



Section 1: [Section 3.5] Absolute Prohibition on Proxies Even When Power of Attorney Is Established

3.5 Proxies. The use of delegated or assigned proxies in place of a Board member or a member of the Association casting a vote is not permitted. A proxy is not allowed even when power-of-attorney authorization is established.

MARKUP #1 ->

ISSUE #1

Section 2: [Section 1.4] Membership Termination by Two-Thirds Board Vote With Post-Termination Written Response

1.4 Membership Termination. In those cases where a determination by the Board is made that an existing member is found to be frequently or flagrantly acting in a way that the Board believes is counter to the best interests of the Association and its membership, membership in the Association may be permanently or temporarily terminated, by an affirmative vote of at least two-thirds of all Board members. Members that are terminated by the Board will be notified by the Board in writing as to the reason why their membership is being terminated. If the terminated member decides to contest the termination ruling, the individual shall be provided a reasonable timeframe in which to respond in writing to the Board...

Section 3: [Section 2.5] Notice of Annual and Special Member Meetings by Website Posting Only

2.5 Notice of Meetings. The Board shall notify its members of the time and place, and, in the case of a special meeting, the purpose, for all annual or special meetings of the Association at least 10 days in advance of the scheduled meeting, by posting on the Association's website (<https://SummitParkUtah.net>), or by other acceptable means.

Section 4: [Section 8.1 & Amended Articles Article X] Elimination of Monetary Liability for Directors, Officers, Committe

The Association hereby eliminates the liability of its Board members, its officers, and members of any Association's committees, past and present, along with the Association, for monetary damages to the extent permitted by the Act and specifically Section 16-6a-823 of the Act.

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. 1.4 (p. 1): Open Board Meeting, Action Without Meeting, or Member Governance Defect: Clause authorizes unnotified board meetings or unilateral board action by written/email consent outside open noticed meetings, or unlawfully restricts member governance rights under UT law.

Statutory / Legal Reference: Utah Code §§ 16-6a-101 et seq. (Utah Revised Nonprofit Corporation Act); Utah Code §§ 57-8a-101 to 57-8a-703 (Utah Community Association Act) & Utah Admin. Code R162-2f / R156-55a (Division of Real Estate...

Statutory Comparison: Under Utah Code §§ 16-6a-101 et seq. (Utah Revised Nonprofit Corporation Act); Utah Code §§ 57-8a-101 to 57-8a-703 (Utah Community Association Act) & Utah Admin. Code R162-2f / R156-55a (Division of Real Estate & DOPL Rules), association boards must conduct business in open meetings noticed to the membership and may not dispense with notice or take substantive policy, budget, assessment, or enforcement action by written/email consent outside an open meeting, nor expel members from an appurtenant real-property association or count unreturned proxies as affirmative votes.

CURRENT WORDING IN DOCUMENT:

Membership Termination. In those cases where a determination by the Board is made that an existing member is found to be frequently or flagrantly acting in a way that the Board believes is counter to the best interests of the Association and its membership, membership in the Association may be permanently or temporarily terminated, by an affirmative vote of at least two-thirds of all Board members. Members that are terminated by the Board will be notified by the Board in writing as to the reason why their membership is being terminate

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section 1.4 to require open noticed board meetings and prohibit board action without a meeting on substantive matters as mandated by Utah Code §§ 16-6a-101 et seq. (Utah Revised Nonprofit Corporation Act); Utah Code §§ 57-8a-101 to 57-8a-703 (Utah Community Association Act) & Utah Admin. Code R162-2f / R156-55a (Division of Real Estate & DOPL Rules).