

BYLAWS
OF
BELLA SOL AT SANTA CLARA HOMEOWNER'S ASSOCIATION
("Association")

ARTICLE I
Offices

Section 1.1 **Business Offices**. The principal office of the Association shall be located at 935 E South Union Ave Suite D 104 Midvale UT 84047. The Association may have such other offices as the Board of Directors may designate or as the affairs of the Association may require from time to time.

Section 1.2 **Registered Office**. The Registered office of the Association required by the Utah Revised Nonprofit Corporation Act (the "Act") shall be as set forth in the Articles of Incorporation, and may be changed from time to time by the Board of Directors.

ARTICLE II
Purpose and Powers of the Association

The Association is organized and shall be operated as a nonprofit corporation for the purpose of maintaining and administering the common areas, collecting and disbursing dues and assessments, and carrying out and regulating the affairs of the planned unit development known as the Bella Sol at Santa Clara (the "***Development***"), including that real property located within the Development in Washington County, State of Utah (the "***Property***") which is more particularly described in that certain Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Bella Sol at Santa Clara, recorded or to be recorded in the Washington County Recorder's office, as such declaration may be amended, supplemented, or otherwise modified from time to time (the "***Declaration***"). Without limiting the generality of the foregoing, the Association is organized for the following purposes and shall have the power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the Property, as the same may be amended from time to time as therein provided, including without limitation, to provide for the administration, operation, maintenance, preservation and architectural control of the Property (including the lots and common areas) and to regulate the members of the Association in connection with their ownership, usage and maintenance of the Property (including the lots and common area);

(b) fix, levy, collect and enforce payment by any lawful means, all

dues, fees, charges or assessments pursuant to the terms of the Declaration and Bylaws adopted by the Association; to pay all expenses or assessments arising in connection with the Property and all office and other expenses incident to the conduct of the business of the Association or incurred by the Association, including without limitation expenses of maintenance of and improvements to common areas, and taxes or governmental charges levied or imposed against the Property or the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereinafter have or exercise; and

(e) promulgate rules and regulations deemed necessary or desirable to carry out the purposes of the Association, including without limitation, to aid in the administering of the affairs of the Association, to ensure the Property is maintained and used in a manner consistent with the Declaration and the interest of the members, to regulate the use of the common areas and the personal conduct of the members and their guests and invitees, and to establish sanctions and/or penalties for violations or infractions thereof.

ARTICLE III Members

Section 3.1 Members. "Member" shall mean any person holding a membership interest in the Association, as provided in the Declaration and these Bylaws. "Membership" shall mean the property, voting and other rights and privileges of Members in the Association as provided herein, together with the correlative duties and obligations contained in this Declaration and the Articles, governing instruments and any Rules and Regulations of the Association, as may be promulgated and amended from time to time.

Section 3.2 Voting Rights of Members.

(a) Voting Classifications. The Association shall have the following two classes of voting Membership which shall be counted cumulatively (as one class) on any matter submitted for Member voting.

Class-A. Class-A Members shall be all the Owners. Class-A Members shall be entitled to one vote for each Lot owned by such

Member. In no event shall more than one Class-A vote exist with respect to any Lot.

Class-B. Class-B Member shall be the Declarant. Only Declarant (ie., Bella Sol Development, LLC and/or Bella Sol at Santa Clara, LLC, and/or Bella Sol 35) shall be a Class-B Member. Class B Members shall be entitled to three (3) votes for each Lot owned. Class-B membership shall cease and be converted to Class-A membership on the happening of any of the following events, whichever occurs first:

- (A) conveyance by Declarant of all Lots, including those in expansion areas in keeping with the City-Approved Preliminary Plat (as defined in the Declaration), which includes 106 lots, as approved (or as expanded under provisions hereof), to third-party purchasers; or
- (B) expiration after fifteen (15) years from the first Phase 1 Lot conveyance by Declarant to a purchaser; or
- (C) surrender of Class-B membership status by the express written action of the Declarant.

(b) Multiple Ownership of a Lot. In the event there is more than one Owner of a particular Lot, the vote pertaining to such Lot shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Lot concerned, unless an objection is immediately made by another Owner of the same Lot. In the event such objection is made, the vote involved shall not be counted for any purposes whatsoever, other than to determine whether a quorum exists.

Section 3.3 Regular Meetings. A Regular meeting of the members shall be held annually at such time and place, within the State of Utah, as may be determined by the Board of Directors, for the purpose of electing directors **(subject to the provisions contained in Section 4.1 below)** and for the transaction of such other business as may come before the meeting. The Board of Directors may provide by resolution the time and place, within the State of Utah, for the holding of such annual meeting or for the holding of any additional regular meetings.

