

BY-LAWS OF
DAMMERON VALLEY LANDOWNERS ASSOCIATION, INC.

BY-LAW ONE
PURPOSES AND OBJECTS

In amplification of the purposes for which the Corporation has been formed as set forth in the Articles of Incorporation, the purposes and objects are as follows:

- (a) To develop a community designed for safe, healthful, and harmonious living.
- (b) To promote the collective and individual property and civic interests and rights of all persons, firms, and corporations owning property in the Dammeron Valley Subdivisions as said property is shown on that certain map filed for record in the office of the recorder of the County of Washington, State of Utah.
- (c) To care for the improvements and maintenance of the community center, gateways, public easements, parkways, grass plots, trees, parking areas, and any facilities of any kind dedicated to the community use and other open spaces and other ornamental features of the above-described subdivision known as Dammeron Valley, which now exists or which may hereafter be installed or construed therein and to provide an architectural review board.
- (d) To cooperate with the owners of all vacant and unimproved lots and plots now existing or that hereafter shall exist in the tract to keep them in good order and condition, in preventing them from becoming a nuisance and a detriment to the beauty of the tract and to the value of the improved property therein, and to take any action with reference to such vacant or unimproved lots and plots as may be necessary or desirable to keep them from becoming such nuisance and detriment.
- (e) To aid and cooperate with the members of the Corporation, and to counsel with the Washington County Planning Commission, having jurisdiction in relation to any zoning that may affect any portion of the subject property.
- (f) In general, but in connection with the foregoing, to do any and all things necessary to promote the general welfare of the residents and owners of any portions of the Dammeron Valley and their property interests therein.
- (g) To acquire, own, or lease such real and personal property as may be necessary or convenient for the transaction of its business and the fulfillment of its purposes and objects, and to exercise all rights, powers, and privileges of ownership to the same extent as natural persons might or could do.
- (h) To arrange social and recreational functions for its members.
- (i) To exercise any and all powers that may be delegated to it from time to time by the members in the Dammeron Valley Subdivisions.
- (j) This Corporation shall not engage in political activity or pursue political purposes of any kind of character.

BY-LAW TWO
MEMBERS

Section 1. Class of Members. The Corporation shall have one class of members. The qualifications and rights shall be as follows:

- (a) Membership qualifications are set forth in Article III of the Articles of Incorporation.
- (b) Membership shall include an undertaking by the applicant to comply with and be bound by the Articles of Incorporation, these by-laws and amendments thereto, and the policies, rules, and regulations at any time adopted by the Corporation in accordance with these by-laws.
- (c) Membership in this Corporation shall terminate on such member's ceasing to be a record fee owner in any lot which is subject to the Protective Covenants and Declarations (CC&Rs) attached to the Dammeron Valley Subdivisions.

Section 2. Voting Rights. Each member in good standing, as set forth in By-law Seven, Section 5, shall be entitled to vote on each matter submitted to a vote of the members, provided however, that each

member shall be the sole record owner of a residential building site in Dammeron Valley. A member shall have one vote for each residential building site of which he is the record owner, and in the event of any lot re-subdivided, this shall mean one vote for each site of ownership as re-subdivided, only one vote for such lot or site owned shall be allowed, and such joint owners shall designate and register with the Secretary of the Corporation the name of that owner entitled to cast such single vote. A representative of the Dammeron Corporation shall be allowed one vote, provided that the Dammeron Corporation has paid the equivalent of dues owing for one lot in the record year for basis of determining membership in good standing and provided that such vote shall not be a deciding vote on any matter.

- (a) At membership meetings all votes shall be cast in person, by written ballot or by proxy registered with the Secretary.
- (b) The Board of Trustees is authorized to establish regulations provided for voting by mail.

Section 3. Assignment of Rights. A member may assign his membership rights to the tenant residing in or on the member's lot. Such assignment shall be effected by filing with the Secretary of the Corporation a written notice of assignment signed by the member.

BY-LAW THREE MEETINGS OF MEMBERS

Section 1. Annual meeting. An annual meeting of the members for the purpose of hearing reports from all officers and standing committees shall be held in the County of Washington, State of Utah in May of each year; unless changed by the Board of Trustees. The date, time and place shall be fixed by the Board of Trustees. The issues to be considered at the annual meeting, including amendments to the By-Laws, shall be submitted to the Board of Trustees 60 days prior to the annual meeting.

