



WHEN RECORDED, MAIL TO:

Merrill Properties, LLC
c/o Brad & Sara Merrill
470 Country Lane Unit 11
Santa Clara, UT 84765

SC-SB-91-D
SC-SB-91-E

AMENDMENT NO. 1 TO
DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND PROTECTIVE COVENANTS
FOR
PARADISE VILLAGE AT ZION

THIS AMENDMENT NO. 1 TO DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND PROTECTIVE COVENANTS FOR PARADISE VILLAGE AT ZION (the
"Amendment") is executed this 23 day of March, 2016, by Merrill Properties,
LLC, a Utah limited liability company (the "Declarant").

RECITALS

A. Declarant caused to be recorded a Declaration of Covenants, Conditions,
Easements and Protective Covenants for Paradise Village at Zion dated as of June 27, 2014, and
recorded on July 2, 2014, in the official records of Washington County, Utah as document
number 20140020242 (the "Declaration") concerning the real property (the "Property") located
in Washington County, State of Utah, more particularly described in Exhibit "A," attached hereto
and incorporated herein (the "Original Property").

B. Pursuant to Section 15.2 of the Declaration, during the Period of Administrative
Control, Declarant, acting without the consent or approval of the Association or any other
Owner, shall have the right to amend the Declaration.

C. The Period of Administrative Control is still in effect as of the date hereof and
Declarant desires to amend the Declaration by modifying provisions within the Declaration,
subjecting additional land to the Declaration, and identifying property that may be annexed in the
future as part of the property subject to the terms and conditions of the Declaration.

NOW, THEREFORE, Declarant amends the Declaration as follows:

1. Addition of Definition of Additional Land. The following definition of "Additional Land" is hereby added as Subsection 1.2 of Article I, Definitions of the Definitions.

1.2 "Additional Land" means and consists of any other real property located not more than one mile from the exterior boundaries of the real property described in Exhibit "A" and Exhibit "A-1" that Declarant or Declarant's Affiliate now owns or in the future may own. This Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon the Additional Land unless and until such land is incorporated as part of the Community in accordance with the provisions of this Declaration.

2. Modification of Numbering of Definitions. The numbering of the definitions from and after Subsection 1.2 shall be increased by one to account for the addition of the definition of "Additional Land".

3. Modification of Definition of Community. The definition of "Community" is hereby deleted in its entirety and replaced by the following:

"Community" means Paradise Village at Zion, and any Additional Land which is hereafter made subject to this Declaration.

4. Modification of Definition of Plat. The definition of "Plat" is hereby deleted in its entirety and replaced by the following:

"Plat" or "Plats" means any (1) or more of the Final Plat for Paradise Village at Zion Phase 1, the Final Plat for Paradise Village at Zion Phase 2, the Final Plat for Paradise Village at Zion Phase 3, the Final Plat for Paradise Village at Zion Phase 4, the Final Plat for Paradise Village at Zion Phase 5, the Final Plat for Paradise Village at Zion Phase 6, as the context may require, and any plats for future phases of the Community as included in the Additional Land, and which is incorporated herein by this reference.

5. Replacement of Section 2.1. Section 2.1 of the Declaration is hereby deleted in its entirety and replaced by the following:

2.1 Declaration. Declarant hereby declares that all of the real property described in Exhibit "A" and Exhibit "A-1" and any Additional Land which is hereafter subjected to this Declaration by a Supplemental Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the desirability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the Community or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof. All of the property within the Community shall be held, sold and conveyed subject to this Declaration, including any of the Additional Land hereafter made subject to this Declaration by the recordation of a Supplemental Declaration. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each Person, for himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, binds himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration. In addition, each such Person by so doing acknowledges that this Declaration sets forth a general scheme for the development and use of the Community and evidences his, her or its agreement that all the restrictions, conditions, covenants, Rules and Regulations contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, lessees and transferees thereof. Furthermore, each such Person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the Association and all Owners.

6. Replacement of Section 2.4. Section 2.4 of the Declaration is hereby deleted in its entirety and replaced by the following:

2.4 No Condominium. Declarant and each Owner hereby agree and understand that the Community is not, by execution and recording of this Declaration, being submitted to the provisions of the Condominium Ownership Act (Utah Code Ann. §57-8-1, *et seq.*). This Declaration does not constitute a declaration as provided for in the Condominium Ownership Act and the provisions of the Condominium Ownership Act shall not be applicable to the Community or any portion thereof, including without limitation all or a portion of the Additional Land made subject to this Declaration by the recordation of one or more Supplemental Declarations.

