

WHEN RECORDED RETURN TO:
Sugarplum 459 Homeowners Association
c/o 9020 S. Blackjack Road
Alta, Utah 84092

Tax Serial Nos. On Exhibit "A"

FIRST AMENDMENT TO DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SUGARPLUM 459, A PLANNED UNIT DEVELOPMENT

THIS FIRST AMENDMENT to Declaration of Covenants, Conditions and Restrictions For Sugarplum 459, a planned unit development, is made and entered into this 20th day of March, 2025, and is approved, executed and recorded by and on behalf of the Sugarplum 459 Homeowners Association, a Utah nonprofit corporation (the "Association"), acting through its Board of Directors.

Recitals:

A. The Declaration of Covenants, Conditions and Restrictions For Sugarplum 459, a planned unit development was recorded February 21, 2002 as Entry No. 8156704 in Book 8568 at Page(s) 6443-6489, et seq. of the Official Records of the Salt Lake County, Utah Recorder's Office (the "Declaration"). The Declaration, as amended by this Amendment, pertains to that certain real property located in the Town of Alta, Salt Lake County, State of Utah, and more particularly described on Exhibit "A" attached hereto and incorporated herein. The Project established by the Declaration consists of ten (10) Building Pads upon which ten (10) Dwellings may be built.

B. The Association is the duly authorized and established homeowners association established under the Declaration, for the "Project" as that term is defined in the Declaration.

C. Pursuant to Section 12.2 of the Declaration, the Owners of the simple majority of the total voting power of the Association based on Building Pad and Dwelling ownership (votes and consents) have the power to amend the Declaration.

D. The Association has obtained more than the necessary majority of votes required to amend or modify the Declaration, and on such basis, the Board of Directors on behalf of the Association has the legal authority to approve, execute, acknowledge and record this Amendment.

E. The Declaration originally contemplated that a "Master Association" would be established pursuant to a "Master Declaration" to administer and maintain certain "Common Areas" directly or indirectly benefitting the Project and certain adjoining developments. The Master Declaration has been previously terminated and the Master Association has been dissolved.

F. Capitalized terms used herein and not otherwise defined shall have the same meaning as in the Declaration, unless another meaning is clearly indicated.

NOW THEREFORE, in consideration of the foregoing Recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Declaration is hereby amended, modified and clarified as follows:

1. Status of Owners. The Declarant Control Period and Class B membership have terminated and there is no Class B Owner within the Project. All Owners are Class A Owners having a single vote within the Association.

2. Shared Maintenance Costs. Section 6.9 of the Declaration is hereby deleted and replaced with the following provision:

“6.9 Shared Maintenance Costs. Costs and expenses under any existing or future “shared maintenance agreement” approved by the Board, including any related to the maintenance, repair or replacement of any property or asset which was formerly considered Common Area under the Master Declaration, shall be included within the Regular or Special Assessments made by the Association, as the case may be.”

3. Reserve Analysis. The following provision is incorporated as Section 6.10 of the Declaration:

“6.10 Reserve Analysis. Prior to the levy and collection of Assessments for reserve funds for contemplated repairs, replacements or restorations by the Association, the Board shall conduct or obtain a reserve analysis or reserve study, in conformity with, and at the same intervals specified by Utah Code sec. 57-8a-211, as in effect from time to time.”

4. Bylaws. Attached hereto as Exhibit “B” and incorporated herein are a true and correct copy of the current Bylaws of the Association, which are subject to revision or amendment as provided therein or pursuant to Utah Code sec. 16-6a-1010.

5. Deletion of References to Master Association. All references to the Master Declaration, Master Association, and Master Common Area in the Declaration are hereby deleted. The termination of the Master Declaration and the dissolution of the Master Association shall not affect any Owner’s or the Association’s rights of access, easements or other rights pertaining to areas within or without the Project which were or may have been designated as Common Area under the Master Declaration or any related documents.

6. Community Association Act. To the extent required, the Association shall register with the Utah Department of Commerce, and the Utah Division of Real Estate as a “community association”, and otherwise comply with the applicable provisions of the “Utah Community Association Act” Utah Code sec. 57-8a which was enacted subsequent to the recording of the Declaration.