Section 2. Regular Meetings. In addition to the annual meetings, the regular meeting of the members shall be had at such time and place as shall be determined by the Board of Trustees.

Section 3. Special Meetings. A special meeting of the members may be called by the President or the Board of Trustees. Also, a special meeting of the members must be called within thirty (30) days by the president, if requested by ten percent (10%) of the members having voting rights.

Section 4. Notice of Meetings. Written notice stating the place, day, and hour of any meeting of members shall be delivered either personally or by mail to each member, not less than twenty (20) days before the date of such meeting. The agenda, the full text of any proposed amendments to By-laws and any other matter proposed to be voted on shall be included in the notice. All required notices under the Articles of Incorporation and these By-laws shall be deemed to be delivered when deposited in the United States mail, first class, postage paid, addressed to the member at the address as it appears on the Corporation's books.

Section 5. Quorum. Quorum requirements are set forth in Article V of the Articles of Incorporation. In the absence of a quorum, a majority of the members who are present at such meeting may adjourn the meeting to a specified time and date. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 6. Proxies. At any meeting of the members, a member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after two (2) months from the date of its execution, unless otherwise provided in the Proxy.

Section 7. Voting by Mail. Any action that may be taken at a meeting of the members may be taken without a meeting if a written ballot is delivered to every member. The vote on such proposed action may be conducted by mail in accordance with applicable provisions of these By-laws and shall specify the time by which a ballot must be received by the corporation in order to be counted. All ballots shall be designed to provide for anonymous voting.

BY-LAW FOUR BOARD OF TRUSTEES

Section 1. General Powers. The affairs of the Corporation shall be managed by the Board of Trustees, subject to instructions of the members of the Corporation as expressed by a vote of the membership.

Section 2. Number, Tenure and Qualifications. The number of Trustees constituting the Board of Trustees is five unless modified, as provided in the Articles of Incorporation or these By-Laws. Each Trustee shall be a member of the Corporation entitled to vote at a regular meeting of the Corporation. A candidate for a position on the Board of Trustees cannot be a co-landowner, spouse, sibling or child of a person currently serving on the board, a sub-board, or a chartered committee of the Association. At the annual meeting of the members held in the year 1982, five Trustees shall be elected to the Board of Trustees. The two nominees receiving the highest number of votes shall hold office for two years and an election to fill these two positions shall be held in each even numbered year thereafter. The three nominees receiving the next highest number of votes shall hold office for one year and an election to fill these three positions shall be held in each odd numbered year thereafter. Trustees shall hold office until the annual meeting of the members held in the year their terms expire and until their successors shall have been elected and qualified. Any increase or decrease in the number of Trustees shall be in units of two with one-half of the terms expiring in the following even numbered year and the remaining one-half of the terms expiring in the following odd numbered year.

Section 3. Regular Meetings. The Board of Trustees shall meet regularly at least once a month, at a time and place it shall select.

Section 4. Special Meetings. A special meeting of the Board of Trustees may be called by or at the request of the President or of any Board member.

Section 5. Notices. Notice of any special meeting of the Board of Trustees shall be given at least one (1) day prior thereto, by written or verbal notice delivered personally to each Trustee. Any Trustee may waive notice of any meeting.

Section 6. Quorum. A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Trustees are present at said meeting, a majority of the Trustees present may adjourn the meeting from time to time, and without further notice.

Section 7. Manner of Acting. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law or by these by-laws.

Section 8. Vacancies. Any vacancy occurring on the Board of Trustees, and any position to be filled by reason of the increase in the number of Trustees, shall be filled by election of the Board of Trustees. A vacancy may be declared by the President by reason of resignation, loss of DVLA voting rights, or death of a member of the Board of Trustees. A Trustee elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Recall. A member of the Board of Trustees may be recalled by a regular or special meeting of the membership. A majority vote of all members with voting rights is required for recall. Such meeting will be conducted under the rules specified in By-law Three.

Section 10. Meetings. All meetings of the DVLA Board of Trustees shall be open to members except for the discussion of the following:

- (a) The character, competence, or health of an individual
- (b) Pending or reasonably imminent litigation

No ordinance, rule, regulation, contract, appointment, or business in general may be approved in a closed meeting. Written minutes shall be kept of all meetings, open and closed.

