Bylaws of Fiddlers Canyon Hills Homeowners Association, Inc.

As Adopted ________, 2025

Bylaws of Fiddlers Canyon Hills Homeowners Association, Inc.

Table of Contents

Article I – Purposes	1
Section 1.01 Purpose	1
Section 1.011 dipose	
Article II – Offices	1
Section 2.01 Offices	1
Section 2.02 Registered Office	
Section 2.03 Definitions	1
Article III – Members	1
Section 3.01 Membership	2
Section 3.02 Place of Meetings	2
Section 3.03 Annual Meetings	2
Section 3.04 Special Meetings of Membership	2
Section 3.05 Notice of Meetings	2
Section 3.06 Waiver of Notice	2
Section 3.07 Adjournment of Meetings	3
Section 3.08 Voting	
Section 3.09 Proxies	
Section 3.10 Majority	
Section 3.11 Quorum	4
Section 3.12 Conduct of Meetings	4
Section 3.13 Action Without a Meeting	4
Section 3.13 Trends with the second section 3.13 Trends with the second	
Article IV – Board of Directors	4
Section 4.01 General Powers	∠
Section 4.02 Period of Administrative Control	4
Section 4.03 Nomination of Directors	4
Section 4.04 Number and Term of Office	۷
Section 4.05 Election	4
Section 4.06 Term	2
Section 4.07 Qualifications	
Section 4.08 Resignation	2
Section 4.09 Vacancies	

	Section 4.10	Removal	6
	Section 4.11	Right to Disapprove Actions	6
	Section 4.12	Regular Meetings	. 7
	Section 4.13	Special Meetings	. 7
	Section 4.14	Action Without a Meeting	. 7
	Section 4.15	Waiver of Notice	8
	(a)	Written Waiver	8
	(b)	Waiver by Attendance	8
	Section 4.16	Quorum	8
	Section 4.17	Manner of Acting	. 8
	Section 4.18	Meetings by Telecommunication	. 8
	Section 4.19	Action Without a Formal Meeting	. 9
	Section 4.20	Powers and Duties	. 9
	Section 4.21	Management	10
	Section 4.22	Accounts and Reports	10
	Section 4.23	Borrowing	11
	Section 4.24	Rights of the Association	12
	Section 4.25	Enforcement	12
	(a)	Additional Enforcement Rights	12
	Section 5.01 Section 5.02 Section 5.03 Section 5.04 Section 5.06 Section 5.07 Section 5.08 Section 5.09 Section 5.10	Number	12 13 13 13 13 14 14 14
Artici	Section 6.01	MITTEES General Architectural Control Committee.	15
Artic	LE VII – INDE	EMNIFICATIONIndemnification	1.5 1.5
	Section 7.01	Authorization of Indemnification	1.5
		Advance of Expenses	
	50000 /.U3	Advance of Lapenbeb	

Section 7.0	4 Insurance	16
Section 7.0	5 Savings Clause	16
Section 7.0	5 Savings Clause	
ARTICLE VIII – MI	SCELLANEOUS	16
Section 8.0	1 Fiscal Year	16
Section 8.0	2 Parliamentary Rules	16
Section 8.0	3 Conflicts	16
Section 8.0	4 Books and Records	17
(a)	Inspection by Members and Mortgagees	17
(b)	Rules for Inspection	17
(c)	Inspection by Directors	17
Section 8.0	5 Notices	17
Section 8.0	6 Amendment	17
(a)	By Declarant	18
(b)	By Members	18
(c)	Validity and Effective Date of Amendments	18
	cate	1.0
Secretary's Certific	care	1 ⁷

Bylaws of Fiddlers Canyon Hills Homeowners Association, Inc.

ARTICLE I - PURPOSES

Section 1.01 Purpose. This corporation is organized for any and all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, as set forth in the corporations Articles of Incorporation, including, without limitation, the operation and management of the master common areas and master common facilities of a master development known as Fiddlers Canyon Hills.