7. Foreclosure Trustee. The following provision is hereby added to the end of Section 7.2.3 of the Declaration in conformity with Utah Code sec. 57-8a-212(1)(j): “Successor

Declarant hereby conveys and warrants pursuant to U.C.A. Sections 57-1-20 and 57-8a-402 to First American Title Company as "foreclosure trustee", or to any successor thereto appointed by the Association, including any member of the Utah State Bar, with power of sale, the Building Pads, Dwellings, and all improvements thereto, for the purpose of securing payment of Assessments under the terms of the Declaration."

8. Covenants to Run With the Land. This Amendment and the provisions hereof shall constitute covenants running with the land, and shall be binding upon the Owners of the Building Pads, Dwellings and the Association and their respective successors, assigns and any person acquiring, leasing, financing, or otherwise owning an interest in the Project.

9. Attorney's Fees. In the event any action is commenced by any party against the Association in connection with this Amendment, including any bankruptcy proceeding, the Association as the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

10. Incorporation of Recital and Exhibits. The Recitals at the beginning of this Amendment and the Exhibits hereto are incorporated into this Amendment and the Declaration.

11. Original Declaration Otherwise In Force. Except as expressly amended, modified or supplemented hereby, the Declaration remains in full force and effect.

12. No Dedication. Nothing contained in this Amendment will be deemed to be a gift or a dedication of any portion of the Project to the general public or for the use by or benefit of the general public for any public purpose whatsoever, it being the intention of the Association that this Amendment will be strictly limited to and for the purposes expressed herein.

13. Effective Date. This Amendment shall be effective as of the date it is recorded in the Office of the County Recorder of Salt Lake County, Utah.

14. Due Authorization and Adoption. The undersigned authorized Member of the Board of the Association does hereby certify that this Amendment to the Declaration was duly approved by the necessary majority vote of the Owners as Members of the Association in accordance with Section 12.2 of the Declaration. Any required consent of First Mortgagees shall be obtained in compliance with Utah Code sec. 57-8a-210.

IN WITNESS WHEREOF, this Amendment has been executed by the Board on behalf of the Association.

[signature page follows]

SUGARPLUM 459 HOMEOWNERS
ASSOCIATION, a Utah nonprofit corporation

By:

Chad Horne

Title: Authorized Director

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

On this 20th day of March, 2025, before me a Notary Public in and for said county and state, personally appeared Chad Horne, who acknowledged to me that (s)he executed the foregoing instrument in his/her capacity as the duly authorized Member of the Board of Directors of Sugarplum 459 Homeowners Association, a Utah nonprofit corporation, which thereby executed and approved the same.

WITNESS my hand and notarial seal

Notary Public

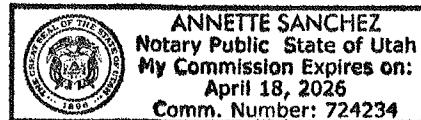


EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Boundary (Parcel 1)

All of Lots 4 and 5 of the Sugarplum Amended plat, as recorded in Book 84-11, Page 181 in the office of the Salt Lake County Recorder, located in the East half of Section 6, Township 3 South, Range 3 East, Salt Lake Base and Meridian, and being more particularly described as follows:

Commencing at a found 2" steel pipe placed in the rock kern of corner #2 of the Blackjack Lode Claim, Mineral Survey #5288, said claim corner being located South 32°13'19" West (calculated) 3377.23 feet, more or less, from the northeast corner of said section 6, (basis of bearing being North 67°08'57" East between said claim corner and a found 2" steel pipe marking corner #2 of the Hellgate Lode Claim, Mineral Survey #5282), thence running North 67°08'57" East along said basis of bearing line a distance of 839.77 feet; thence South 22°51'03" East perpendicular to said line 297.75 feet to the northern most corner of said Lot 4, said point also being the POINT OF BEGINNING; thence South 67°20'00" East 92.25 feet; thence South 22°40'00" West 409.92 feet; thence South 71°42'58" West 92.68 feet; thence North 22°40'00" East 288.71 feet; thence North 22°20'00" West 31.47 feet; thence North 22°40'00" East 159.70 feet to the POINT OF BEGINNING. Containing 0.7948 Acres.

