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BY-LAWS
OF
PATIO SPRINGS HOMEOWNERS
ASSOCIATION, WEST

ARTICLE I

Offices

Section 1. Principal Offices. The principal offices of the corporation shall be in the State of Utah.

ARTICLE II

Eligibility for Membership

Membership in the corporation shall be limited to record owners of lots located on the premises described as Patio Springs Unit No. 1, a cluster type Subdivision, located in Eden, Weber County, Utah, as recorded in the Weber County Records.

One membership in the corporation shall be issued to the record owner of each lot. The record owners of all lots collectively shall constitute all the members. In the event any such lot is owned by two or more persons, whether by joint tenancy, tenancy in common or otherwise, the membership as to such lot shall be joint and a single membership for such lot shall be issued in the names of all the owners, and they shall designate to the corporation in writing at the time of issuance one person who shall hold the membership and have the power to vote said membership. No membership shall be issued to any other person or persons except as they may be issued in substitution for outstanding memberships assigned to new record owners of lots.

ARTICLE III

Members

Section 1. Annual Meetings. The first annual meeting of the members of the corporation shall be held on September 11, 1993, Thereafter, the annual meetings of the members shall be held on the second Saturday in September, or at such other time as the members may by majority vote approve. At such meeting, there shall be elected a Board of Directors in accordance with the requirements of Article IV of these By-Laws. The members may

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the corporation, and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the members. The powers of the Board of Directors shall include, but not be limited to, all of the rights and duties of the Board of Directors as set forth elsewhere in these By-Laws and the Articles of Incorporation, and shall also include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate such duties as appear in the best interests of the corporation and to the extent permitted by law.

Section 3. Election and Term of Office. At the first annual meeting of the members on September 11, 1993, seven (7) Directors shall be elected as the Board of Directors as follows:

- a. Four Directors shall be elected for a two year term.
- b. Three Directors shall be elected for a one year term.

Thereafter at each annual meeting in even numbered years, three Directors shall be elected and in the odd numbered years four Directors shall be elected. The election shall be by secret and written ballot by a majority of members present at such meeting. Each member may accumulate his votes for the election and removal of Directors as provided in this Article IV. At any election of the Board, each member may give one candidate for director his vote multiplied by the number of Directors to be elected or removed, or by distributing such votes on the same principle among any number of such candidates.

Section 4. Vacancies. Vacancies on the Board of Directors caused by any reason shall be filled by vote of the majority of the remaining directors even though they may consist of less than a quorum and each person so elected shall be a director until his successor is elected by the members at the next annual meeting.

Section 5. Removal of Directors. At any regular or special meeting of the members duly called, any one or more of the Directors may be removed with or without cause by a majority vote of a quorum of the membership and a successor may then and there be elected to fill the vacancy thus created. In this connection, the cumulative voting rule as mentioned in Section 3 above shall be in effect.

Section 6. Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by him for the corporation in any other capacity, unless a

resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

Section 7. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such time and place as shall be fixed at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 8. 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. Notice of regular meeting of the Board of Directors shall be given to each director, personally or by mail, telephone or fax at least three (3) days prior to the day named for the meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director, given personally or by mail, telephone or fax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of a least fifty percent (50%) of the directors.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time.

Section 12. Adjournments. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the corporation, provided that no meeting may be adjourned for a period longer than thirty (30) days.

Section 13. Fidelity Bonds. The Board of Directors may require that all officer and employees of the corporation handling or responsible for corporation funds shall furnish

adequate Fidelity Bonds. The premiums on such bonds, if required by vote of the Board of Directors, shall be paid by the corporation.

ARTICLE V

Officers

Section 1. Designation. The principal officers of the corporation shall be a President, a Vice President, a Secretary-Treasurer, all of whom shall be elected by and from the Board of Directors.

Section 2. Election of Officer. The officers of the corporation shall be elected annually by the Board of Directors at the organization meeting of each new Board.

Section 3. Removal of Officers. Upon an affirmative vote of two-thirds (2/3) of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He shall have all of the general powers and duties which are normally vested in the office of the president of a corporation, including but not limited to, the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the corporation.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the members; shall have the custody of the seal of the corporation; shall have charge of the membership books and such other books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility for corporation funds and securities and shall be

responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the corporation. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the corporation in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Compensation. No compensation shall be paid to officers for their services as officers. No remuneration shall be paid to an officer for service performed by said officer for the corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

ARTICLE VI

General Provisions

Section 1. Books and Accounts. Books and accounts of the corporation shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedure and prudence.

Section 2. Auditing. The Board of Directors on an annual basis, shall cause the books and accounts of the corporation to be reviewed by an independent committee appointed by the Board. The report of said committee will be presented at the annual meeting.

Section 3. Inspection of Books. Financial reports, such as are required to be furnished, and the membership records of the corporation shall be available at the principal offices of the corporation for inspection at reasonable times by any members.

Section 4. Execution of Corporation Documents. With the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on behalf of the corporation by any two officers of the corporation.

Section 5. Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Directors and shall be subject to change by the Board of Directors should corporation practice subsequently necessitate such change.

ARTICLE IX

Amendment of the By-Laws

Section 1. Amendment by the Members. These By-Laws may be amended by the affirmative vote of three-fourths (3/4) of the members present or represented by proxy at any regular or special meeting, provided that a quorum as prescribed in Section 4, Article III herein, is present at any such meeting. Amendments may be proposed by the Board of Directors or by a petition signed by at least fifty-one percent (51%) of the members. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon. These By-Laws may not be amended insofar as such amendment would be inconsistent with the recorded restrictions of the property.

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Section 2. Amendment by the Directors. The Directors of the corporation by the affirmative vote of two-thirds (2/3) of all of the Directors of the corporation, may amend or alter the By-Laws of the corporation at any regular meeting or at any special meeting, provided that no such alteration or amendment by the Board of Directors shall increase the powers of the Board of Directors. The statement of any proposed amendment shall accompany notice of any regular or special meeting at which such proposed amendment shall be voted upon. These By-Laws may not be amended insofar as such amendment would be inconsistent with the recorded restrictions of the property.