ARTICLE II - OFFICES

Section 2.01 Offices. The principal office of the corporation may be located at any place, either in or outside the State of Utah, as designated in the corporation's most current Annual Report filed with the Utah Division of Corporations and Commercial Code. The corporation may have such other offices, either in or outside the State of Utah, as the Board of Directors may designate or as the business of the corporation may require from time to time. The corporation shall maintain at its principal office a copy of certain records, as specified in Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act. The initial address of the corporation's principal office shall be 7026 South 900 East, Midvale, Utah, 84047.

Section 2.02 Registered Office. The registered office of the corporation, required by Section 16-6a-501 of the Utah Revised Nonprofit Corporation Act, shall be located in the State of Utah and may be, but need not be, identical with the corporation's principal office (if located in the State of Utah). The address of the registered office may be changed from time to time.

Section 2.03 Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Easements, and Restrictions for Fiddlers Canyon Hills filed simultaneously in the official records of Iron County, Utah (such Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context indicates otherwise.

ARTICLE III - MEMBERS

Section 3.01 Membership. The qualifications, privileges and obligations of membership in the Association shall be as set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 3.02 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

Section 3.03 Annual Meetings. Annual meetings of the Association shall be held during each year on a date and at a time set by the Board of Directors.

Section 3.04 Special Meetings of Membership. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least ten percent (10%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.05 Notice of Meetings. Written or printed notice stating the place, day, and hour of any meetings of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the Member's address as it appears on the records of the Association, with postage thereon prepaid.

Notices for any Board meetings during the period after the Period of Administrative Control will be provided pursuant to Utah Code Ann. Section 57-8a-225 or any replacement statute.

Section 3.06 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or its proxy shall be deemed a waiver by such Member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 3.07 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are represented at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members represented at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 3.08 Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 3.09 Proxies. At all meetings of the Members, Members may vote in person or by proxy and, in the case of a Member which is a corporation, partnership or other legal entity, such Member shall vote by proxy. Every proxy shall be in writing, dated, signed and filed with the Secretary prior to the meeting for which it is to be effective. Except as otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's parcel. Proxies shall be valid even if presented in facsimile form.

Section 3.10 Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 3.11 Quorum. Those Owners present, either in person or by proxy, at a meeting shall constitute a quorum for the adoption of decisions.

Section 3.12 Conduct of Meetings. The President shall preside at all meetings of the Association, and the Secretary or designated managing agent shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 3.13 Action Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a vote of the Members at a duly called meeting. During the Period of Administrative Control, the Declarant may take action without providing notice or having a meeting, and may sign documents, including Amendments to the Declaration and these Bylaws, without the necessity of any other approval or signature.

ARTICLE IV - BOARD OF DIRECTORS

Section 4.01 General Powers. The business and affairs of the corporation shall be managed under the direction of its Board of Directors, each of whom shall have one (1) vote. Directors need not be Members of the Association.

Section 4.02 Period of Administrative Control. Notwithstanding anything to the contrary contained in these Bylaws, the Declarant shall be entitled to appoint all members of the Board of Directors during the Period of Administrative Control as set forth in the Declaration.

Section 4.03 Nomination of Directors. Commencing with the election of the first Board of Directors to be elected by the Members, nominations for election to the Board of Directors may be made by any Member. Nominations shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4.04 Number and Term of Office. Notwithstanding any other provisions contained herein:

- (a) The initial Board of Directors shall consist of three (3) directors, one of which shall be designated as the Apartment Board Member as set forth in the Declaration, who shall serve from the date of incorporation of the Association until the annual meeting of the membership after the expiration of the Period of Administrative Control.
- (b) At the first annual meeting of the membership after the expiration of the Period of Administrative Control pursuant to Section 2 of this Article, two (2) directors shall be elected by the Members, and one (1) director shall be elected by the Apartment Owners, as set forth in the Declaration. Of the two (2) directors so elected, one director will serve for a term of two (2) years and the other director will serve for a period of three (3) years. The remaining director shall serve for a term of one (1) year. At the expiration of the initial term of office of each member of the Board of Directors and at each annual meeting thereafter, a successor shall be elected by the Members (or by the Apartment Owners, with respect to the Apartment Board Member) to serve for a term of three (3) years.