Section 3.4 Special Meetings. Special meetings of the members may be called by or at the request of the Board of Directors or upon the written request of twenty-five percent of the Class A or Class B members of the Association. The person or persons authorized to call special meetings of the members may fix any place as the

place, within the State of Utah, for holding any special meeting of the members called by them.

Section 3.5 Notice. Notice of each meeting stating the place, day and hour of the meeting shall be given to each member at the member's address at least five days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least two days prior thereto, by personal delivery of written notice, or by facsimile notice (and the method of notice need not be the same as to each member). If mailed, such notice shall be deemed to be given when deposited in the United State mail, with postage thereon prepaid. If transmitted by facsimile, such notice shall be deemed to be given when the transmission is completed. Any member may waive notice of any meeting before, at or after such meeting. The attendance of a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the members need be specified in the notice or waiver of notice of such meeting unless otherwise required by statute.

Section 3.6 Quorum and Voting. Unless otherwise required by the Declaration, the Act or applicable law, a majority of the members representing both Class of members shall constitute a quorum for the transaction of business at any meeting of the members, and the vote of a majority of the members present in person or represented by proxy at a meeting at which a quorum is present shall be the act of the members. If less than a quorum is present at a meeting, a majority of the members present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. A member may vote in person, by proxy executed in writing by the member or by the member's duly and authorized attorney-in-fact.

ARTICLE IV Board of Directors

Section 4.1 General Powers. The business and affairs of the Association shall be managed by its Board of Directors, except as otherwise provided in the Declaration, the Act, the articles of incorporation or these Bylaws.

Notwithstanding anything to the contrary contained in these Bylaws, so long as Bella Sol at Santa Clara, LLC and/or Bella Sol 35 a Series of Bella Sol at Santa Clara, LLC and/or Bella Sol Development a Series of Bella Sol at Santa Clara, LLC owns a Lot or portion of the Property, as recorded or as yet-to-be recorded in keeping with the Official City-Approved Preliminary Plat of Bella Sol at Santa Clara which approves a total of 106 Lots or Bella Sol Development a Series of Bella Sol at Santa Clara, LLC continues as developer of the Property (Bella Sol at Santa Clara, LLC and Bella Sol Development a Series of Bella Sol at Santa Clara,

LLC being referred to herein collectively and individually as “Declarant”), or as otherwise set forth in this Declaration, (a) Declarant may choose to undertake management of the affairs of the Association without assistance or involvement of Members as Board Members, acting instead, in the capacity as "the Board" or (b) Declarant may elect in its sole discretion to appoint an Advisory Board of Directors to assist Declarant in the management of the Association.

Section 4.2 Number, Tenure, and Qualifications. The number of Directors of the Association shall be no fewer than three and not greater than sixteen, as determined by the most recent action of the Board of Directors to increase or decrease the number of Directors, whether expressly by resolution or by implication through the election of additional Directors. The Directors shall have terms, which may be renewed, of two to three years. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. Directors must be at least eighteen years old but need not be residents of Utah.

Section 4.3 Vacancies. Each Director shall hold office until his or her death, resignation or removal. A vacancy caused by a death, resignation, or removal of a Director or by a resolution of the Board of Directors increasing the number of Directors shall be filled by the majority vote of the remaining Directors.

Section 4.4 Resignation and Removal. Any Director may resign at any time by filing written notice to the manager or to the secretary of the Association. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Director may be removed from office by the vote of two-thirds (2/3) of the remaining Directors.

Section 4.5 Regular Meetings. A Regular meeting of the Board of Directors shall be held annually at such time and place, either within or outside Utah, as may be determined by the Board, for the purpose of electing officers and for the transaction of such other business as may come before the meeting. The Board of Directors may provide by resolution the time and place, either within or outside Utah, for the holding of such annual meeting or for the holding of any additional regular meetings.

Section 4.6 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the manager or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place, either within or outside Utah, for holding any special meeting of the Board called by them.

Section 4.7 Notice. Notice of each meeting of the Board of Directors stating the place, day and hour of the meeting shall be given to each Director at the Director's business address at least five days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least two days prior thereto by personal delivery of written notice or by facsimile notice (and the method of notice need

not be the same as to each Director). If mailed, such notice shall be deemed to be given when deposited in the United State mail, with postage thereon prepaid. If transmitted by facsimile, such notice shall be deemed to be given when the transmission is completed. Any Director may waive notice of any meeting before, at or after such meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting unless otherwise required by statute.