Section 11. Borrowing Money. The Board of Trustees, after receiving approval from a vote by a 51% majority of the members entitled to vote at a meeting where a quorum is present either by ballot or by written proxy, may borrow money on behalf of the Corporation and pledge as collateral, or otherwise hypothecate, assets of the Corporation which consists of fire engine, fire house, and lot. Individual landowner properties will not be included or inferred as collateral.

BY-LAW FIVE OFFICERS

Section 1. Officers. The officers of the Corporation shall be a President, Vice-President, and Secretary/Treasurer.

Section 2. President and Vice-President. The President and Vice-President shall be members of the Board of Trustees, shall be elected by the Board of Trustees and shall serve for a term of one year. The President shall preside at all meetings of the Corporation and of the Board of Trustees at which he is present, shall exercise general supervision of the affairs of the Corporation, subject to approval by the Board of Trustees and shall serve as a member ex-officio of all standing committees. The Vice-President shall assume the duties of the President during his absence.

Section 3. Secretary/Treasurer. A Secretary and Treasurer shall be selected by the Board of Trustees. The positions can be filled separately or combined and held by an individual with the title of Secretary/Treasurer. The Secretary and Treasurer shall serve until he or she resigns or is replaced by the Board of Trustees. The Secretary shall keep the minutes of all meetings of the Corporation and of the Board of Trustees, which shall be an accurate and official record of all business transacted. The Secretary shall post/distribute copies of all draft minutes to the Board of Trustees within seven (7) calendar days following any meeting of the Corporation or the Board of Trustees and shall post/make available to members within seven (7) calendar days following approval by the Board or the members. The Secretary shall post/distribute copies of the proposed agenda to the Board of Trustees at least three (3) calendar days prior to any regularly scheduled meeting of the Board of Trustees. The Treasurer duties are to receive all Corporate funds, keep them in a bank approved by the Board of Trustees, and pay out funds on notice signed by him/her and by one other authorized Trustee. The Treasurer shall be a member ex-officio of the finance committee.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by any member of the Board of Trustees for the unexpired portion of the term.

Section 5. Attestation. Each Trustee shall sign the following statement: "I acknowledge that by agreeing to serve on the Board or Trustees I have undertaken obligations to the Dammeron Valley Landowners Association pursuant to applicable law."

BY-LAW SIX INDEMNIFICATION

Section 1. Indemnification. No officer or Trustee shall be personally liable for any obligations of the Corporation or for any duties or obligations of the Corporation or for any duties or obligations arising out of any acts or conduct of said officer or Trustee performed for or on behalf of the Corporation. The Corporation shall and does hereby indemnify and hold harmless each person and his heirs and administrators who shall serve at any time hereafter as a Trustee or officer of the Corporation from and against any and all claims, judgments and liabilities to which such persons shall become subject by reason of his having heretofore or hereafter been a Trustee or officer of the Corporation, or by reason of any action alleged to have heretofore or hereafter taken or omitted to have been taken by him as such Trustee or officer, and shall reimburse each such person for all attorney's fees and all legal and other expenses reasonable incurred by him in connection with any such claim or liability, including power to defend such person from all suits or claims as provided for under the provisions of the Utah Code,

Annotated, as amended; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of his own negligence or willful misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which he may lawfully be entitled, nor shall anything herein contained restrict the right of the Corporation to indemnify or reimburse such person in any proper case, even though not specifically herein provided for. The Corporation, its Trustees, officers, employees and agents shall be fully protected in taking any action or making any payment, or in refusing to do so in reliance upon the advice of counsel.

Section 2. Other Indemnification. The indemnification herein provided shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested Trustees, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee, officer or employee, and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 3. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Trustee, officer or employee of the Corporation or is or was serving at the request of the Corporation as a Trustee, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against liability under the provisions of this section or of Section 1.

Section 4. Settlement by Corporation. The right of any person to be indemnified shall be subject always to the right of the Corporation by its Board of Trustees, in lieu of such indemnity, to settle any such claim, action, suit or proceeding at the expense of the Corporation by the payment of the amount of such settlement and costs and expenses incurred in connection therewith, including reasonable attorney's fees.

BY-LAW SEVEN FEES, DUES, AND ASSESSMENTS

Section 1. Admission Without Fee. No payment of an admission fee shall be required to establish membership in this Corporation.

Section 2. Annual Dues. The annual dues shall be the same for each member after the budget has been reviewed and approved by 51% (fifty-one percent) of a quorum of the members in good standing, as set forth in By-law Seven, Section 5. The budget and annual dues shall remain in full force and effect each year after approval until a new budget and annual dues shall have been approved as provided herein.