Section 4.05 Election. Each Member shall be entitled to cast, with respect to each vacancy to be filled, the total number of votes to which it is entitled under the Declaration. There shall be no cumulative voting. The candidates receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 4.06 Term. The term of office of each director shall continue until the earlier of the expiration of the appointed term, his or her death, resignation or removal from office.

Section 4.07 Qualifications. Each director must be a natural person 18 years of age or older. Directors need not be residents of the State of Utah. During the Period of Administrative Control, a director does not need to be a Member of the Association. After the expiration of the Period of Administrative Control, a director will need to be a Member of the Association.

Section 4.08 Resignation. Any director of the corporation may resign at any time by giving written notice to the corporation. A resignation is effective when the notice is received by the corporation unless the notice specifies a later effective date.

Section 4.09 Vacancies. Vacancies in the Board caused by any reason other than removal of a member of the Board of Directors by a vote of the Association shall be filled by vote of the

majority of the remaining members of the Board of Directors at a special meeting of the Board held for that purpose after the occurrence of any such vacancy, even though the total members of the Board of Directors remaining may constitute less than a quorum of the Board; provided, however, than a vacancy in the position of the Apartment Board Member shall be filled by the vote or written consent of the Apartment Owners, and each person so elected shall be a member for the remainder of the term of the member so replaced. A vacancy created by the removal of a member of the Board of Directors by a vote of the Association shall be filled by the election and vote of the Association.

Section 4.10 Removal.

- (a) All directors appointed by the Declarant shall serve, and may be removed and replaced, at the discretion of the Declarant, and shall not be subject to removal or replacement by the Members generally.
- (b) Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.
- (c) Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and the Board may appoint a successor.

Section 4.11 Right to Disapprove Actions. This Section 4.11 may not be amended without the express, written consent of the Declarant during the Period of Administrative Control.

During the Period of Administrative Control, the Declarant shall have a right to disapprove actions of the Board and any committee, as is more fully provided in this Section. No action authorized by the Board of Directors or any committee shall become effective, nor shall any action, policy or program be implemented until and unless the following requirements have been met:

(a) The Declarant shall be given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the

Association, as it may change from time to time, which notice complies as to the Board of Directors meeting with Article III, Sections 8, 9, and 10 of these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, be set forth in reasonable particularity in the agenda to be followed at such meeting;

(b) The Declarant shall be given the opportunity at any such meeting to join in or have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Declarant, its representatives or agents shall make its concerns; thoughts, and suggestions known to the members of the subject committee and/or the Board. The Declarant shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board of Directors or any committee thereof and to be taken by the Board, such committee, the Association, or any Member of the Association at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. The Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4.12 Regular Meetings. Regular Meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but following the Period of Administrative Control, meetings shall be held at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 4.13 Special Meetings. Special meeting of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to the considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery, (b) written notice by first class mail, postage prepaid, (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) business days before the time set for the meeting. Notices given by personal delivery, telephone or telegraph shall be delivered, telephoned or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 4.14 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all of the directors. Such consent has the same force and effect as a unanimous vote of the directors. Action taken under this provision is effective at the time the last director signs a writing describing the action taken, unless, prior to that time, any director has revoked a consent by a writing signed by the director and received by the secretary or any other person authorized by the Bylaws or the Board of Directors to receive the revocation, or unless the consent specifies a different effective time.

Section 4.15 Waiver of Notice.

- (a) <u>Written Waiver</u>. Any director may waive notice of any meeting before or after the date and time of the meeting stated in the notice. Except as provided in subsection (b), below, the waiver must be in writing and signed by the director entitled to notice. The waiver shall be delivered to the corporation for filing with the corporate records, but delivery and filing are not conditions to its effectiveness.
- (b) <u>Waiver by Attendance</u>. The attendance of a director at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to the holding of the meeting or the transacting of business at the meeting because of lack of notice or defective notice, and does not thereafter vote for or assent to action taken at the meeting.