Section 4.8 Quorum and Voting. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the vote of a majority of the Directors present in person at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. A Director may vote in person, by proxy executed in writing by the Director or by the Director's duly and authorized attorney-in-fact.

Section 4.9 Compensation. No compensation will be awarded to any directors.

Section 4.10 Executive and Other Committees. By one or more resolutions adopted by a majority of the Directors then in office, the Board of Directors may designate from among its members an executive committee and one or more other committees, each of which, to the extent provided in the resolution establishing such committee, shall have and may exercise all of the authority of the Board of Directors, except as prohibited by statute. The delegation of authority to any committee shall not operate to relieve the Board of Directors or any member of the Board from any responsibility imposed by law. Rules governing procedures for meetings of any committee of the Board shall be as established by the Board of Directors, or in the absence thereof, by the committee itself.

Section 4.11 Advisory Boards. The Board of Directors may from time to time form one or more advisory boards or committees composed of such members and having such chairperson, as the Board of Directors shall designate. The objectives and responsibilities of each such advisory committee, and the rules and procedures for the conduct of its activities, shall be determined by the Board of Directors. No such committee shall have authority to incur any expense or make any representation or commitment on behalf of the Association without the express approval of the Board of Directors or the manager of the Association.

Section 4.12 Meetings by Telephone. Members of the Board of Directors of any committee thereof may participate in a meeting of the Board or committee by

means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting.

Section 4.13 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 each and every member of the Board of Directors in writing either (a) votes for the action, (b) votes against the action or (c) abstains from voting and waives the right to demand that action not be taken without a meeting. Action is taken under this section only if the affirmative vote for the action equals or exceeds the minimum number of votes that would be necessary to take the action at a meeting at which all of the directors then in office were present and voted. An action taken pursuant to this section will not be effective unless the Association receives writings describing the action taken, satisfying the above requirements, signed by all of the directors, and not revoked by any director.

ARTICLE V Officers and Agents

Section 5.1 Number and Qualifications. The officers of the Association shall be a manager (who shall also be known as president), one or more vice-presidents, a secretary and a treasurer. The Board of Directors may also elect or appoint such other officers, assistant officers and agents, including a chairperson of the Board an executive director, a controller, assistant secretaries and assistant treasurers, as it may consider necessary. One person may hold more than one office at a time; provided the manager may not also serve as secretary at the same time. Officers need not be Directors of the Association.

Section 5.2 Election and Term of Office. The officers of the Association shall be elected by the Board of Directors at each regular annual meeting. If the election of the officers shall not be held at such meeting, such election shall be held as soon as convenient thereafter. Each officer shall hold office until the officer's successor shall have been duly elected and shall have qualified, or until the officer's earlier death, resignation or removal.

Section 5.3 Compensation. The compensation of the officers, if any, shall be as fixed from time to time by the Board of Directors. Initially, no officers shall receive any compensation for their services to the Association until otherwise determined by the Board.

Section 5.4 Removal. Any officer or agent may be removed by the Board of Director whenever in its judgment the best interests of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not in itself create contract rights.

Section 5.5 Vacancies. Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the Association, by giving written notice to the manager or to the Board of Directors. An officer's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A vacancy in any office, however occurring, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.6 Authority and Duties of Officers. The officers of the Association shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the Manager (President), the Board of Directors, the Declaration or these Bylaws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law.

(a) Manager (or President). The Manager (also known as the President) shall, subject to the direction and supervision of the Board of Directors: (i) be the chief executive officer of the Association and have general and active control of its affairs and business and general supervision of its officers, agents and employees; (ii) preside at all meetings of the Board of Directors; (iii) see that all orders and resolutions of the Board of Directors are carried into effect; and (iv) perform all other duties incident to the office of manager (or president) and as from time to time may be assigned to the manager by the Board of Directors.

(b) Vice-Presidents. The vice-president or vice-presidents shall assist the manager and shall perform such duties as may be assigned to them by the manager or by the Board of Directors. The vice-president (or if there is more than one, then the vice-president designated by the Board of Directors, or if there be no such designation, then the vice-presidents in order of their election) shall, at the request of the manager, or in the manager's absence or inability or refusal to act, perform the duties of the manager and when so acting shall have all the powers of and be subject to all the restrictions upon the manager. Upon the authorization of the Board of Directors or the Manager, any vice-president may act as manager on behalf of the Association in any matter affecting the Association, as specified in any such authorization.