7. Replacement of Section 3.2. The following shall be added at the end of Section 3.2 of the Declaration:

Upon the request by Declarant or the Association, any Owner that benefits from any Exclusive Common Area shall sign a document prepared by the

Declarant or the Association whereby the Owner reaffirms the terms of this Section 3.2 whereby the Owner reaffirms its obligation to operate, maintain and repair the Exclusive Common Area and any Regulated Modifications located thereon at the Owner's sole cost and expense and to indemnify Declarant and the Association for, from and against any and all claims arising from the use of the Exclusive Common Area and the Regulated Modifications located thereon.

Replacement of Article X. Article X of the Declaration is hereby deleted in its entirety and replaced by the following:

ARTICLE X
Annexation or Withdrawal of Additional Property

10.1 Annexation By Declarant. During the Period of Administrative Control, Declarant, acting without the consent or approval of the Association or any other Owner, shall have the right to bring within the scheme of this Declaration additional land (an "*annexation*") within the area defined as Additional Land herein so long as the owner of such land (if not Declarant) consents to such action. Such annexation shall be accomplished by filing in the Official Public Records of Washington County, Utah, a Supplemental Declaration annexing such property in the form prescribed below. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

10.2 Annexation by Association. Subject to the consent of the owner thereof, the Association may annex real property into the Community at any time upon the affirmative vote of both Declarant (if during the Period of Administrative Control) and Members representing a majority of the Class "A" votes of the Association present at a meeting duly called for such purpose. Such annexation shall be accomplished by filing of record in the Official Public Records of Washington County, Utah, a Supplemental Declaration in the form described below, signed by the President and the Secretary of the Association, and by the owner of the property being annexed. Any such annexation shall be effective upon filing unless otherwise provided therein.

10.3 Form of Supplemental Declaration. Each Supplemental Declaration must state that land is being annexed, and must contain at least the following provisions: (i) a reference to this Declaration, which reference shall state the document number under which this Declaration is recorded in the Official Public Records of Washington County, Utah; (ii) a statement that the provisions of this Declaration shall apply to the annexed land, except as expressly provided otherwise therein; (iii) a legal description of the annexed land; and (iv) if Declarant or the Association is not the owner of the land being annexed, the signatures of both such owner and Declarant, if during the Period of Administrative Control, or the Association, if after the Period of Administrative Control. A Supplemental Declaration may, but need not, contain a description of any Common Area within the annexed land. Each Supplemental Declaration shall

contain such additional matters as may be required by the Municipal Authority or other applicable government entity.

10.4 Common Area. At any time and from time to time during the Period of Administrative Control Declarant may convey to the Association fee simple or easement interests in real property, improved or unimproved. Upon such conveyance to the Association, such real property interest shall be accepted by the Association as Common Area and thereafter shall be maintained by the Association at its expense.

10.5 Withdrawal of Property. During the Period of Administrative Control, Declarant shall have the right at any time to remove or withdraw lands then owned by Declarant (or other Persons with Declarant's consent) from the Community, so long as such withdrawal is not prohibited by any Municipal Authority. Upon any such withdrawal this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to the lands withdrawn. In order to withdraw lands from the Community hereunder, Declarant shall be required only to record in the Official Public Records of Washington County, Utah, a notice of withdrawal of land which contains: (i) a reference to this Declaration (including the document number under which this Declaration is recorded in the Official Public Records of Washington County, Utah); (ii) a statement that the provisions of this Declaration shall no longer apply to the withdrawn land; (iii) if Declarant is not the owner of the land so withdrawn, the signatures of both such owner and Declarant; and (iv) a legal description of the withdrawn land.

9. **Addition of Exhibit "A-1" of the Declaration.** Exhibit "A-1" attached hereto are hereby incorporated into the Declaration as Exhibit "A-1" of the Declaration.

10. **Incorporation of Bylaws.** Pursuant to the definition of Bylaws, the Bylaws of the Association were to be attached to the Declaration as Exhibit "B". The Bylaws of the Association attached hereto as Exhibit "B" are hereby incorporated into the Declaration as Exhibit "B" of the Declaration.

11. **Miscellaneous.** The recitals are hereby incorporated into this Amendment. Except as provided herein, the terms and conditions of the Declaration shall remain the same and in full force and effect.

