waive or otherwise escape liability for the assessments provided for herein and in the Declaration by non-use of the Common Areas or abandonment of his Unit.

ARTICLE IX

ACCOUNTING

Section 1. Report. At the close of each accounting year, the books and records of the Management Committee may be reviewed by a person or firm approved by the Members. A report of such review shall be prepared and submitted to the Members at or before their annual meeting; provided, however, that a certified audit by a certified public accountant approved by the Members shall be made if it is requested in writing by Members holding at least seventy-five percent (75%) of the total undivided interest in the Common Areas.

Section 2. Inspection of Books. Financial records, such as are required to be furnished, shall be available at the principal office of the Management Committee or the Manager for examination by the Unit Owners at convenient hours of weekdays.

ARTICLE X

PROJECT RULES

The Management Committee shall have the power to adopt and establish, by resolution, such building, management and operational rules and regulations as it may deem necessary for the maintenance, operation, management and control of the Condominium Project, and it may from time to time, by resolution, alter, amend and repeal such rules and regulations. Unit Owners shall at all times obey such rules and regulations and use their best efforts to see that they are faithfully observed by their lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such rules and regulations shall be binding upon all Unit Owners of this Project. Provisions of

the Condominium Ownership Act pertaining to Association rules and regulations are incorporated herein by reference and shall be deemed a part hereof.

ARTICLE XI

AMENDMENT OF BYLAWS

These Bylaws may be altered, amended or repealed at any duly constituted meeting of the Members called for that purpose by the affirmative vote of at least two-thirds (2/3rds) of the ownership in the Common Areas present at such meeting in person or by proxy.