

Entry No.	123718	Book	MSB
RECORDED	7-5-74	at 4:51 PM	16-26
REQUEST of	M.F.T.		
FEE	\$ 12.50	WANDA Y. STANLEY, SUMMIT CO. RECORDER	
INDEXED	J. A.	By Wanda Y. Stanley	
		ABSTRACT	

ARTICLES OF INCORPORATION
OF
PROSPECTOR SQUARE PROPERTY OWNERS

(A Utah Nonprofit Corporation)

I, EDWARD I. VETTER, the undersigned natural person over the age of 21 years whose address is 135 South Main St., Salt Lake City, Utah, acting as incorporator of a nonprofit corporation under the Utah Nonprofit Corporation and Co-operative Association Act [Sections 16-6-18 through 16-6-111, Utah Code Annotated (1953)], hereby adopt these Articles of Incorporation for such corporation.

The name of the corporation is PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION. The corporation shall continue in existence perpetually unless dissolved or otherwise terminated according to law.

I. DEFINITIONS

When used in these Articles the following terms shall have the meaning indicated:

1. Articles shall mean and refer to these Articles of Incorporation of PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION.
2. Association shall mean and refer to PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION, the Utah nonprofit corporation which is created by the filing of these Articles.
3. Member shall mean and refer to every person who holds membership in the Association.
4. Developer shall mean and refer to MFT MORTGAGE CORP., a Utah corporation.
5. Property shall mean and refer to the entirety of the following-described tract of real property situated in Summit County, State of Utah:

Parcel No. 1

Beginning at the Center of Section 9, Township 2 South, Range 4 East, Salt Lake Base & Meridian, and running thence North 0°13'40" East along the West line of the Northeast Quarter of said Section 9, 502.73 feet to a point on a curve to the left, which is the South line of State Highway 248, the radius point of which is North 40°22'32" West 1482.26 feet; thence Northeasterly along the arc of said curve and said south line 58.41 feet; thence North 47°22' East along said south line 1153.90 feet; thence South 89°57'18" East 1022.94 feet; thence South 0°04'58" West 186.00 feet; thence East 65.32 feet; thence South 404.77 feet to a point of a 66.00

foot radius curve to the right, thence Southwesterly along the arc of said curve 103.67 feet; thence South 0°04'58" West 111.39 feet to the northerly line of a Union Pacific Railroad right of way; thence along said right of way line as follows: South 73°09'48" West 54.41 feet to a point of a 1482.40 foot radius curve to the left; thence Southwesterly along the arc of said curve 226.39 feet to a point of tangency; thence South 64°24'48" West 1064.18 feet to the South line of the said Northeast Quarter of Section 9; thence leaving said right of way line North 89°44'14" West along said south line of the Northeast Quarter of Section 9, 693.765 feet to the point of beginning. Contains 42.383 Acres.

Parcel No. 2

Beginning at a point North 0°13'40" East along the West line of the Northeast Quarter of Section 9, 637.58 feet from the Center of Section 9, Township 2 South, Range 4 East, S.L.B. & M. and running thence North 0°13'40" East along said west line 686.09 feet; thence South 89°57'18" East 741.88 feet to the North line of State Highway 248; thence South 47°22' West along said North line 1012.10 feet to the point of beginning. Contains 5.842 Acres.

6. Plat shall mean and refer to the subdivision plat covering the Property, entitled "PROSPECTOR SQUARE" executed and acknowledged by Developer on the 12th day of December, 1973, prepared and certified to by M. Carl Larsen (a duly registered Utah Land Surveyor holding Certificate No. 2970), and filed for record in the office of the County Recorder of Summit Sounty, Utah on or about the date that these Articles are filed with the office of the Secretary of State of Utah.

7. Declaration shall mean and refer to the instrument entitled "Declaration of Covenants, Conditions, and Restrictions of Prospector Square Subdivision" executed and acknowledged by Developer on the 5th day of July, 1974, and filed for record in the office of the County Recorder of Summit County, Utah concurrently with the filing of the Plat.

8. Lot shall mean and refer to any of the 47 separately numbered and individually described parcels of land shown on the Plat.