Boundary (Parcel 2)

All of Lot 9 of the Sugarplum Amended plat, as recorded in Book 84-11, Page 181 in the office of the Salt Lake County Recorder, located in the East half of Section 6, Township 3 South, Range 3 East, Salt Lake Base and Meridian, less and excepting those portions Quit Claimed to The View Associates, LTD., a Utah Limited Partnership as described in Book 5676, Page 2032 and in Book 5665, Page 2230 in the office of the Salt Lake County Recorder, said Lot 9 being more particularly described as follows:

Commencing at a found 2" steel pipe placed in the rock kern of corner #2 of the Blackjack Lode Claim, Mineral Survey #5288, said claim corner being located South 32°13'19" West (calculated) 3377.23 feet, more or less, from the northeast corner of said section 6, (basis of bearing being North 67°08'57" East between said claim corner and a found 2" steel pipe marking corner #2 of the Hellgate Lode Claim, Mineral Survey #5282), thence running North 67°08'57" East along said basis of bearing line a distance of 404.09 feet; thence South 22°51'03" East perpendicular to said line 436.67 feet to the northwest corner of said Lot 9, said point also being the POINT OF BEGINNING; thence South 67°20'00" East 110.93 feet along the northerly line of said lot; thence South 38°28'02" East 49.44 feet; thence North 72°09'53" East 7.20 feet; thence South 38°08'00" East 1.64 feet; thence North 73°40'00" East 31.77 feet; thence South 67°20'00" East 10.35 feet along said northerly line to the northeast corner of said Lot 9; thence South 22°40'00" West 90.45 feet; thence South 71°42'58" West 117.06 feet; thence North 67°20'00" West 107.76 feet; thence North 22°40'00" East 167.17 feet to the POINT OF BEGINNING. Containing 0.6541 Acres.

Parcels 1 and 2 also known as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 of the Sugarplum 459 plat, A Subdivision of Lots 4, 5, and 9, Sugarplum P.U.D. (Amended), as recorded November 7, 2001 in Book 2001P, Page 338 in the office of the Salt Lake County Recorder.

RXLP SUGARPLUM 459

B FLG	BLK/BLDG	IND FLG	LOT/QUAR	BLK, LOT-QUAR PARCEL NUMBER	OBSOLET
L			1	30-06-428-029-0000	NO
L			2	30-06-428-030-0000	NO
L			3	30-06-428-031-0000	NO
L			4	30-06-428-033-0000	NO
L			5	30-06-428-034-0000	NO
L			6	30-06-428-035-0000	NO
L			7	30-06-428-036-0000	NO
L			8	30-06-438-026-0000	NO
L			9	30-06-428-027-0000	NO
L			10	30-06-428-028-0000	NO

EXHIBIT B

**BYLAWS
OF
SUGARPLUM 459 HOMEOWNERS ASSOCIATION**

ARTICLE I - OFFICE

The Board of Directors shall designate and the Corporation shall maintain a principal office. The location of the principal office may be changed by the Board of Directors. The Corporation may also have officers in such other places as the Board may from time to time designate.

The initial location of the principal office of the Corporation shall be:

802 East Winchester Street, Suite 225
Murray, Utah 84107

ARTICLE II - PURPOSES

The Association is organized as a nonprofit corporation and shall be operated exclusively for the purpose of maintaining, operating, and governing Sugarplum 459, A Planned Unit Development within the Sugarplum Planned Unit Development, hereinafter the "Project," located upon real property in the Town of Alta, Salt Lake County, State of Utah. The Association is organized and shall be operated to perform the functions and provide the services contemplated in the Declaration of Covenants, Conditions, and Restrictions of Sugarplum 459, A Planned Unit Development within the Sugarplum Planned Unit Development, as it may be amended or restated, hereinafter the "Declaration," which document was recorded in the office of the County Recorder for Salt Lake County, State of Utah, on February 21, 2002, at Book 8568, Pages 6443 - 6489. No dividends shall be paid and no part of the net income of the Association, if any, shall be distributed to the members, directors, or officers of the Association, except as otherwise provided herein, in the Declaration, or by the law.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot in Sugarplum 459 P.U.D. shall be a Member of the Association. No evidence of membership in the Association shall be necessary other than evidence of ownership of a Lot. Membership in the Association is mandatory and appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains.

Section 2. Voting Rights. Members are entitled to one (1) vote for each Lot in which the interest required for membership in

the Association is held. If there is more than one Owner of a particular Lot, each of the multiple Owners shall be a Member but in no event shall more than one (1) vote exist or be cast on the basis of a single Lot. If there are multiple Owners, they may vote as they determine among themselves. A vote cast at any Association meeting by any such Owner 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. If an objection is made, the vote involved shall not be counted other than to determine whether a quorum exists.