IN WITNESS WHEREOF, Declarant has executed this Amendment as of the date first above written.

MERRILL PROPERTIES, LLC,
a Utah limited liability company

By: 
Name: Sarah Merrill

Title: Manager

By: [Signature]
Name: Brad Merrill
Title: Manager

STATE OF UTAH)

County of Washington) ss.

On the 23 day of March, 2016, personally appeared before me Sara Merrill, known to me, or proved to me on the basis of satisfactory evidence, to be the person who executed the within instrument on behalf of Merrill Properties, LLC, a Utah limited liability, and who acknowledged to me that said entity executed it.

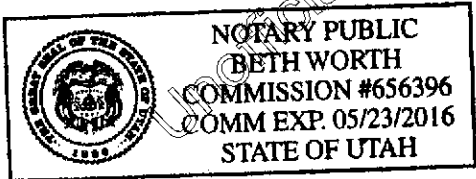


[Signature]
NOTARY PUBLIC

STATE OF UTAH)

County of Washington) ss.

On the 28 day of March, 2016, personally appeared before me Brad Merrill, known to me, or proved to me on the basis of satisfactory evidence, to be the person who executed the within instrument on behalf of Merrill Properties, LLC, a Utah limited liability, and who acknowledged to me that said entity executed it.



[Signature]
NOTARY PUBLIC

EXHIBIT "A1"

(Legal Description of Property)

ALL OF LOT 6, BLOCK 30, OF THE ST. GEORGE AND SANTA CLARA BENCH IRRIGATION COMPANY SURVEY, BEING IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN.

LESS AND EXCEPTING THE FOLLOWING TWO PARCELS:

(1) ALL OF SNOW CANYON KH SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT THEREOF, ON FILE IN THE OFFICE OF THE RECORDER OF WASHINGTON COUNTY, STATE OF UTAH.

(2) THAT PORTION DEDICATED TO SANTA CLARA CITY FOR NORTH TOWN ROAD AND HAMBLIN PARKWAY, BY DEED OF DEDICATION RECORDED FEBRUARY 9, 2012 AS ENTRY NO. 20120004301 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT AT THE NORTHWEST CORNER OF SNOW CANYON KH SUBDIVISION, SAID POINT BEING NORTH 89°26'48" EAST 736.16 FEET ALONG THE SECTION LINE AND SOUTH 38.00 FEET FROM THE NORTH QUARTER CORNER OF SECTION 8, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTHERLY 38.70 FEET ALONG AN ARC OF A 25.00 FOOT RADIUS CURVE TO THE LEFT (CENTER BEARS SOUTH 0°33'37" EAST, LONG CHORD BEARS SOUTH 45°05'34" WEST 34.95 FEET WITH A CENTRAL ANGLE OF 88°42'05") ALONG THE NORTHWESTERLY LINE OF SAID SNOW CANYON KH SUBDIVISION; THENCE SOUTH 00°44'45" WEST 171.70 FEET ALONG THE WESTERLY LINE OF SAID SNOW CANYON KH SUBDIVISION; THENCE SOUTHERLY 267.33 FEET ALONG AN ARC OF A 706.00 FOOT RADIUS CURVE TO THE RIGHT (CENTER BEARS NORTH 89°15'15" WEST LONG CHORD BEARS SOUTH 11°35'37" WEST 265.74 FEET WITH A CENTRAL ANGLE OF 21°41'43") ALONG AND BEYOND SAID SUBDIVISION TO THE WESTERLY LINE OF LOT 6, BLOCK 30, ST. GEORGE SANTA CLARA IRRIGATION BENCH SURVEY, SAID POINT ALSO BEING THE EASTERLY LINE OF TUSCANY AT CLIFFROSE PHASE 1; THENCE NORTH 00°44'49" EAST 455.99 FEET ALONG SAID EASTERLY LINE OF TUSCANY AT CLIFFROSE PHASE 1; THENCE NORTH 89°26'48" EAST 74.45 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"
(Bylaws of the Association)

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**Bylaws
of
Paradise Village at Zion Owners Association, Inc.**

As Adopted

June 27, 2014

**Bylaws of
Paradise Village at Zion Owners Association, Inc.**

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**Bylaws of
Paradise Village at Zion Owners Association, Inc.**

ARTICLE I – PURPOSES

Section 1.01 Purpose. This corporation is organized for any and all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, as set forth in the corporation's Articles of Incorporation, including, without limitation, the operation and management of the common areas and elements of a community known as Paradise Village at Zion.