9. Common Areas shall mean and refer to that part of the Property which is not included within the Lots or dedicated streets but including all parking areas, walking mall streets, and improvements other than utility lines now or hereafter constructed or located thereon.

10. Commercial Unit shall mean and refer to a structure or portion of a structure which is designed and intended for commercial use or occupancy in part as apartments, town houses, condominiums or other type of residence, together with all improvements located on the Lot concerned which are used in conjunction with such commercial

BOOK #58 PAGE 17

unit.

11. Owner shall mean and refer to the person who is the owner of record (in the office of the County Recorder of Summit County, Utah) of a fee or an undivided fee interest in any lot. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term Owner shall mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

II. POWERS AND PURPOSES

1. Purposes. 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 the assessments and charges provided for in the Declaration, otherwise administering, enforcing, and carrying out the terms of the Declaration, and generally providing for and promoting the commercial enterprises, health, safety, and welfare of the commercial activities located on the Property.

2. Powers. The Association shall have all of the powers conferred upon it by the Declaration and all powers allowed by law necessary or convenient for accomplishment of any of its purposes, including all powers referred to or described in Section 16-6-22, Utah Code Annotated (1953).

3. Limitation. The Association is not organized for pecuniary profit. Notwithstanding the breadth of the foregoing portion of this Article II: (i) No dividend shall be paid to, no part of the Association's funds shall be distributed to, and no part of any net income of the Association shall inure to the benefit of, any of its Members, Directors, or officers or any other person; and (ii) the powers of the Association shall be subject to all limitations or restrictions contained herein or in the Declaration.

III. MEMBERSHIP AND VOTING RIGHTS

1. Membership. Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains. Neither the issuance nor the holding of shares of stock shall be necessary to evidence membership in the Association.

2. Voting Rights. The Association shall have the following-described two classes of voting membership:

Class A. Class A Members shall be all Owners, but excluding the Developer until the Class B membership ceases. Class A Members shall be entitled to one vote for each 100 square feet of ground space in each Lot in which the interest required for membership in the Association is held. In no event, however, shall more than one Class A vote exist with respect to any 100 square feet of ground space in

each Lot. No vote shall be allowed for remaining ground space in each Lot of less than 100 square feet of ground space.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to six (6) votes for each 100 square feet of ground space in each Lot in which it holds the interest required for membership in the Association. The Class B membership shall automatically cease and be converted to Class A membership on the first to occur of the following events:

(a) When the total number of votes held by all Class A Members equals the total number of votes held by the Class B Member.

(b) The expiration of twenty (20) years after the date on which the Declaration is filed for record in the office of the County Recorder of Summit County, Utah.

3. Multiple Ownership Interests. In the event there is more than one Owner of a particular Lot, the vote relating 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 an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

4. Membership List. The Association shall maintain up-to-date records showing the name of each person who is a Member, the address of such person, and the Lot to which the membership of such person is appurtenant. In the event of any transfer of a fee or undivided fee interest in a Lot either the transferor or transferee shall furnish the Association with evidence establishing that the transfer has occurred and that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Summit County, Utah. The Association may for all purposes act and rely on the information concerning Members and Lot ownership which is thus acquired by it or, at its option, the Association may act and rely on current ownership information respecting any Lot or Lots which is obtained from the office of the County Recorder of Summit County, Utah. The address of a Member shall be deemed to be the address of the Commercial Unit situated on such Member's Lot unless the Association is otherwise advised.

IV. MEMBERS MEETINGS

1. Annual Meeting. The first annual meeting of the Members shall be held on the _____ . Thereafter an annual meeting of the Members shall be held on the _____ in _____ of each succeeding year. The time of the meeting shall be 7:00 p.m. If the day fixed for the annual meeting falls on a legal holiday in the State of Utah, such meeting shall be held on the next succeeding business day. The purpose of the annual meeting shall be the election of Directors and the transaction of such other

business as may come before the Members. If election of Directors is not held on the day designated herein for an annual meeting, the Board of Directors shall cause such election to be held at a special meeting of the Members as soon thereafter as is convenient.