Section 3. Payment of Dues. The dues shall be payable annually and shall be due on the first of the month following the annual meeting or upon membership in the association. The members may vote to include imposition of late fees.

Section 4. Special Assessments. Special assessments may be levied on members of the Corporation only by a majority vote of the quorum entitled to vote at the meeting either by ballot or by written proxy.

Section 5. Default in Payment of Dues or Assessments.

(a) When any member shall be in default in the payment of dues or assessments for a period of fifteen (15) days from the date on which such dues or assessments became payable, that member, for the purposes of voting, shall not be considered as a member in good standing. Such member shall not be reinstated until he has paid dues and assessments in full, and until such time as such member is reinstated, he shall have no rights of any kind arising out of a membership in the corporation.

(b) In addition to the foregoing, if any member shall be in default in the payment of dues or assessments for a period of fifteen (15) days from the date on which such dues or assessments became payable, late

fees shall become due as established by the adopted budget. Any late fee payment received shall first be applied to any unpaid interest, then to fees and costs, and lastly to principal.

(c) In addition to the foregoing, if any member shall fail to pay his dues or assessments after fifteen (15) days written notice of such delinquency given by the Corporation to such member, the amount of the unpaid balance, and any accrued late fees, shall become a lien on such member's lot in the subdivision in favor of the Corporation, the Corporation shall have the right to record a notice of claim of lien and proceed thereon in accordance with the provisions of the law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any collection, lien filing, foreclosure, or sale, the lot owner shall be required to pay the Corporation for its costs and expenses of such proceedings plus reasonable attorney's fees.

Section 6. Assignment of Dues. In the event any member whose dues are paid shall, during the year in which such dues are paid, terminate his membership by sale of his lot in Dammeron Valley he shall be entitled to assign to the buyer of such lot the benefit of the paid up dues.

BY-LAW EIGHT ARCHITECTURAL REVIEW COMMITTEE

Section 1. Appointment. The Board may appoint an Architectural Review Committee, which shall at all times operate subject to the direction of the Board of Trustees in accordance with applicable CC&Rs and law.

Section 2. Composition. The Architectural Review Committee, if appointed, shall be comprised of a chairman and two or more members. The Committee may be composed of Trustees as well as members. A quorum for Committee action shall be three members.

Section 3. Qualifications for membership. Committee members shall:

- (a) Be a member in good standing.
- (b) Be willing and able to handle a significant share of the Committee workload.
- (c) No member of the Committee shall be a co-landowner, spouse, sibling or child of a person currently serving on the Board of Trustees or the Architectural Review Committee.

Section 4. Term of Office. Committee members shall be appointed for a term of two years.

Section 5. Duties. The Committee shall conduct the review of and shall recommend approval or denial of plans and proposals for construction.

Section 6. Procedures. The Committee shall follow procedures approved by the Board of Trustees. Such procedures shall adhere to applicable CC&Rs, Articles of Incorporation, duly adopted By-laws, duly adopted Architectural Guidelines and duly adopted Board policies and procedures ,

Section 7. Architectural Guidelines. All Architectural Guidelines must be approved by a majority of members of each subdivision. No guideline shall be deemed binding upon any member that is inconsistent with applicable CC&Rs and law

**BY-LAW NINE
FISCAL YEAR**

The fiscal year of the Corporation shall be from July 1st of each year through June 30th of the following year.

**BY-LAW TEN
AMENDMENTS**

Any proposed amendment to these By-Laws must be submitted in accordance with By-law Three (Meetings of Members).

**BY-LAW ELEVEN
EFFECTIVE DATE OF AMENDMENTS**

A proposed amendment shall become effective when approved by a 51% majority of the members in good standing, as set forth in By-law Seven, Section 5.

CERTIFICATION

I, the undersigned do hereby certify:

THAT I am the duly appointed and acting Secretary of the Dammeron Valley Landowners Corporation, Inc., a Utah Corporation, and

THAT the foregoing By-Laws constitute the revised By-Laws of said Corporation, as duly adopted by a majority of the members thereof in accordance with applicable law. These By-laws supersede any and all By-laws passed prior to the date hereof.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of Said Corporation on the ___th day of _____, 20__.

Signed by _____
Secretary/Treasurer

BOARD OF TRUSTEES,
_____, President
_____, Vice President
_____, Trustee
_____, Trustee
_____, Trustee