Section 4.16 Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 4.17 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present is the act of the Board of Directors (provided, however, that matters affecting the Apartment Units or Apartment Common Areas shall require the approval of the Apartment Board Members as set forth in the Declaration). Voting by proxy is not permitted.

Section 4.18 Meetings by Telecommunication. The Board of Directors may permit any or all directors to participate in a regular or special meeting 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 participating in a meeting by this means is considered present in person at the meeting.

Section 4.19 Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

Section 4.20 Powers and Duties. The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are provided by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Members (provided, however, that matters affecting the Apartment Units or Apartment Common Areas shall require the approval of the Apartment Board Members as set forth in the Declaration). The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, by way of explanation, but not limitation:

- (a) preparing, adopting, and amending in accordance with the Declaration annual budgets in which there shall be established the contribution of each Owner to the Association's common expenses;
- (b) making assessments to defray the Association's expenses (including expenses incurred by virtue of cost sharing agreements entered into with entities such as a residential owner's association, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment, if permitted);
- (c) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and any other property for which it has responsibility and, where appropriate, providing

for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

- (d) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Association; provided, any Reserve Fund may be deposited, in the director's best business judgment, in depositories other than banks;
 - (e) making and amending design guidelines and rules and regulations;
- (f) opening of bank accounts on behalf of the Association and designating the signatories required;
- (g) making or contracting for the making of repairs, additions, and improvements to or alterations of the property of the Association in accordance with the provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;
- (h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (j) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;
- (k) keeping books with detailed amounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred,
- (l) making available to any prospective purchaser of a Unit, any Owner of a Unit, and the holders, insurers, and guarantors of mortgages or deeds of trust on any Unit, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules and all other books, records, and financial statements of the Association;
- (m) permitting utility suppliers to use portions of the Association's property, if any, as reasonably necessary to the ongoing development or operation of the Properties;
- (n) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Utah Law, the Articles of Incorporation or the Declaration;
- (o) making contracts and entering into agreements necessary for the performance of the Association's obligations and duties;
- (p) borrowing money and entering into loans and other instruments, including proving a security interest in, pledging, or assigning the Association's rights, title and interest in the common areas and any income to the Association, including any reimbursement fees;

- (q) subject to applicable law, acquiring, holding, encumbering, and conveying title or interest to real estate or personal property;
- (r) granting easements, leases, licenses, and concessions through or over the common areas;
- (s) performing any rights, duties and obligations under the Declaration and enforcing any rights under the Declaration;
- (t) exercising any other powers necessary and proper for the governance and operation of the Association; and
- (u) employing a professional property manager to carry out its duties under the Declaration, these Bylaws and any rules and regulations.

Notwithstanding the foregoing, the Apartment Board Members shall have the sole right and authority to perform any of the actions set forth above with respect to the Apartment Units and Apartment Common Areas.

Section 4.21 Management. The Board of Directors shall retain for the Association a professional property manager at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The obligation of the Board to retain a professional property manager may not be amended or modified. The Board of Directors may delegate to the property manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (b), (e), (f) and (h) of Section 4.20 of this Article.

Section 4.22 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise.

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;
- (f) financial reports shall be prepared for the Association at least quarterly containing;
- (i) an Income Statement reflecting all income and expense activity for the preceding period on an accrual basis;
- (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
- (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iv) a balance sheet as of the last day of the preceding period; and
- (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (Any assessment or installment thereof shall be considered to be delinquent on the tenth (10th) day following the due date unless otherwise determined by the Board of Directors); and
- (g) financials consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year, (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year.