ARTICLE II – OFFICES

Section 2.01 Offices. The principal office of the corporation may be located at any place, either in or outside the State of Utah, as designated in the corporation's most current Annual Report filed with the Utah Division of Corporations and Commercial Code. The corporation may have such other offices, either in or outside the State of Utah, as the Board of Directors may designate or as the business of the corporation may require from time to time. The corporation shall maintain at its principal office a copy of certain records, as specified in Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act. The initial address of the corporation's principal office shall be P.O. Box 954 Santa Clara, UT 84765

Section 2.02 Registered Office. The registered office of the corporation, required by Section 16-6a-501 of the Utah Revised Nonprofit Corporation Act, shall be located in the State of Utah and may be, but need not be, identical with the corporation's principal office (if located in the State of Utah). The address of the registered office may be changed from time to time.

Section 2.03 Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Restrictions, Easements and Protective Covenants for Paradise Village at Zion filed of record July 2, 2014 in the official records of Washington County, Utah (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "**Declaration**"), unless the context indicates otherwise.

ARTICLE III – MEMBERS

Section 3.01 Membership. The qualifications, privileges and obligations of membership in the Association shall be as set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 3.02 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

Section 3.03 Annual Meetings. Annual meetings of the Association shall be held during the month of January or February in each year on a date and at a time set by the Board of Directors.

Section 3.04 Special Meetings of Membership. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least forty percent (40%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.05 Notice of Meetings. Written or printed notice stating the place, day, and hour of any meetings of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the Member's address as it appears on the records of the Association, with postage thereon prepaid.

Section 3.06 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or its proxy shall be deemed a waiver by such Member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 3.07 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are represented at such meeting, either in person or by proxy, may adjourn the meeting to a time determined by the Board, which shall not be more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place

for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members represented at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 3.08 Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 3.09 Proxies. At all meetings of the Members, Members may vote in person or by proxy and, in the case of a Member which is a corporation, partnership or other legal entity, such Member shall vote by proxy. Every proxy shall be in writing, dated, signed and filed with the Secretary prior to the meeting for which it is to be effective. Except as otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's parcel. Proxies shall be valid even if presented in facsimile form.

Section 3.10 Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 3.11 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of Members representing thirty percent (30%) of the total vote of the Association shall constitute a quorum at all meetings of the Association. If the required quorum is not present, additional meetings may be called to the same notice requirements and the required quorum at each subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. Any provisions in the Declaration concerning quorums are specifically incorporated herein.

Section 3.12 Conduct of Meetings. The President shall preside at all meetings of the Association, and the Secretary or designated managing agent shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 3.13 Action Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members,

may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

ARTICLE IV – BOARD OF DIRECTORS

Section 4.01 General Powers. The business and affairs of the corporation shall be managed under the direction of its Board of Directors, each of whom shall have one (1) vote. Directors do not need to be Members of the Association during the Period of Administrative Control. After the expiration of the Period of Administrative Control, the Directors must be Members (or, if the Member is a corporation, limited liability company or other legal entity, an owner, shareholder, member, manager, director, officer, or employee of such legal entity).

Section 4.02 Period of Administrative Control. Notwithstanding anything to the contrary contained in these Bylaws, the Class "B" Member shall be entitled to appoint all members of the Board of Directors during the Period of Administrative Control as set forth in the Declaration.

Section 4.03 Nomination of Directors. Commencing with the election of the first Board of Directors to be elected by the Members, nominations for election to the Board of Directors may be made by a Nominating Committee and otherwise will be made by any Member. If a Nominating Committee is chosen, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more Members or representatives of Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4.04 Number and Term of Office. Notwithstanding any other provisions contained herein:

(a) The initial Board of Directors shall consist of three (3) directors, as identified in the Articles of Incorporation, who shall serve from the date of incorporation of the Association until the annual meeting of the membership after the expiration of the Period of Administrative Control.

(b) At the first annual meeting of the membership after termination of the Period of Administrative Control pursuant to Section 2 of this article, two (2) directors shall be elected by the Class "A" Members. The Class "B" Member shall be entitled to decide which

director seats will be up for election. The two (2) directors so elected shall serve for a term of two (2) years. The remaining director shall serve for a term of one (1) year. At the expiration of the initial term of office of each member of the Board of Directors and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years.