(c) Secretary. The secretary shall: (i) keep the minutes of the proceedings of the Board of Directors and any committees of the Board; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate records and of the seal of the Association; and (iv) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the manager or by the Board of Directors. Assistant secretaries, if any, shall have the same duties and powers subject to supervision by the secretary.

(d) Treasurer. The treasurer shall: (i) be the principal financial officer of the Association and have the care and custody of all its funds, securities, evidences of indebtedness and other personal property and deposit the same in

accordance with the instructions of the Board of directors; (ii) receive and give receipts and quittances for moneys paid in on account of the Association, and pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity; (iii) unless there is a controller, be the principal accounting officer of the Association and as such prescribe and maintain the methods and systems of accountings to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns and related documents, prescribe and maintain an adequate system of internal audit, and prepare and furnish to the manager and the Board of Directors statements of account showing the financial position of the Association and the results of its operations; (iv) upon request of the Board, make such reports to it as may be required at any time; and (v) perform all other duties incident to the office of treasurer and such other duties as from time to time may be assigned to the treasurer by the manager or the Board of Directors. Assistant treasurers, if any, shall have the same powers and duties, subject to supervision by the treasurer.

Section 4.7 Surety Bonds. The Board of Directors may require any officer or agent of the Association to execute to the Association a bond in such sums and with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of such person's duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the Association.

ARTICLE VI Distributions and Expenditures

Section 6.1 General. The Directors shall, from time to time, distribute and expend such amount or amounts of the income of the Association in accordance with the purposes of the Association as set forth in its Articles of Incorporation.

ARTICLE VII Standards of Conduct for Officers and Directors

Section 7.1 Standards of Conduct. Each Director is required to discharge his or her duties as a Director, including duties as a member of a committee, and each officer with discretionary authority is required to discharge his or her duties under that authority, in a manner consistent with the following standards of conduct:

- (a) in good faith;
- (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) in a manner the director or officer reasonable believes is in the best interest of the Association

Section 6.2 Reliance on Information and Reports. As provided by Section 16-6a-822(3) of the Act, in discharging his or her duties, a Director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(a) one or more officer or employees of the Association whom the Director or officer reasonably believes to be reliable and competent in the matters presented;

(b) legal counsel, public accountants, or other persons as to matters the Director or officer reasonable believes are within the person's professional or expert competence; or

(c) in the case of a Director, a committee of the Board of Directors of which such Director is not a member, if the Director reasonably believes the committee merits confidence.

A Director or officer is not acting in good faith in relying on any such information, opinions, reports or statements if such Director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted as set forth above unwarranted. Notwithstanding any contrary provisions contained herein, and except as may be provided in the Act, no action may be brought against an officer or Director based on any act or omission arising from failure in his or her official capacity to exercise due care regarding the management or operation of the Association unless the act or omission involves intentional misconduct, fraud or knowing violation of the law.

ARTICLE VIII Indemnification

Section 8.1 Indemnification of Directors, Officers and Others. The Association hereby declares that any person who serves at its request as a Director, officer, or officer of another Association, whether for profit or not for profit, shall be deemed the Association's agent for the purposes of this Article VII, and subject to the provisions of Section 8.2, shall be indemnified by the Association against expenses (including attorneys' fees), judgments, fines excise taxes and amounts paid in settlements actually and necessarily incurred by such person in connection with the defense of any action, suit or proceeding in which he or she is made a party by reason of being or having been such Director, director, officer, employee, chairman or member of any committee.

Section 8.2 Limitation on Indemnification. No indemnification shall be made in respect of any claim, issue or matter as to which a person covered by Section 7.1 shall have been adjudged to be liable for negligence or misconduct in the

performance of his duty, unless and only to the extent that the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court shall deem proper.

Section 8.3 Indemnification in Criminal Actions. No indemnification shall be made in respect of any criminal action or proceeding as to which a person covered by Section 7.1 shall have been adjudged to be guilty unless and only to the extent that the court in which such action or proceeding was brought shall determine upon application that, despite the adjudication of guilt but in view of all the circumstances of the case, such person is entitled to indemnification for such expenses or fines which such court shall deem proper.