2. Special Meetings. A special meeting of the Members for any purpose or purposes may be called by the President, by the Board of Directors, by the Class B Member, or by Class A Members who, absent any objection, would collectively be entitled to cast not less than fifteen (15) votes.

3. Place of Meeting. The Board of Directors may designate any place within Salt Lake County or Summit County, Utah as the place for any annual meeting or for any special meeting called by the Board. If no designation is made, the place of meeting shall be the principal office of the Association in Summit County.

4. Notice. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date. Such notice shall be deemed to have been properly furnished if mailed postage prepaid within the required time period to the person who appears as a Member, at the latest address for such person appearing, in the records of the Association at the time of mailing.

5. Quorum. Except as otherwise provided in these Articles, in the Declaration, or by law, those Members present in person or by proxy shall constitute a quorum at any meeting of the Members.

6. Proxies. At any meeting of the Members a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. All proxies shall be filed with the Secretary of the Association before or at the time of the meeting. Unless otherwise provided therein no proxy shall be valid after eleven (11) months from the date of its execution.

7. Cumulative Voting. At each election for Directors the vote (in the case of Class A membership) or votes (in the case of Class B membership) attributable to a Lot may be accumulated by the Member or Members entitled to cast the same by giving one candidate as many votes as the number of Directors to be elected multiplied by the number of votes concerned shall equal, or by distributing the total votes so determined among any number of candidates. A plurality shall be sufficient for the election of a candidate.

8. Necessary Vote. Except as concerns the election of Directors and except with respect to those proposals which under these Articles, under the Declaration, or by law require a greater proportion for adoption, the affirmative vote of a majority of all votes which Members present in person or represented by proxy are entitled to cast at a meeting shall be sufficient for the adoption of any matter voted on by the Members.

V. BOARD OF DIRECTORS

BOOKM58 PAGE20

1. Number, Tenure, and Qualifications. The affairs of the Association shall be managed by a Board of Directors composed of three (3) individuals. Any change in the number of Directors may be made only by amendment of these Articles. Directors need not be Members of the Association. Each Director shall hold office until the next annual meeting of the Members and until his successor has been duly elected and qualifies.

2. Initial Board. The persons who are to serve as Directors until the first annual meeting of Members are as follows:

<u>Name</u>	<u>Address</u>
Edward I. Vetter	135 South Main Street Salt Lake City, Utah
Marvin C. Steadman	135 South Main Street Salt Lake City, Utah
Richard Gardner	135 South Main Street Salt Lake City, Utah

3. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice other than this Section immediately after, and at the same place as, the annual meeting of the Members. The Board of Directors may provide by resolution the time and any place within Salt Lake County or Summit County, Utah for the holding of additional regular meetings without notice other than such resolution.

4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons calling a special meeting of the Board may fix any place within Salt Lake County or Summit County, Utah as the place for holding such meeting.

5. Notice. Written or printed notice stating the place, day, and hour of any special meeting of the Board shall be given to all Directors at least three (3) days prior to the meeting date. Such notice shall be deemed to have been properly furnished if mailed postage prepaid at least three (3) business days before the meeting date to each Director at his business address. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting unless the Director attends for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened. Neither the business to be transacted at nor the purpose of any meeting need be specified in the notice thereof.

6. Quorum. A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the Directors at a meeting at which a quorum is present shall constitute the act of the Board of Directors unless the act of a greater number is required by law.

7. Vacancies. Any vacancy on the Board may be filled by the affirmative vote of a majority of the remaining Directors, even though such remaining Directors constitute less than a quorum. A

Director thus selected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

8. Compensation. The Board may provide by resolution that the Directors shall be paid their expenses, if any, of attendance at each meeting of the Board, shall be paid a reasonable fixed sum for attendance at each meeting, shall be paid specified and reasonable salaries for their services as Directors, or shall be paid any combination of all of the foregoing.