Section 4.23 Borrowing. The Board of Directors shall have the power to borrow for any legal purpose, provided, the approval of the Members holding at least fifty-one (51%) percent of the votes represented in person or by proxy at a duly constituted meeting shall be required in the event that the proposed borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these Bylaws, or the Articles of Incorporation, no mortgage lien shall be placed on any portion of the Association's property without the affirmative vote or written consent, or any combination thereof, of Members representing at least fifty-one percent (51%) of the total Association vote.

Section 4.24 Rights of the Association. The Association shall have the right to contract with any person or entity for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational or other property owners' agreements with trusts, condominiums, and cooperatives, of other

property owners or similar associations, both within and without the Properties. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 4.25 Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted hereunder in accordance with the terms of the Declaration.

(a) Additional Enforcement Rights. The Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedures set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE V - OFFICERS

Section 5.01 Number. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The Association officers shall be elected from among the members of the Board of Directors. The Board of Directors may appoint such other officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 5.02 Appointment and Term of Office. Initial officers of the Association shall be elected by the Board of Directors after formation of the Association. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.03 Removal. Any officer, assistant, agent or employee may be removed, with or without cause, at any time by the board of directors, or by any officer to whom or committee of the board of directors to which such power of removal has been delegated, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 5.04 Resignation. An officer may resign at any time by giving written notice of resignation to the corporation. A resignation of an officer is effective when it is received by the corporation, unless the notice specifies a later effective date. An officer's resignation does not affect the corporation's contract rights, if any, with the officer.

Section 5.05 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors or by any officer to whom or committee of the Board of Directors to which such power has been delegated.

Section 5.06 The President. The president, unless otherwise specified by the Board of Directors, shall be the chief executive officer of the corporation and, under the direction of the Board of Directors, shall in general supervise and control all the business and affairs of the corporation. The president shall, when present, preside, in the absence of the chair of the Board, at meetings of the Board of Directors. The president may hire, prescribe the duties of, and fire employees, and may delegate such authority in whole or in part to any other officer or employee. The president may sign, with the secretary or any other proper officer of the corporation thereunto authorized by the Board of Directors, certificates for shares of the corporation, and any deeds, 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 or by these Bylaws to some other officer or agent of the corporation, 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 5.07 The 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 (or in the event there is more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) 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. Any vice president may sign, with the secretary or an assistant secretary, certificates for shares of the corporation; and shall perform such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors.

Section 5.08 The Secretary. The secretary shall (a) keep the minutes of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by Law; (c) be custodian of the corporate records and of the seal of the corporation and affix such seal to

documents when authorized; (d) maintain the records required under Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act, and (e) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors. In the absence of a secretary and any assistant secretaries, the president shall perform these duties.

Section 5.09 The Treasurer. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositaries as shall be selected in accordance with the provisions of Section 8.04 of these Bylaws; and (c) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors. In the absence of a treasurer, the secretary shall perform such duties.

Section 5.10 Assistant Secretaries and Assistant Treasurers. The assistant secretaries, when authorized by the Board of Directors, may sign with the president or vice president certificates for shares of the corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. The assistant treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or the treasurer, respectively, or by the president or the Board of Directors.

Section 5.11 Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE VI - COMMITTEES

Section 6.01 General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present as a meeting at which a quorum is present. Each committee shall operate in accordance

with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VII - INDEMNIFICATION

Section 7.01 Indemnification. The corporation shall indemnify each person who is or was a director, officer, employee or agent of the corporation or an individual who, while serving the indicated relationship to the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee fiduciary, or agent of another corporation or other person or of an employee benefit plan, to the fullest extent permitted by the Utah Revised Nonprofit Corporation Act.

Section 7.02 Authorization of Indemnification. The corporation shall be deemed to have authorized such indemnification whenever as determination has been made under Section 16-6a-906 of the Utah Revised Nonprofit Corporation Act that indemnification of an individual is permissible in the circumstances because the person has met the applicable standard of conduct.

Section 7.03 Advance of Expenses. The corporation shall accept the undertaking required by Subsection 16-6a-904(1)(b) of the Utah Revised Nonprofit Corporation Act without reference to financial ability to make repayment.