Section 4.05 Election. Each Member shall be entitled to cast, with respect to each vacancy to be filled, the total number of votes to which it is entitled under the Declaration. There shall be no cumulative voting. The candidates receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 4.06 Term. The term of office of each director shall continue until the earlier of the expiration of the appointed term, his or her death, resignation or removal from office.

Section 4.07 Qualifications. Each director must be a natural person 18 years of age or older. Directors need not be residents of the State of Utah.

Section 4.08 Resignation. Any director of the corporation may resign at any time by giving written notice to the corporation. A resignation is effective when the notice is received by the corporation unless the notice specifies a later effective date.

Section 4.09 Removal.

(a) All directors appointed by the Declarant shall serve, and may be removed and replaced, at the discretion of the Declarant, and shall not be subject to removal or replacement by the Members generally.

(b) Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

(c) Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and the Board may appoint a successor.

Section 4.10 Right to Disapprove Actions. This Section 4.10 may not be amended without the express, written consent of the Class "B" Member as long as the Class "B" membership exists.

So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove actions of the Board and any committee, as is more fully provided in this Section. No action authorized by the Board of Directors or any committee shall become effective, nor shall any action, policy or program be implemented until and unless the following requirements have been met:

(a) The Class "B" Member shall be given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board of Directors meeting with Sections 3.05, 3.06 and 8.05 of these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, be set forth in reasonable particularity in the agenda to be followed at said meeting;

(b) The Class "B" Member shall be given the opportunity at any such meeting to join in or have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Class "B" Member, its representatives or agents shall make its concerns; thoughts, and suggestions known to the members of the subject committee and/or the Board. The Class "B" Member shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board of Directors or any committee thereof and to be taken by the Board, such committee, the Association, or any Member of the Association at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4.11 Regular Meetings. Regular Meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one (1) such meetings shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 4.12 Special Meetings. Special meeting of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery, (b) written notice by first class mail,

postage prepaid, (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's email address or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) business days before the time set for the meeting. Notices given by personal delivery, email or facsimile shall be sent at least seventy-two (72) hours before the time set for 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 consent in writing, setting forth the action so taken, is signed by all of the directors. Such consent has the same force and effect as a unanimous vote of the directors. Action taken under this provision is effective at the time the last director signs a writing describing the action taken, unless, prior to that time, any director has revoked a consent by a writing signed by the director and received by the Secretary or any other person authorized by the Bylaws or the Board of Directors to receive the revocation, or unless the consent specifies a different effective time.

Section 4.14 Waiver of Notice.

(a) **Written Waiver.** Any director may waive notice of any meeting before or after the date and time of the meeting stated in the notice. Except as provided in subsection (b), below the waiver must be in writing and signed by the director entitled to notice. The waiver shall be delivered to the corporation for filing with the corporate records, but delivery and filing are not conditions to its effectiveness.

(b) **Waiver by Attendance.** The attendance of a director at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to the holding of the meeting or the transacting of business at the meeting because of lack of notice or defective notice, and does not thereafter vote for or assent to action taken at the meeting.

Section 4.15 Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 4.16 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present is the act of the Board of Directors. Voting by proxy is not permitted.

Section 4.17 Meetings by Telecommunication. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may hear each other during the meeting. A director participating in a meeting by this means is considered present in person at the meeting.

Section 4.18 Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

Section 4.19 Powers and Duties. The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are provided by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Members. The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, by way of explanation, but not limitation:

- (a) preparation and adoption, in accordance with the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Association's common expenses;
- (b) making assessments to defray the Association's expenses (including expenses incurred by virtue of cost sharing agreements entered into with entities such as a residential owner's association, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment, if permitted);
- (c) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and any other property for which it has responsibility and, where appropriate, providing for

the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(d) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the director's best business judgment, in depositories other than banks;

(e) making and amending rules and regulations;

(f) opening of bank accounts on behalf of the Association and designating the signatories required;

(g) making or contracting for the making of repairs, additions, and improvements to or alterations of the property of the Association in accordance with the provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(j) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(k) keeping books with detailed amounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(l) making available to any prospective purchaser of a Unit, any Owner of a Unit, and the holders, insurers, and guarantors of mortgages or deeds of trust on any Unit, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules and all other books, records, and financial statements of the Association;

(m) permitting utility suppliers to use portions of the Association's property, if any, as reasonably necessary to the ongoing development or operation of the Properties;

(n) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Utah law, the Articles of Incorporation or the Declaration; and

(o) employing a professional property manager to carry out its duties under the Declaration, these Bylaws and any rules and regulations.