Section 3. List of Members. 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 which is owned by the Member. The address of a Member shall be deemed to be the address of the Lot owned by such person unless the Association is otherwise advised.

ARTICLE IV - MEETINGS

Section 1. Annual Meetings. The annual meeting of the Members of the Association shall be held at such place as shall be set forth in compliance with these Bylaws. The meeting shall be held on _____ of each year, or such other day after proper notice, unless notice is waived. If such day is a legal holiday, the meeting shall be on the next business day. This meeting shall be for the election of Directors and for the transaction of such other business as may properly come before it.

Section 2. Special Meetings. Special meetings of Members may be called at any time by the President or a majority of the Directors and must be called by the President upon written request of Owners of at least five (5) Lots. Written notice of such meeting stating the place, the date, and hour of the meeting, the purpose or purposes for which it is called.

Section 3. Notice of Members Meetings. The Association shall give written notice stating the place, day, and hour of the meeting, the purpose or purposes for which the meeting is called, which shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail to each Member of record entitled to vote at such meeting. If mailed, such notice 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 4. Place of Meeting. The Association may designate any place as the place of meeting for any annual meeting or for any special meeting. A waiver of notice signed by all Members entitled to vote at a meeting may designate any place as the place for the holding of such meeting. If no designation is made the place of meeting shall be the principal office of the Association.

Section 6. Quorum. A majority of the Lot Owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Members. Except as otherwise provided herein, if less than a majority of the Lot Owners are represented at a meeting, a majority of the Lot Owners so represented may adjourn the meeting from time to time without further notice. At a meeting resumed after any such adjournment at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members in such number that less than a quorum remain.

Section 7. Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by the Members' duly authorized attorney in fact. Such proxy shall be filed with the Association before or at the time of the meeting. No proxy shall be valid after eleven months from the time it is received by the Association unless a longer period is expressly provided in the appointment form.

Section 8. Informal Action by Members. Any action required 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 a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

ARTICLE V - ASSESSMENTS

Section 1. Personal Obligation and Lien for Assessments and Charges. Each Owner shall, by acquiring or in any way becoming vested with an interest in a Lot, be deemed to covenant and agree to pay to the Association the Regular and Special Assessments and Individual Charges, together with late charges, interest, costs, and reasonable attorney's fees. All such amounts shall be, constitute, and remain: (i) a charge and continuing lien upon the Lot with respect to which such assessment is made; and (ii) the personal obligation of each person who is an Owner of such Lot at the time the assessment falls due.

Section 2. Purpose of Assessments. The purpose of Assessments is to raise funds necessary to operate the Project. Assessments shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and for the improvement, maintenance and administration of the Project and other expenditures incurred in the performance of the duties of the Association.

Section 3. Assessments. Regular and Special Assessments and Individual Charges shall be established and levied according to the provisions of the Declaration.

Section 4. Uniform Rate of Assessment. Except as otherwise provided for in the Declaration, Regular and Special Assessments shall be fixed at a uniform rate for all Lots.

Section 7. Effect of Nonpayment - Remedies. Regardless of the terms of any agreement to the contrary, the liability of the Owners of a Lot for the payment of any assessment relating to such Lot shall be joint and several, and any remedy for the collection of such assessment may be enforced against any or all Owners of the Lot concerned; provided however, that the personal obligation of an Owner to pay assessments shall not pass to that Owner's successors in title unless assumed by them. If any assessment is not paid within thirty days after the date on which it becomes delinquent, the amount thereof shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum (or, in the event such rate at any time exceeds the maximum legal limit, interest shall accrue at such maximum legal rate) and the Association may bring an action either against any or all Owners who are personally liable therefor or to foreclose the lien against the Lot; provided, however, that the Association shall give the Owner(s) concerned twenty (20) days advance written notice of its intent to pursue one or more of its remedies. Any relief obtained by the Association (whether through judicial action or otherwise) shall include reasonable attorneys fees, court costs, and each and every other expense reasonably incurred by the Association in enforcing its rights. After institution of a foreclosure action by the Association against any Lot, the Association shall, without regard to the value of such Lot or the extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by such Lot.