Section 7.04 Insurance. The corporation may purchase and maintain liability insurance on behalf of a person who is or was a director, officer, employee, fiduciary, or agent of the corporation, or who, while serving as a director, officer, employee, fiduciary, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of another foreign or domestic corporation or other person, or of an employee benefit plan, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee, fiduciary, or agent, whether or not the corporation would have power to indemnify him or her against the same liability.

Section 7.05 Savings Clause. If this Article or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each officer and director as to expenses, including attorneys' fees, judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether internal or external, including without limitation a grand jury proceeding and an action or suit brought by or in the right of the corporation, to the full

extent permitted by any applicable portion of this Article that shall not have been invalidated, or by any other applicable law.

ARTICLE VIII - MISCELLANEOUS

Section 8.01 Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 8.02 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Utah law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 8.03 Conflicts. If there are conflicts between the provisions of Utah law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Utah law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail. If any provision of these Bylaws is in conflict with Utah law, the provision will be interpreted to be consistent with Utah law and the remainder of these Bylaws shall remain in full force and effect.

Section 8.04 Books and Records.

and

- (a) <u>Inspection by Members and Mortgagees</u>. The Declaration and Bylaws, membership register books of account, and minutes of meetings of the Members, the Board, and committees shall be maintained in accordance with applicable law and the Board and/or the Association may redact information as permitted by applicable law. Subject to the preceding and in accordance with applicable law, the records shall be made available for inspection and copying by any Mortgagee, Member of the Association, or by the duly appointed representative of any Member at any reasonable time and for a purpose reasonably related to his or her interest in a Unit at the office of the Association or at such other place within the Properties as the Board shall prescribe. In the event any records are copies, the Association may recover copying costs as permitted by applicable law.
- (b) <u>Rules for Inspection</u>. The Board shall establish reasonable rules with respect to:
 - (i) notice to be given to the custodian of the records;
 - (ii) hours and days of the week when such an inspection may be made;
 - (iii) payment of the cost of reproducing copies of documents requested.
- (c) <u>Inspection by Directors</u>. Every director shall have the absolute right at any time to inspect all books, records, and documents of the Association and the physical properties

owned or controlled by the Association. The right of inspection by a director shall include the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 8.05 Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid;

- (a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no street address has been designated, at the address of the Unit of such Member; or
- (b) If to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 8.06 Amendment.

- (a) By Declarant. During the Period of Administrative Control, the Declarant may unilaterally amend these Bylaws for any purpose. Thereafter, the Declarant may unilaterally amend these Bylaws at any time and from time to time if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which is in conflict therewith; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Properties; or (iii) required by an institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans to enable it to make, purchase, insure or guarantee mortgage loans on any portion of the properties within the Development; provided, however, any such amendment shall not adversely affect the title to any property unless the owner thereof shall consent thereto in writing. Further, so long as it still owns property within the Development, the Declarant may unilaterally amend these Bylaws for any purpose provided such amendment has no material adverse effect upon any right of any Owner.
- (b) <u>By Members</u>. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent or any combination thereof, of Members holding seventy-five percent (75%) of the Proportionate Interest in the Association, which shall include at least fifty percent (50%) of the Proportionate Interests of the Apartment Owners. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment may remove revoke, or modify any right or privilege of the Declarant without the prior written consent of the Declarant or its assignee of such right or privilege.

shall become effective upon recordation in the public records of Iron County, Utah, unless another date is specified therein. Any procedural challenge to an amendment must be made within thirty (30) days of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws. If an Owner consents to any amendment to these Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary position in any mortgage or contract between Owner and a third party will affect the validity of such amendment.

Secretary's Certificate

I, THE UNDERSIGNED, being the secretary of the Fiddlers Canyon Hills Homeowners Association, Inc., do hereby certify the foregoing to be the Bylaws of such corporation, as adopted by written consent of its Board of Directors dated as of August 1, 2025.

Russell Skousen, Secretary