Section 4.20 Management. The Board of Directors shall retain for the Association a professional property manager at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The obligation of the Board to retain a professional property manager may not be amended or modified. The Board of Directors may delegate to the property manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (b), (e), (f) and (h) of Section 19 of this article.

Section 4.21 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise.

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) financial reports shall be prepared for the Association annually containing:

(i) an Income Statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (Any assessment or installment thereof shall be

considered to be delinquent on the fifteenth (15th) day following the due date unless otherwise determined by the Board of Directors). The most current financial reports will be available for inspection by any Member within fifteen (15) days after request.

Section 4.22 Borrowing. The Board of Directors shall have the power to borrow for any legal purpose, provided, the approval of the Members holding at least fifty-one (51%) percent of the votes represented in person or by proxy at a duly constituted meeting shall be required in the event that the proposed borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these Bylaws, or the Articles of Incorporation, no mortgage lien shall be placed on any portion of the Association's property without the affirmative vote or written consent, or any combination thereof, of Members representing at least fifty-one percent (51%) of the total Association vote.

Section 4.23 Rights of the Association. The Association shall have the right to contract with any person or entity for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational or other property owners' agreements with trusts, condominiums, and cooperatives, of other property owners or similar associations, both within and without the Properties. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 4.24 Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted hereunder. In addition, the Association shall be entitled to suspend any services provided by the Association to the Owner or the Owner's Unit in the event that the Owner is more than thirty (30) days delinquent in paying any assessment. In the event that any occupant, guest or invitee of a Unit violates the Declaration, Bylaws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) **Notice.** Except as provided in subsection (c) below, prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator or its representative may present a written request to the Board of Directors for a hearing, and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is

not made, the sanction stated in the notice shall be imposed; provided, the Board of Directors may, but shall not be obligated to suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) **Hearing.** If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Board of Directors in executive session affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) **Additional Enforcement Rights.** Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by self help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedures set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE V – OFFICERS

Section 5.01 Number. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board of Directors may appoint such other officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 5.02 Appointment and Term of Office. Initial officers of the Association shall be elected by the Board of Directors after formation of the Association. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.03 Removal. Any officer, assistant, agent or employee may be removed, with or without cause, at any time by the Board of Directors, or by any officer to whom or committee of the Board of Directors to which such power of removal has been delegated, but

such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 5.04 Resignation. An officer may resign at any time by giving written notice of resignation to the corporation. A resignation of an officer is effective when it is received by the corporation, unless the notice specifies a later effective date. An officer's resignation does not affect the corporation's contract rights, if any, with the officer.

Section 5.05 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors or by any officer to whom or committee of the Board of Directors to which such power has been delegated.

Section 5.06 Compensation. The compensation of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director of the corporation.

Section 5.07 The President. The President, unless otherwise specified by the Board of Directors, shall be the chief executive officer of the corporation and, under the direction of the Board of Directors, shall in general supervise and control all the business and affairs of the corporation. The President shall, when present, preside, in the absence of the chair of the Board, at meetings of the Board of Directors. The President may hire, prescribe the duties of, and fire employees, and may delegate such authority in whole or in part to any other officer or employee. The President may sign, with the Secretary or any other proper officer of the corporation thereunto authorized by the Board of Directors, certificates for shares of the corporation, and any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed, and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.08 The Vice President. In the absence of the President, or in the event of the President's death, inability or refusal to act, the vice President (or in the event there is more than one vice President, the vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any vice President may sign, with the Secretary or an Assistant Secretary, certificates for shares of the corporation; and shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 5.09 The Secretary. The Secretary shall (a) keep the minutes of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all

notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and affix such seal to documents when authorized; (d) maintain the records required under Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act, and (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of a Secretary and any Assistant Secretaries, the President shall perform these duties.

Section 5.10 The Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Section 8.04 of these Bylaws; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of a Treasurer, the Secretary shall perform such duties.

Section 5.11 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries, when authorized by the Board of Directors, may sign with the President or vice President certificates for shares of the corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

Section 5.12 Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Article VI – Committees

Section 6.01 General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 6.02 Design Review Committee. In addition to any other committees which may be established by the Board pursuant to Section 1 of this Article, the Board of Directors will appoint a Design Review Committee or DRC consistent with the terms and conditions of the Declaration, which DRC shall act in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt.

