

By-Laws as of today 1/9/2007 voted on in 2004

PREAMBLE

These by-laws for the Association govern the Association and its Board of Directors under the Directors under the Articles of Incorporation of the Association set up under the laws of the State of Utah. They are binding upon the Board of Directors as well as the property owners of the Pine Meadow Ranch Owners Association, their heirs or assigns, and will run with the land. The Association shall take whatever action is deemed necessary from time to time for the best interest of the members of the Association as such. The Association is a non-profit, non-share issuing corporation.

ARTICLE ONE

Section 1. Eligibility: All owners of property within the boundaries designated as Pine Meadow Ranch, including the tracts known as Forest Meadow Ranch are members of the Association.

Section 2. Voting Rights: Members in good standing (those with all Association assessments paid in full) shall be entitled to one vote for each lot owned. Combined lots are entitled one vote. When more than one person holds an interest in any lot, the vote for such lot shall be exercised as the owners determine, but in no event shall more than one vote be cast with respect to any lot.

Section 3. Voting Districts: Membership is divided into seven voting districts of approximately equal memberships.

ARTICLE TWO

Section 1. Management: The management of the Association shall be vested in the Board of Directors, consisting of the President, Vice President, Secretary, Treasurer, and a board member from each voting district. These members shall serve without compensation and shall have equal voting rights within this governing body. All board members must be members in good standing in the association.

Section 2. Authority: The Board of Directors shall have the authority necessary for the administration of the affairs of the association including, but not limited to, those outlined in these by-laws.

Section 3. Executive Committee: The president, Vice President, Secretary and Treasurer of the association shall constitute the Executive Committee.

Section 4. Votes: Each board member will have one vote. Decisions of the board and those of the executive committee will be determined by a majority of those present. An attendance of fifty percent of its members at any official executive committee or board meeting shall constitute a quorum.

Section 5. Vacancies: The board may appoint individuals to vacant positions. All appointments are temporary. The position is up for election at the next regularly scheduled election. The appointee serves until the elected person starts serving. The newly elected person serves out the balance of the original term.

Current board members may be appointed to vacant positions. If they accept the appointment they automatically resign from their prior position. Like all appointees they serve in the appointed position temporarily until the next election fills the position.

Current board members serving in elected offices, which are not up for election, may run for another office. If they are not successful in being elected to the new office, they may continue to serve in the office to which they were elected until their term expires.

ARTICLE THREE OFFICERS

Section 1. Duties: The duties of the officers shall be as follows:

President: The president shall be the chief executive officer of the association, shall preside at all meetings of the board, executive committee and general membership, and shall have the authority and responsibility necessary to the administration of the association.

Vice President: The vice president shall serve in place of the President in the absence of the president and shall perform such other duties assigned by the executive committee.

Secretary: The secretary shall keep the minutes of all meetings of the board, executive committee, and the association, have charge of such books and papers as the president may direct and shall perform such other duties as are normally performed by secretaries as well as any other duties as assigned by the executive committee.

Treasurer: The treasurer shall have the responsibility for the association's funds and shall be responsible to see that full and accurate financial records and books are kept. The treasurer shall supervise the preparation of documents necessary for audits, budget presentations, and other reports, and perform such other duties as assigned by executive committee.

ARTICLE FOUR

INDEMNIFICATION

Section 1. Liability: Members of the board of directors of the association: (i) shall not be liable to the members as a result of their activities constituting a mistake of judgment, intentional acts, negligence or otherwise, except for individual willful misconduct or bad faith; (ii) shall have no personal liability in contract to a member or any other person or entity under any agreement expressed or implied, instrument or transaction entered into by them for the association; (iii) shall have no personal liability arising out of the use, misuse or condition of the Ranch, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity.