Section 8.4 Advancement of Expenses. The Association shall pay for or reimburse the reasonable expenses, or portion thereof, incurred by a person covered by Section 7.1 in advance of the final disposition of the proceeding if: (a) such person furnishes the Association a written affirmation of such person's good-faith belief that he or she has met and applicable standard of conduct described herein; and (b) the person furnishes to the Association a written undertaking, executed personally or on behalf of such person, to repay the advance if it is ultimately determined that the person did not meet such standard of conduct. The undertaking required by clause (b) must be an unlimited general obligation of the person, but need not be secured and may be accepted without reference to financial ability to make repayment.

Section 8.5 Payment Procedures. The Association shall promptly act upon any request for indemnification, which request must be in writing and accompanied by the written affirmation and undertaking to repay as required by Section 7.4 in the case of indemnification under such section. The right to indemnification and advances granted by this Article shall be enforceable in any court of competent jurisdiction if the Association denies the claim, in whole or in part, or if no disposition of such claim is made within ninety days after written request for indemnification is made. A person's expenses incurred in connection with successfully establishing such person's right to indemnification, in whole or in part, in any such proceeding shall also be paid by the Association.

Section 8.6 Insurance. By action of the Board of Directors, notwithstanding any interest of the Directors in such action, the Association may purchase and maintain insurance in such amounts as the Board of Directors deems appropriate to protect itself and any person who is or was a Director, officer, employee, fiduciary or agent of the Association, or who, while a Director, officer, employee, fiduciary or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, Director, employee, fiduciary or agent of any other foreign or domestic Association or of any partnership, joint venture, Director, other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the

Association would have the power to indemnify such person against such liability under applicable provisions of law or this Article. Any such insurance may be procured from any insurance company in which the Association has an equity or any other interest, through stock ownership or otherwise. The Association may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

Section 8.7 Right to Impose Conditions to Indemnification. The Association shall have the right to impose, conditions to any indemnification provided or permitted in this Article, such reasonable requirements and conditions as may appear appropriate to the Board of Directors in each specific case and circumstances, including but not limited to any one or more of the following: (a) that any counsel representing the person to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the person and to the Association; (b) that the Association shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the Association shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's right of recovery, and that the person to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Association.

Section 8.8 Other Rights and Remedies. Except as limited by law, the indemnification provided by this Article shall be in addition to any other rights which a person may have or hereafter acquire under any law, provision of the articles of incorporation, any other or future provisions of these Bylaws, vote of the Board of Directors, agreement, or otherwise.

Section 8.9 Applicability; Effect. The indemnification provided in this Article shall be applicable to acts or omissions that occurred prior to the adoption of this Article, shall continue as to any person entitled to indemnification under this Article who has ceased to be a Director, director, officer or employee of this Association or, at the request of the Association, was serving as has since ceased to be a director, officer, partner, Director, employee, fiduciary or agent of any other domestic or foreign Association, or of any partnership, joint venture, Director, other enterprise or employee benefit plan, and shall inure to the benefit of the estate and personal representatives of each such person. The repeal or amendment of this Article or of any Section or provision hereof that would have the effect of limiting, qualifying or restricting any of the power or rights of indemnification provided or permitted in this Article shall not, solely by reason of such repeal or amendment, eliminate, restrict or in otherwise affect the right or power of the Association to indemnify and person, or affect any right of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All rights to indemnification under this Article shall be deemed to be provided by a contract between the Association and each person covered hereby.

Section 8.10 Indemnification of Other Parties. The Association shall have the right, but not be obligated, to indemnify any person not otherwise covered by this Article to the fullest extent permissible by the laws of Utah. Unless otherwise provided in any separate indemnification arrangement, any such indemnification shall be made only as authorized in the specific case.

Section 8.11 Saving Clause; Limitation. If this Article or any section or provision hereof shall be invalidated by any court on any ground, then the Association shall nevertheless indemnify each person otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of this Article that shall not have been invalidated. Notwithstanding any other provision of these Bylaws, the Association shall neither indemnify any person nor purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the qualification of the Association as an organization described in section 501(c)(3) of the Internal Revenue Code, or that would result in the imposition of any liability under section 4941 of the Internal Revenue Code.

Section 8.12 Limitation on Liability. No Director or officer of this Association shall be personally liable to the Association or its members, if any, for civil claims arising from act or omissions made in the performance of such person's duties as a Director or officer, unless the acts or omission are the result of such person's intentional misconduct.