ARTICLE VII – INDEMNIFICATION

Section 7.01 Indemnification. The corporation shall indemnify each person who is or was a director, officer, employee or agent of the corporation or an individual who, while serving the indicated relationship to the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee fiduciary, or agent of another corporation or other person or of an employee benefit plan, to the fullest extent permitted by the Utah Revised Nonprofit Corporation Act.

Section 7.02 Authorization of Indemnification. The corporation shall be deemed to have authorized such indemnification whenever as determination has been made under Section 16-6a-906 of the Utah Revised Nonprofit Corporation Act that indemnification of an individual is permissible in the circumstances because the person has met the applicable standard of conduct.

Section 7.03 Advance of Expenses. The corporation shall accept the undertaking required by Subsection 16-6a-904(1)(b) of the Utah Revised Nonprofit Corporation Act without reference to financial ability to make repayment.

Section 7.04 Insurance. The corporation may purchase and maintain liability insurance on behalf of a person who is or was a director, officer, employee, fiduciary, or agent of the corporation, or who, while serving as a director, officer, employee, fiduciary, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of another foreign or domestic corporation or other person, or of an employee benefit plan, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee, fiduciary, or agent, whether or not the corporation would have power to indemnify him or her against the same liability.

Section 7.05 Savings Clause. If this Article or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each officer and director as to expenses, including attorneys' fees, judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether internal or external, including without limitation a grand jury proceeding and an action or suit brought by or in the right of the corporation, to the full extent permitted by any applicable portion of this Article that shall not have been invalidated, or by any other applicable law.

ARTICLE VIII – MISCELLANEOUS

Section 8.01 Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 8.02 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Utah law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 8.03 Conflicts. If there are conflicts between the provisions of Utah law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Utah law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail. If any provision of these Bylaws is in conflict with Utah law, the provision will be interpreted to be consistent with Utah law and the remainder of these Bylaws shall remain in full force and effect.

Section 8.04 Books and Records.

(a) **Inspection by Members and Mortgagees.** The Declaration and Bylaws, membership register books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any Mortgagee, Member of the Association, or by the duly appointed representative of any Member at any reasonable time and for a purpose reasonably related to his or her interest in a Unit at the office of the Association or at such other place within the Properties as the Board shall prescribe.

(b) **Rules for Inspection.** The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made;
- (iii) frequency a request may be made; and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) **Inspection by Directors.** Every director shall have the absolute right at any time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director shall include the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 8.05 Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing

and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid;

(a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no street address has been designated, at the address of the Unit of such Member; or

(b) If to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 8.06 Amendment.

(a) By Declarant. So long as the Class "B" membership exists, the Declarant, as the Class "B" Member, may unilaterally amend these Bylaws for any purpose. Thereafter, the Declarant may unilaterally amend these Bylaws at any time and from time to time if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which is in conflict therewith; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Properties; or (iii) required by an institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans to enable it to make, purchase, insure or guarantee mortgage loans on any portion of the properties within the Neighborhood; provided, however, any such amendment shall not adversely affect the title to any property unless the owner thereof shall consent thereto in writing. Further, so long as it still owns property within the Neighborhood, the Declarant may unilaterally amend these Bylaws for any purpose provided such amendment has no material adverse effect upon any right of any Owner.

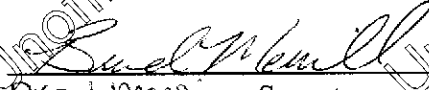
(b) By Members. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent or any combination thereof, of Members holding seventy-five percent (75%) of the total Class "A" votes in the Association, and the consent of the Class "B" Member, so long as such membership exists. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class "B" Member without the prior written consent of Declarant (or its assignee of such right or privilege) or the Class "B" Member, respectively.

(c) Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon recordation in the public records of Washington County, Utah, unless another date is specified therein. Any procedural challenge to an amendment must be made within thirty (30) days of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws. If an Owner consents to any amendment to these

Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary position in any mortgage or contract between Owner and a third party will affect the validity of such amendment.

Secretary's Certificate

I, THE UNDERSIGNED, being the Secretary of Paradise Village at Zion Owners Association, Inc., do hereby certify the foregoing to be the Bylaws of such corporation, as adopted by written consent of its Board of Directors dated as of March 23rd, 2014.



Brad Merrill, Secretary

4817-4710-2232.2