VI. ARCHITECTURAL CONTROL COMMITTEE

1. Number, Composition, and Function. The Board of Directors shall appoint a three-member Committee the function of which shall be to enforce and administer the provisions of Article IX of the Declaration captioned "ARCHITECTURAL CONTROL" (relating to control of improvements and landscaping within the Property). The Committee need not be composed of Members. Members of the Committee shall hold office at the pleasure of the Board. If such a Committee is not appointed the Board itself shall perform the duties required of the Committee.

2. Manner of Acting. The act, concurrence, or determination of any two or more Committee members, whether such act, concurrence, or determination occurs at a meeting, without a meeting, at the same time, or at different times, shall constitute the act or determination of the Committee.

3. Compensation. The Board of Directors may provide by resolution that members of the Committee shall be paid specified and reasonable compensation for their service as Committee members.

4. No Liability for Damages. The Committee shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to Article IX of the Declaration captioned "ARCHITECTURAL CONTROL."

VII. OFFICERS

1. Number and Qualifications. The Officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer. Any two (2) or more offices, other than the office of President and Secretary, may be held by the same person. Officers need not be Members of the Association.

2. Tenure. The Officers of the Association shall be elected by the Board of Directors annually at the first meeting of the Board held after the annual meeting of the Members. If election of Officers does not occur at such meeting it shall be held as soon thereafter as is convenient. Each Officer shall hold office until his successor has been duly elected and qualifies or until he is removed. Any Officer may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby.

3. Vacancies. A vacancy in office resulting from death,

resignation, removal, or any other cause shall be filled by the Board of Directors for the unexpired portion of the term of the person previously in office.

4. President. The President shall be the principal executive Officer of the Association and, subject to the control of the Board of Directors, shall exercise general supervision and control over all of the property and affairs of the Association. The President shall, when present, preside at all meetings of the Members and of the Board of Directors. If the President is not present then the Vice-President shall preside. Except in cases where the signing and execution thereof is expressly delegated by the Board of Directors or by these Articles to some other Officer or agent of the Association or where required by law to be otherwise signed or executed, the President, together with the Secretary or any other Officer of the Association authorized by the Board of Directors, may sign any deeds, mortgages, contracts, or other instruments which the Board of Directors has properly authorized to be executed. The President shall, in general, perform all duties incident to the office of President and such other duties as may from time to time be prescribed by the Board of Directors.

5. Vice-President. In the absence of the President or in the event of his death, inability, or refusal to act, the Vice-President shall perform all of the duties of the President. When so acting he shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice-President shall perform such duties as may from time to time be assigned to him by the President or by the Board of Directors.

6. Secretary. The Secretary shall keep minutes of meetings of the Members and of the Board of Directors in one or more books provided for that purpose, shall see that all notices are given in accordance with the provisions of these Articles, the Declaration, and law, shall maintain the membership list required by these Articles, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

7. Treasurer. If required by the Board of Directors the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall have the custody of and shall be responsible for all funds of the Association, shall receive and give receipts for money due and payable to the Association, shall deposit all such money in the name of the Association in such banks, trust companies, or other depositories as are selected by the Board, shall perform all accounting, financial record-keeping, and similar services which may be necessary or desirable in connection with the Association's affairs, and, in general, perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

VIII. MISCELLANEOUS

1. Transfer of Common Areas. The Board of Directors may, in

connection with dissolution of the Association or otherwise, dedicate or transfer all or any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Board. Any such dedication or transfer must, however, be assented to by two-thirds (2/3) of the votes of each class of membership which Members present in person or by proxy are entitled to cast at a meeting duly called for the purpose. Written or printed notice setting forth the purpose of the meeting and the action proposed shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date.

2. Manager. The Association may carry out through a Property Manager any of its functions which are properly the subject of delegation. Any Manager so engaged shall be an independent contractor and not an agent or employee of the Association, shall be responsible for managing the Property for the benefit of the Association and the Members, and shall, to the extent permitted by law and the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association itself. It is anticipated that the Association and MFT MORTGAGE CORP. (a Utah corporation and the Developer) will enter into a Management Agreement for an initial one (1) year period to begin on or about the date these Articles are filed with the office of the Secretary of State of Utah.