ARTICLE IX Dissolution

Section 9.1 Voluntary Dissolution. The Association may adopt a resolution to dissolve and wind up its affairs as follows:

(a) The Association's Board of Directors shall adopt a resolution recommending that the Association be dissolved, and directing that the question of dissolving the Association be submitted to a vote at a meeting of Directors, which may be a special meeting or an annual meeting. Written or printed notice stating that the purpose, or one of the purposes, of the meeting is to consider the advisability of dissolving the Association, shall be given to each Director. A resolution to dissolve the Association may only be adopted by the unanimous vote of all the Directors whether or not they are present at the meeting.

(b) Upon the adoption of the resolution by the Directors, the Association shall cease to conduct its affairs except insofar as may be necessary for the winding up thereof, shall immediately cause a notice of dissolution to be mailed to each known creditor of the Association and to the State of Utah, Office of the Secretary of State, and shall proceed to collect its assets and apply and distribute them pursuant to the terms of these Bylaws.

Section 9.2 Distribution of Assets. The assets of the Association in the process of dissolution shall be applied and distributed in the following order:

(a) All liabilities and obligations of the Association shall be paid, satisfied and discharged, or adequately provided for.

(b) Assets the Association holds upon a condition requiring return, transfer, or conveyance shall be returned, transferred, or conveyed in accordance with the requirement if the dissolution causes the condition to occur.

(c) Assets the Association receives and hold subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational or other purposes for which a nonprofit Association may be formed, but not held upon a condition requiring return, transfer, or conveyance because of the dissolution, shall be transferred or conveyed to one or more domestic or foreign Associations, societies, or organizations engaged in activities substantially similar to those of the dissolving Association, pursuant to a plan of distribution adopted by the Association.

(d) Assets of the Association that were loaned or provided to the Association by its Directors or officers for the Association's use shall be returned to such officer or director at the time of dissolution.

(e) Any remaining assets shall be distributed to a nonprofit fund, foundation, or corporation that is organized exclusively for charitable, educational, religious, or scientific purposes and that has established its tax-exempt status with the IRS.

ARTICLE X Miscellaneous

Section 10.1 Account Books, Minutes, Etc. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees. All books and records of the Association may be inspected by any Director or that Director's authorized agent or attorney, for any proper purpose at any reasonable time.

Section 10.2 Fiscal Year. The fiscal year of the Association shall be as established by the Board of Directors.

Section 10.3 Conveyances and Encumbrances. Property of the Association may be assigned, conveyed or encumbered by such officers of the Association as may be authorized to do so by the Board of Directors, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or

other disposition of all or substantially all of the property and assets of the Association shall be authorized only in the manner prescribed by applicable statute.

Section 10.4 Designated Contributions. The Association may accept any designated contribution, grant, bequest or devise consistent with its general charitable and tax-exempt purposes, as set forth in the articles of incorporation. As so limited, donor-designated contribution will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the Association shall reserve all right, title and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any special fund, purpose or use. Further, the Association shall acquire and retain sufficient control over all donated funds (including designate contributions) to assure that such funds will be used to carry out the Association's tax-exempt purposes.

Section 10.5 Conflicts of Interest. If any person who is a Director or officer of the Association is aware that the Association is about to enter into any business transaction directly or indirectly with such person, any member of that person's family, or any entity in which that person has any legal, equitable or fiduciary interest or position, including without limitation as a Director, officer, shareholder, partner, beneficiary or Director, such person shall (a) immediately inform those charged with approving the transaction on behalf of the Association of such person's interest of position, (b) aid the persons charged with making the decision by disclosing any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of the Association, and (c) not be entitled to vote on the decision to enter into such transaction.

Section 10.6 Loans to Directors, Officers and Members Prohibited. No loans shall be made by the Association to any of its Directors or officers.

Section 10.7 References to Internal Revenue Code. All references in these Bylaws to provisions of the Internal Revenue Code are to the provision of the Internal Revenue Code of 1986, as amended, and shall include the corresponding provisions of any subsequent federal tax laws.


Section 10.8 Amendments. The power to alter, amend or repeal these Bylaws and adopted new bylaws shall be vested in the Board of Directors.

Section 10.9 Severability. The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

CERTIFICATE OF ADOPTION OF BYLAWS
OF
BELLA SOL AT SANTA CLARA HOMEOWNER'S ASSOCIATION

The undersigned hereby certifies that he or she is the duly appointed and acting Secretary of BELLA SOL AT SANTA CLARA HOMEOWNER'S ASSOCIATION and that the forgoing Bylaws, comprising 15 pages, were approved and adopted by the written consent of the Board of Directors of the Association, effective as of May 20th, 2014, and a record of such action is maintained in the minute book of the Association

Executed this 20th day of May, 2014


Secretary