ARTICLE VI - OPERATION AND MAINTENANCE

Section 1. Operation and Maintenance by Association. The Association shall provide for such maintenance and operation of the Common Areas (including, without limitation, utility lines and facilities owned or used by the Association) as may reasonably necessary or desirable to make them appropriately usable in conjunction with the Lots and Living Units and to keep them clean, functional, attractive, and generally in good condition and repair. Included in such obligation to maintain and operate the Common Areas are the obligations to provide or cause to be provided garbage collection, security and snow removal services, to maintain street and other signs and lights located on the Common Areas, to maintain the private streets and to provide revegetation of the Common Areas. Salt Lake City Corporation operates and maintains the large reservoir or tank, supply pipeline to the tank, and related facilities which supply water to the Project. The Association operates and maintains the water distribution system including mainlines and laterals which supply water to the Project.

In recognition of the flood control requirements of Salt Lake County, the Association shall maintain all storm water runoff and drainage structures and facilities, if any, located in the Project, including all manmade retention ponds, swales, swale flairs, bridges, pipes, check drains, spillways, culverts, and grouted riprap inlets and outlets. This maintenance shall include all means necessary to prevent said areas and structures from holding or controlling less storm water runoff than the quantity for which they were designed. This obligation shall not be construed as a waiver of any right of the Association to obtain contribution and/or reimbursement from any third-party benefitting from the Association's maintenance of the Common Areas. In the event that a third party is using a utility line, drainage structure or similar facility to service property not included in the Project, the Association shall maintain and operate such line, structure, or facility, and third-party benefitting from its use shall reimburse the Association only for such incremental costs of such maintenance and operation which directly result from the third-parties' use thereof.

Section 3. Professional Management. The Association may manage its affairs by self management, or, for those of its functions which are properly the subject of delegation, the Association may contract with a professional manager for management services. The professional manager so engaged shall be an independent contractor and not an agent or employee of the Association, shall be responsible for managing the Project for the benefit of the Association and the Owners, and shall, to the extent permitted by law and by 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.

Section 4. Association Access to Lots. The Association has the irrevocable right of access to each Lot to make emergency repairs and to do other work reasonably necessary or useful for the proper maintenance or operation of the Project.

ARTICLE VII - ASSOCIATION INSURANCE

Section 1. Fidelity Bonds. The Association shall at all times maintain in force and pay the premiums for blanket fidelity bonds for all officers, directors, members, and employees of the Association and for all other persons handling or responsible for the funds of or administered by the Association. Furthermore, where the Association has delegated some or all of the responsibility for the handling of funds to a professional manager, such bonds are required for the professional manager's officers, directors, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association. The total amount of the fidelity bond coverage required shall be based upon best business judgment and shall not be less than the sum equal to three months aggregate assessments on all the Lots plus reserve funds. The bonds required shall meet the following additional

requirements: (1) the fidelity bonds shall name the Association as obligee; (2) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusions of persons serving similar terms or expressions; (3) the premiums on all bonds required for the Association (except for premiums on fidelity bonds maintained by a professional manager for its officers, directors, employees, and agents) shall be paid by the Association as a common expense; and (4) the bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Association.

Section 2. Liability Insurance. The Association shall maintain in force and pay the premium for a policy providing comprehensive general liability insurance coverage covering all of the Common Areas and Facilities. The coverage limits under such policy shall be in amounts generally required by private institutional mortgage investors for projects similar to the Project in construction, location, and use. Nevertheless, such coverage shall be for at least One Million Dollars (\$1,000,000) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under such policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries, and deaths of persons in connection with the operation, maintenance, or use of the Common Areas and Facilities, and legal liability arising out of lawsuits related to employment contracts of the Association. Additional coverage under such policy shall include protection against such other risks as are customarily covered with respect to projects similar to the Project in construction, location, and use. Such policy shall, by its terms, provide for "severability of interest; or shall contain a specific endorsement to preclude the insurer's denial of an Owner's claim because of the negligent acts of the Association or any Member thereof. In addition, the Association shall maintain in force and pay the premium for a policy of officers and directors liability insurance of coverage amount of at least One Million Dollars (\$1,000,000). These policies shall provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association.

ARTICLE VIII - BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors. The Board of Directors may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as they deem proper.

