

WHEN RECORDED RETURN TO:
Rela A. Lennberg
Mt. Haven Owners Secretary/Treasurer
8408 So. Colone Drive
Sandy, Utah 84094

MT. HAVEN OWNERS ASSOCIATION



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NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
MOUNTHAVEN HOMEOWNERS ASSOC
C/O RELA LENNBERG
8408 S COLONE DR SANDY 84094
REC BY:V ASHBY DEPUTY - WI

AMENDED AND RESTATED PROTECTIVE COVENANTS AND BY-LAWS OF THE MOUNT HAVEN SUBDIVISION

This Amendment to the Protective Covenants and By-Laws of the Mount Haven Subdivision is made and executed this twenty-eighth day of October, 1996 by the MOUNT HAVEN HOMEOWNERS ASSOCIATION, a Utah corporation having its principal place of business in Salt Lake County, Utah (hereinafter referred to as the "Association").

RECITALS

A. Declaration. The original Protective Covenants for Mount Haven Subdivision was recorded January 12, 1961 as Entry No. 1756479, in Book 1772, at Page 668 through 670 of the official records of Salt Lake County, Utah (hereinafter referred to as the "Original Declaration").

B. Incorporation. The Association was incorporated on July 6, 1970 under and through the laws of the State of Utah. The Articles of Incorporation were amended on or about July 25, 1986 and the amendment was filed with and approved by the Division of Corporations and Commercial Code of the Utah State Department of Business Regulation in Salt Lake City on June 16, 1987. (The original incorporation document and amendment hereinafter referred to as the "Articles of Incorporation").

C. By-Laws. The original By-Laws of the Association were recorded September 14, 1992 as Entry No. 5329789, in Book 6517, pages 1056 through 1065 of the official records of Salt Lake County, Utah (hereinafter referred to as the "By-Laws").

D. Rules. Rules adopted at the annual owners meeting on June 8, 1992 and recorded September 14, 1992 as part of Entry No. 5329789, in Book 6517, pages 1066 and 1067 of the official records of Salt Lake County, Utah (hereinafter referred to as the "Original Rules").

E. Property Description. This Amendment affects that certain real property located in Salt Lake County, Utah described and recorded in the official records of Salt Lake County, Utah as Mounthaven Subdivision and Mounthaven No. 2 Subdivision, as well as legal descriptions of properties which have been approved and recorded as part of the Mount Haven Subdivision by acquisition, relinquishment or

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division of Lots or right-of-ways (as approved by Mount Haven Board of Directors from time-to-time to be part of the Subdivision) as long as the descriptions are in conformance with the laws of Salt Lake County, shall be known as Mounthaven Subdivision. Exhibit "A" including but not limited to the original Mounthaven Subdivision Platt, the original Mounthaven No. 2 Subdivision Platt, and legal descriptions of other real properties within Mounthaven Subdivision is attached hereto and incorporated herein by this reference (hereinafter referred to as "Mounthaven Subdivision").

F. Control. The control, operation and management of the Mounthaven Subdivision has been transferred by the original developer to the Association.

G. Intent. The Association desires by this amendment to modify certain provisions of and restate the Protective Covenants and By-Laws of the Mounthaven Subdivision; and

H. Voting Requirements Satisfied. This Amendment has been approved in writing by at least fifty-one (51%) percent of all of the Lot Owners at the Mounthaven Subdivision and Members of the Association.

NOW, THEREFORE, for the reasons set forth above and consistent with the terms, covenants and conditions of the Protective Covenants and By-Laws, the Association hereby makes the following restatement, modifications, changes and amendments to the Original Declaration governing the Mounthaven Subdivision (hereinafter referred to as the "Declaration"):

1. Definitions. When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning indicated.

a. Articles of Incorporation or Articles shall mean and refer to the Articles of Incorporation of the Mt. Haven Owners Association, as amended and on file with the State of Utah.

b. Association shall mean and refer to all of the Owners of Lots at the Mounthaven Subdivision taken as, or acting as, a group.

c. Board of Trustees or Board of Directors, these terms shall be interchangeable, and shall mean and refer to persons obligated to operate and manage the Association and the Common Areas at the Mounthaven Subdivision.

d. By-Laws shall mean and refer to the By-Laws of Mount Haven Owners Association, a copy of which is attached to and incorporated in this Declaration by reference as Exhibit "B".

e. Common Areas shall mean and refer to all real property in the Project designed and intended for the common use and benefit of the Lot Owners, their families, guests and invitees, including but not limited to the following items:

(1) The real property and interests in real property submitted hereby, including the entirety of the Tract and all improvements constructed thereon, but excluding the individual Lots and the Dwelling Units or other improvements constructed thereon;

