

**BY-LAWS OF
SILVER POINTE HOME OWNER'S ASSOCIATION**

ARTICLE I - OFFICES

Section 1. The principal place of office of the Association shall be in Brigham City, Box Elder County, State of Utah, and its initial registered office in the State of Utah is located at 144 South 100 West, Post Office 617, Brigham City, Utah 84302. The name of the initial registered agent for service of process at that address is Jeffrey S. Packer. The Association may maintain other offices as the Board of Trustees may from time to time authorize.

Section 2. The Board of Trustees of the Association may change the registered office or the registered agent or both by complying with the terms and provisions of the Utah Non-Profit Association and Cooperative Association Act.

ARTICLE II - TRUSTEES

Section 1. The business affairs and property of the Association shall be managed and controlled by a Board of Trustees who shall be hereafter selected by the members at the annual Meeting of Members, as hereinafter provided and shall hold office for a period of one (1) year or until their successor is elected and qualified.

Section 2. The Board of Trustees shall consist of three (3) Trustees. The number of trustees may be increased or decreased from time to time by amendment to these bylaws. The number of trustees may not be decreased to less than three (3). No decrease in the number of Trustees shall have the effect of shortening the term of any incumbent trustee.

Section 3. The Trustees of the Association shall be members at the date of their election unless the number of members at the annual meeting of members is less than three (3) or unless one or more of the members refuses to serve on the Board of Trustees, and as a result there are insufficient members to make up the Board of Trustees.

Section 4. For the purposes of Sections No. 2 and No. 3 above, the terms "members" shall include all persons owning an interest in membership either as a joint tenant or as a tenant-in-common.

Section 5. Regular meetings of the Board of Trustees shall be held annually immediately after the annual meeting of members without notice being required. Special meetings of the Board of Trustees shall be called by the President or by him at the request of one-third (1/3) of the other Trustees. Notice of said special meeting stating the business to be transacted and the purpose for which the special meeting was called shall be given not less than seven (7) nor more than fifteen (15) days prior to the date of the meeting. A requirement of notice may be waived if consent is previously or subsequently given in writing by all Trustees. All regular and special meetings of the Board of Trustees must be held at the registered office of the Association unless otherwise agreed, in writing, by all members of the Board of Trustees.

Section 6. The majority of the number of Trustees fixed by these By-Laws shall constitute a quorum for the transaction of business at any regular or special meeting of the Trustees. The act of a majority of the Trustees fixed by these By-Laws 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 these By-Laws or other provisions of law. A Trustee who is present at a meeting of the Board of Trustees at which action on any association matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or immediately thereafter. Such right to dissent shall not apply to a Trustee who voted in favor of such action.

Section 7. Any contract or other transaction between the Association and one or more of its Trustees, between the Association and any firm of which one or more of its Trustees are employees or in which they are interested or between the Association and any Association or Corporation of which one or more of the Trustees are members, shareholders, Trustees, officers or employees, or in which they are interested, shall be valid for all purposes notwithstanding the presence of said Trustee or Trustees at the meeting of the Board of Trustees which acts upon or in reference to said contract or transaction, if the fact of such interest shall be disclosed or known to the Board of Trustees and the Board of Trustees shall nevertheless authorize, approve or ratify such contract or transaction. This section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the Utah Non-Profit Association and Cooperative Association Act.

Section 8. A vacancy on the Board of Trustees shall be filled within thirty (30) days of the vacancy or within five (5) days after the request of members holding at least ten percent (10%) of the membership of the Association that said vacancy be filled, provided, that if the vacant Trusteeship was held by a member of the Association, then the new Trustee must have been a member at the date of the last annual meeting of members, provided, that for purposes of this qualification, an heir, executor, administrator, trustee, or surviving joint tenant shall stand in the place of his or her successor in interest.

ARTICLE III - OFFICERS

Section 1. The officers of the Association shall be a president, one or more vice-presidents, a secretary-treasurer and such other officers as the Board of Trustees from time to time may determine. Any two (2) offices except the office of president and secretary-treasurer may be held by the same person.

Section 2. All officers of the Association shall be appointed annually by the Board of Trustees at its annual Board of Trustees Meeting held immediately after the annual Members Meeting. Any officer may be removed by the Board of Trustees whenever in its judgment the best interests of the Association would be served thereby. A vacancy in any office created by reason of death, resignation, removal or otherwise may be filled by the Board of Trustees. Compensation of the officers shall be fixed by the Board of Trustees.