Section 2. Number, Tenure, and Qualification. The number of

Directors of the Association shall be no less than three nor more than fifteen. Each Director shall hold office until the next annual meeting of Members and until his successor shall have been elected and qualified. Directors need not be residents of the State of Utah or Members of the Association.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than by this Bylaw, immediately following after and at the same place as the annual meeting of Members. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than this resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by order of the President, or by one-third of the Directors. The Association shall give notice of the time, place, and purpose or purposes of each special meeting by mailing the notice to each Director at least two days before the meeting or by telephoning each Director at least one day before the meeting.

Section 5. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business, but less than a quorum may adjourn any meeting from time to time until a quorum shall be present, whereupon the meeting may be held as adjourned without further notice. At any meeting at which every Director shall be present, even though without any notice, any business may be transacted.

Section 6. Manner of Acting. At all meetings of the Board of Directors, each Director shall have one vote. The act of a majority present at a meeting shall be the act of the Board of Directors, provided a quorum is present.

Section 7. Vacancies. A vacancy in the Board of Directors shall be deemed to exist in case of death, resignation, or removal of any Director, or if the authorized number of Directors be increased, or if the Members fail at any meeting of Members at which any Director is to be elected to elect the full authorized number to be elected at that meeting.

Section 8. Removals. Directors may be removed with or without cause at any time by a vote of the Members owning sixty percent of the lots of the Project. Such vacancy shall be filled by the Directors then in office, though less than a quorum, to hold office until the next annual meeting or until the successor is duly elected and qualified, except that any directorship to be filled by reason of removal by the Members may be filled by election by the Members at the meeting at which the Director is removed. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

Section 9. Resignation. A Director may resign at any time by

delivering written notification thereof to the President or Secretary of the Association. Resignation shall become effective upon its acceptance by the Board of Directors; provided, however, that if the Board of Directors has not acted thereon within ten days from the date of its delivery, the resignation shall upon the tenth day be deemed accepted.

Section 10. Presumption of Assent. A Director of the Association who is present at a meeting of the Directors at which action on any Association matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the Minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE IX - OFFICERS

Section 1. Number. The officers of the Association shall be a President and a Secretary, each of whom shall be elected by a majority of the Members. Such other officers and assistant officers as may be deemed necessary may be elected by Members or appointed by the Board of Directors. Any two or more offices may be held by the same person. Officers may or may not be Directors or Members of the Association.

Section 2. Election and Term of Office. The officers of the Association shall be elected annually at the annual meeting of the Members or at such other time as the Members shall determine. Each officer shall hold office until a successor shall have been duly elected and shall have qualified or until the officer's death or resignation or shall have been removed in the manner hereinafter provided.

Section 3. Resignations. Any officer may resign at any time by delivering a written resignation either to the President or to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 4. Removal. Any officer or agent may be removed by the Members or the Board of Directors whenever in their judgment the best interests of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. Any such removal shall require a majority vote of the Members or of the Board of Directors, exclusive of the officer in question if the officer is also a Director.

Section 5. Vacancies. A vacancy in any office because of

death, resignation, removal, disqualification, or otherwise, or if a new office shall be created, such vacancy may be filled for the unexpired portion of the term.

Section 6. President. The President shall be the chief administrative officer of the Association. The President shall preside at all meetings of the Members and at meetings of the Board of Directors. The President shall exercise such duties as customarily pertain to the office of President and shall have general and active supervision over the property, business, and affairs of the company and over its several officers. The President may appoint officers, agents, or employees other than those elected by Members or appointed by the Board of Directors. The President may sign, execute, and deliver in the name of the Association powers of attorney, contracts, bonds, and other obligations, and shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the Bylaws.

Section 7. Vice-President. The Vice-President, if elected, shall have such powers and perform such duties as may be assigned by the Board of Directors or the President. In the absence or disability of the President, the Vice-President shall perform the duties and exercise the powers of the President. A Vice-President may sign and execute contracts and other obligations pertaining to the regular course of his duties.

Section 8. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Directors and, to the extent requested by the Board of Directors or the President, the minutes of meetings of all committees. The Secretary shall cause notice to be given of meetings of Members, of the Board of Directors, and of any committee appointed by the Board. The Secretary shall have custody and general charge of the records, documents, and papers of the Association not pertaining to the performance of the duties vested in other officers, which shall at all reasonable times be open to the examination of any Director. The Secretary may sign or execute contracts with the President or a Vice-President in the name of the Association and shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the Bylaws. Assistant Secretaries shall assist the Secretary and shall keep and record such Minutes of meetings as shall be directed by the Board of Directors.