3. Principal Office. The principal office of the Association shall be located in Salt Lake County or Summit County, Utah. The address of the initial principal office of the Association is as follows:

PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION
% Mr. Edward I. Vetter
135 South Main Street
Salt Lake City, Utah 84111

4. Amendment. Any amendment to these Articles shall require the affirmative vote of at least two-thirds (2/3) of all Class A membership votes which Members present in person or represented by proxy are entitled to cast at a meeting duly called for such purpose; and, so long as the Class B membership exists. Written notice setting forth the purpose of the meeting and the substance of the amendment proposed shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date. The quorum required for any such meeting shall be as follows: At the first meeting called the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of the Class A membership shall constitute a quorum. If a quorum is not present at the first meeting or any subsequent meeting, another meeting may be called (subject to the notice requirement set forth in the foregoing portion of this Section 4) at which a quorum shall be one-half of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held more than forty-five (45) days following the immediately preceding meeting. Any amendment authorized pursuant to this Section shall be accomplished through the filing with the office of the Secretary of State of Utah of appropriate articles of amendment executed by the President or Vice-President of the Association and, if the Class B membership then exists, executed by the

Developer and approved by the office of the Summit County Attorney.

5. Consent in Lieu of Vote. In any case in which these Articles require for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast at least the stated percentage of all membership votes outstanding in connection with the Class of membership concerned. The following additional provisions shall govern any application of this Section 5:

(a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Member.

(b) The total number of votes required for authorization or approval under this Section 5 shall be determined as of the date on which the last consent is signed.

(c) Except as provided in the following sentence, any change in ownership of a Lot which occurs after consent has been obtained from the Member having an interest therein shall not be considered or taken into account for any purpose. A change in ownership which would otherwise result in an increase in the total number of Class A votes outstanding shall, however, be effective in that regard and shall entitle the new Member to give or withhold his consent.

(d) Unless the consent of all Members whose memberships are appurtenant to the same Lot are secured, the consent of none of such Members shall be effective.

6. Bylaws and Resolutions. The Board of Directors may adopt, amend, and repeal Bylaws or resolutions for regulation and management of the affairs of the Association not inconsistent with these Articles, the Declaration, or law.

7. Interpretation. The captions which precede the various portions of these Articles are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The invalidity or unenforceability of any provision contained in these Articles shall not affect the validity or enforceability of the remainder hereof. These Articles have been prepared in conjunction with the Declaration and should be read and construed in light of that fact and liberally so as to effect all of the purposes of both instruments. To the extent the provisions of the Utah Nonprofit Corporation and Co-operative Association Act [Sections 16-6-18 through 16-6-111, Utah Code Annotated (1953)] and any modifications, amendments, and additions thereto are consistent with these Articles and the Declaration, such legislation shall supplement the terms hereof.

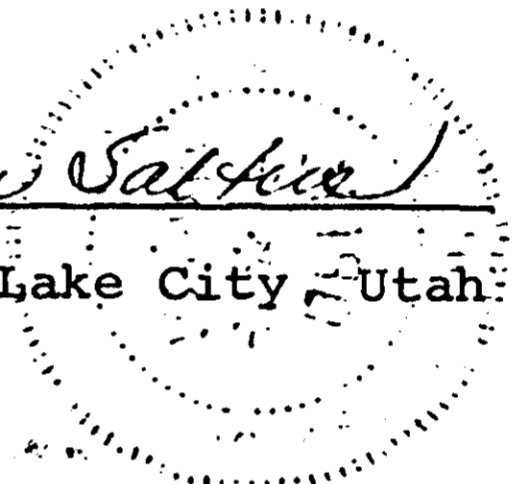
DATED this 5th day of July, 1974.

Edward I. Vetter

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 5th day of July, 1974, personally appeared before me Edward I. Vetter, who being by me duly sworn, declared that he is the person who as incorporator signed the foregoing Articles of Incorporation of PROSPECTOR SQUARE PROPERTY OWNERS ASSOCIATION, and that the statements contained therein are true and correct to the best of his knowledge.

Scotty Jean Satter
Notary Public
Residing at Salt Lake City, Utah



My Commission Expires:

4/1/78

BOOKM58 PAGE26