Section 3. The president shall be the principal executive officer of the Association and subject to the control of the Board of Trustees shall, in general, supervise the business and affairs of the Association. He shall preside at all meetings of the members and of the Board of Trustees.

Section 4. In the absence of the president, or in the event of his inability or refusal to act as herein prescribed, the vice-president shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions applicable to the president.

Section 5. The secretary-treasurer shall:

- (a) keep the minutes of the Members Meetings and of the Board of Trustees Meetings;
- (b) mail notices in accordance with the provisions of these By-Laws;

- (c) together with and at the direction of the president have charge and custody and be responsible for all funds and securities of the Association;
- (d) together with and at the direction of the president receive and deposit all such moneys in the name of the Association in banks and other depositories;
- (e) have charge of the membership list and transfer books of the Association;
- (f) in general, perform all duties incident to the office of secretary-treasurer and such other duties as may from time to time be assigned by the president or the Board of Trustees.

ARTICLE IV - MEMBERSHIP

Section 1. The Association shall have two (2) classes of voting membership respecting the Lots, as follows:

Class A. Class "A" Members shall originally be all the Owners of Lots in the properties, with the exception of the Declarant, for so long as there exists a Class "B" Membership. Class "A" Members shall be entitled to one (1) vote for each Lot owned. Declarant shall become a Class "A" Member with regard to Lots owned by Declarant upon conversion of Declarant's Class "B" Membership as provided below. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised in accordance with Article IV, Section 2 of the Declaration, and in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Declarant's Membership shall originally be the Class "B", and Class "B" membership shall be entitled to three (3) votes for each Lot owned by Declarant. The Class "B" Membership shall cease and be converted to Class "A" Membership on the happening of any of the following events whichever occurs earliest.

- (a) When the total votes outstanding in the Class "A" Membership, inclusive of votes attributable to any property annexed to the Properties, equals the total votes outstanding in the Class "B" Membership; or
- (b) Three (3) years from the date of recording the Declaration; or
- (c) On the voluntary cancellation of the Class "B" Membership by Declarant.

ARTICLE V - SHARE CERTIFICATES, TRANSFER

Section 1. Each member shall be entitled to a certificate of membership signed by the president and the secretary-treasurer of the Association representing that appropriate membership interest in the Association and which sets forth on its face:

- (a) That the Association is organized under the laws of the State of Utah;
- (b) The name of the person or persons to whom issued;
- (c) The class of membership;
- (d) All other particulars required by law.

ARTICLE VI - MEMBERS MEETINGS

Section 1. The annual meeting of the members shall be held on the last Monday in June at 1:00 p.m. at the business office of the Association or elsewhere as the Board of Trustees may select. Special meetings of the members may be called by the president, the Board of Trustees or the holders of not less than twenty-five percent (25%) of the members of the Association entitled to vote at the meeting. Written or printed notice stating the place, day and hour of the meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifteen (15) days before the date of said meeting either personally or by mail, provided that all restrictions on the location of Board of Trustees Meeting shall apply to all Members Meetings.

Section 2. Any action required to be taken at a meeting of members or any other action may be taken without a meeting if consent in writing is signed by all of the members entitled to vote.

Section 3. A fifty percent (50%) majority of the members entitled to vote represented in person or by proxy shall constitute a quorum at a meeting of members. If a quorum is present, the affirmative vote of fifty-one percent (51%) of the outstanding membership shall be the act of the members unless the vote of a greater number of members is required by these By-Laws or by other provisions of law.

ARTICLE VII - INDEMNIFICATION

Section 1. The Association shall indemnify any Trustee, officer or employee against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such Trustee, officer or employee except in relation to matters as to which he shall be judged liable for negligence or misconduct in the performance of his duty. The Association may also reimburse any such person for any settlement made with a third person if it shall be found by a majority of the Board of Trustees that settlement was in the best interest of the Association.

ARTICLE VIII - AMENDMENT

Section 1. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a vote of the majority of the members at any regular or special meeting of the members.

We hereby certify that the foregoing is the original or a true and correct copy of the By-Laws adopted by the Board of Trustees at the initial meeting of the Board of Trustees held on the 18th day of June, 1998.

Jerry A. Packer
Trustee

Randy Dean
Trustee

Kevin W. Lacker
Trustee