Section 9. Treasurer. The Treasurer, if elected, shall, subject to the direction of the President have general custody of the collection and disbursement of funds of the Association. The Treasurer shall endorse on behalf of the Association checks, notes, and other obligations, and shall deposit the same to the credit of the Association in such bank or banks or depositories as the Board of Directors may designate. The Treasurer shall enter or cause to be entered regularly in the books of the Association full and accurate account of all monies received and paid on account of the Association; shall at all reasonable times exhibit the books and

accounts to any Director of the Association; and whenever required by the board of Directors or the President shall render a statement of accounts. The Treasurer shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the bylaws.

Section 10. Other Officers. Other officers shall perform such duties and have such powers as may be assigned to them by the Board of Directors.

Section 11. Salaries. The salaries or other compensation, if any, of the officers of the Association shall be fixed from time to time by the Board of Directors.

Section 12. Professional Manager. The Association may employ and appoint a professional manager to perform functions otherwise reserved to officers of the Association. The professional manager shall, subject to the directions of the President and Board of Directors, have general charge of the business operations of the Association.

ARTICLE IX - COMMITTEES

Section 1. Architectural Control Committee. The Board of Directors shall appoint a three-member Architectural Control Committee. The Architectural Control Committee shall operate in accordance with the provisions of the Declaration. The Committee need not be composed of Owners. If such a Committee is not so appointed, a majority of the Board of Directors of the Association itself shall perform the duties required of the Committee.

Section 2. Other Committees. The Board of Directors may also appoint such other committees as it may determine, which shall have such powers and duties as shall from time to time be prescribed by the Board. A majority of the members of any committee may fix its rules of procedure.

ARTICLE X - CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract to execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Loans. No loan or advances shall be contracted on behalf of the Association or other evidence of its obligation under any loan or advance shall be issued in its name, unless and except as authorized by the Board of Directors. Any such authorization may be general or confined to specific instances.

Section 3. Deposits. All funds of the Association not

otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select, or as may be selected by any officer or agent authorized to do so by the Board of Directors.

Section 4. Checks and Drafts. All notes, drafts, acceptances, checks, endorsements, and evidences of indebtedness of the Association shall be signed by such officer or officers or such agent or agents of the Association and in such manner as the Board of Directors from time to time may determine. Endorsements for deposit to the credit of the Association in any of its duly authorized depositories shall be made in such manner as the Board of Directors from time to time may determine.

ARTICLE XI - INDEMNIFICATION

Section 1. Indemnification. No officer or Director shall be personally liable for any obligation of the Association or for any duties or obligations arising out of any acts or conduct of said officer or Director performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person and his or her heirs and administrators who is, has been, or who shall serve at any time hereafter as a Director or officer of the Association, its predecessors or successors in interest, from and against any and all claims, judgment, and liabilities to which such persons shall become subject by reason of their having heretofore or hereafter been a Director or officer of the Association, its predecessors or successors in interest, or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by any such Director or officer, and shall reimburse each such person for all legal and other expenses reasonably incurred in connection with any such claim or liability, including power to defend such person from all suits or claims as provided for under the provisions of the laws of the State of Utah; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of the person's own gross negligence or willful misconduct. The rights accruing to any person under the foregoing provision of this section shall not exclude any other right to which the person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein. The Association, its Directors, officers, employees, and agents shall be fully protected in taking any action or making any payment, or in refusing so to do in reliance upon the advice of counsel.

Section 2. Other Indemnification. The indemnification herein provided shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or disinterested directors, or otherwise, both as to action in their official capacity and as to

action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, or employee, and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 3. Insurance. The Association shall purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Association would have the power to indemnify the person against liability under the provision of this section or of the general corporation laws of the State of Utah.

Section 4. Settlement by Association. The right of any person to be indemnified shall be subject always to the right of the Association by its Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE XII - WAIVER OF NOTICE

Whenever any notice is required to be given to any Member or Director of the Corporation under the provisions of these Bylaws, or under the provisions of the Articles of Incorporation, or under the provisions of the laws of the State of Utah, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice of such meetings, except where attendance is for the express purpose of objecting to the legality of that meeting.

ARTICLE XIII - AMENDMENTS

These Bylaws may be altered, amended, repealed, or new bylaws adopted by a majority of the Owners of Lots at any regular or special meeting.