Section 2. Indemnification: The association shall indemnify and hold harmless any director, including heirs and personal representatives, from and against all personal liability, all expenses, including attorneys' fees, incurred or imposed, arising out of or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, instituted by any persons or entities, where the director is or shall be threatened to be made a party by reason of membership on the board of directors, except that such liability or expense may be attributed where willful misconduct or bad faith is found. The right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement, vote of members or otherwise. Indemnification by the association as contained herein shall be by action of the board of directors and shall constitute a common expense.

ARTICLE FIVE
REVENUE AND ASSESSMENTS

Section 1. Annual dues: Annual dues may be established by the board of directors and approved by a majority of the membership present and voting at the annual meeting of the association.

Section 2. Special Assessment: Special assessment for operation of the association may be made by the board of directors to members of the association or members within selected areas of the ranch provided a majority of members affected and present at the annual meeting or at a special meeting called for the purpose of the special assessment vote in favor of such an assessment.

Section 3. Default in Payment of Assessments and Dues: All members shall be obligated to pay the dues and assessments established by the board and membership as indicated above. The board of directors shall take prompt action to collect from a member any charges due which remain unpaid for a period of 90 days. The member will pay all costs of collection including attorney's fees and court costs expended to collect the delinquent amounts.

Section 4. Interest: Interest at rates as established by the board will apply to all accounts over 30 days old.

ARTICLE SIX
ELECTIONS

Section 1. Nominations: The executive committee will appoint a nominating committee at least 60 days prior to the scheduled annual meeting. Written notice of the eligible positions, along with an invitation to submit nominees, and procedure for submittals will be sent to all owners 30 days prior to the scheduled annual meeting. To be eligible for an Area Representative you must be current on your HOA dues as of 30 days prior to the election and own property in the area in which you are running for. To be eligible for an Executive position you must be current on your HOA dues as of 30 days prior to the election and own property within the ranch boundaries. The nominating committee will submit a slate of qualified candidates to the Executive Committee no later than 15 days prior to the mailing of the ballots. Eligible candidates will be presented to the voters in person at the annual meeting.

Section 2. Elections: Offices up for election on the board will be voted on using a mail in ballot. A notice of eligible candidates including their statements and biographies will be sent to all owners in the ranch. A numbered ballot including voter rules and regulations will be sent along with this notice. The ballots will be mailed one day after the annual meeting, and will be due (postmarked) no later than 20 days after the annual meeting. The election committee will review and tally the ballots. A list of newly elected members will be announced in the next newsletter. The successful candidates will assume office on the first day of the next January.

Section 3. Term of Office: All board members will be elected for a term of three years. Terms are staggered so that no election will replace a majority of the HOA board. Staggered terms retain experience, consistency and continuity in the board enabling better service. In order to keep the staggered terms in synch the term of positions are not affected by vacancies. When vacant positions are filled by appointment or elections the term is the remaining balance of the original term.

ARTICLE SEVEN

MEETINGS

Section 1. Board and Executive Committee: The board shall meet at least quarterly. The executive committee shall meet at least monthly. Fifty percent of the membership shall constitute quorum.

Section 2. General Membership: The general membership shall meet at least annually for the purposes of electing board members, voting on dues and assessments, and such other items as the board may deem appropriate. Those present shall constitute a quorum.

Section 3. Special Meetings: the president may call special meetings at any time.

The president will also call a special meeting if at least two thirds of the members request such a meeting in writing. Those present shall constitute a quorum.

Section 4. Authority to Call Meetings: All meetings of the association shall be called by the president with at least 30 days written notice given on the annual meeting and, except for emergencies, at least two weeks verbal or written notice being given those expected to attend special board and executive committee meetings.

Section 5. Board Member Attendance: Board members must be available for the majority of board meetings. If a board member is unable to attend at least half of the board meetings for three consecutive months, without notification to the Executive Board, they may be replaced at the board's discretion as though it was a vacancy.

ARTICLE EIGHT

BY-LAWS AMENDMENTS

Adoption of an amendments to by-laws will be made by a majority of members in good standing present at any regularly scheduled annual meeting providing proposed amendment have been sent out to members in advance of the meeting.