(2) All Common Areas and Facilities designated as such in the Survey Maps and other legal recordings at the Salt Lake County Recorder's Office;

(3) All installations for and all equipment connected with the furnishing of Project utility services;

(4) The Project's water system including all pipelines, holding tanks, distribution lines, or any other installations or equipment connected with the distribution of water throughout the Subdivision;

(5) The Project's outdoor grounds, roadways, bridge and gate;

(6) The telephone and telephone booth and related equipment;

(7) All portions of the Project not specifically included within the individual Lots; and

(8) All other parts of the Project normally in common use or necessary or convenient to its common use, existence, maintenance, safety, operation or management.

f. Common Area Fees shall mean and refer to all common assessments or expenses incurred to operate and maintain the Project, including sums designated for Reserve Accounts, which are assessed against and which all the Lot Owners are obligated to pay.

g. Community shall mean and refer to the real property and interests in the real property described in this Declaration.

h. Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Community and other similar (recreational residential as per Salt Lake County zoning) subdivisions in the county. Such standard may be more specifically determined by the Board of Trustees.

i. Declaration shall mean and refer to this Amended and Restated Protective Covenants and By-Laws of the Mount Haven Subdivision.

j. Dwelling Unit shall mean and refer to the residential dwelling structure built on a Lot.

k. Eligible Votes means and refers to those votes available to be cast on the issue at hand. A vote which is for any reason suspended is not available to be cast.

l. Improvement shall mean and refer to all existing structures and appurtenances to the Property of every kind and type, including but not limited to all dwelling units, fixtures, walkways, plumbing and electrical systems, heating and air conditioning systems, utility systems, roads, walkways, driveways, parking areas, carports, fences, walls, stairs, landscaping, trees, shrubs, bushes and green space.

m. Land shall mean and refer to the real property subject to this Declaration.

n. Lot shall mean and refer to a portion of the Property, other than the Common Area, intended for any type of independent ownership and use as may be set out in this Declaration and as shall be shown on the Survey Maps or other legal recordings at the Salt Lake County Recorder's Office. Where the context indicates or requires, the term "Lot" shall be deemed to include any structure or member owned utility line or holding tank constructed on the Lot.

o. Lot Owner shall mean and refer to the person who is the owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee or an undivided fee interest in a Lot, including both the Buyer and Seller under an executory land contract. The term Lot Owner does not mean or include a mortgagee or a trustee or beneficiary under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

p. Majority shall mean and refer to those Eligible Votes of Owners or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

q. Member shall mean and refer to an Owner. Each person who owns a Lot is obligated to be a member of the Association.

r. Notice and Appeals shall mean and refer to the procedure which gives an Owner notice of an alleged violation of the Declaration, By-Laws or administrative rules and regulations and designates Association Members shall have fifteen days to submit written appeals to the Board of Trustees (fifteen days from the date of receiving notice of an alleged violation).

s. Owner shall mean and refer to a Lot Owner.

t. Person shall mean and refer to a natural person, a corporation, partnership, trust, limited liability company, or other legal entity.

u. Project shall mean and refer to the Mounthaven (or Mount Haven) Subdivision.

v. Property shall mean and refer to the land or real estate, and appurtenances constituting the Mounthaven Subdivision.

w. Quorum shall mean the number of persons who must be present to conduct business for a meeting to be valid. A quorum for a Board of Trustees meeting would be four Trustees members. Owners meetings would require a minimum of one-third of eligible Lot Owners (or their qualified proxies) to form a quorum.

x. Rules shall mean and refer to administrative rules and regulations that may be adopted and/or modified from time to time by the Board of Trustees, acting by authority granted herein by the Declaration, which shall be binding upon all Owners and occupants, their families, guests and invitees. A copy of current rules, including but not limited to Original Rules and Mt. Haven Water Regulations, is hereby attached to and incorporated in this Declaration by reference as Exhibit "C"

y. Survey Map or Map(s) shall mean and refer to the "Record of Survey Map or Maps of the Mount Haven Subdivision" on file in the office of the Salt Lake County Recorder.

z. Tract shall mean and refer to the Property.

2. Ownership and Use. Each Lot Owner shall be entitled to the exclusive ownership and possession of his or her Lot, the appurtenant interest in the Common Area, and membership in the Association, subject to the following:

a. Nature and Restrictions on Ownership and Use in General. Each Lot Owner shall have and enjoy the privileges of fee simple ownership of his or her Lot. Lot Owners are subject to the laws governing ownership of real property in Salt Lake County, State of Utah and the regulations administered by the Forest Service (as applicable) as well as any Protective Covenants and Restrictions filed by the original developer that are mandated to run perpetually with the Subdivision in general or the Lots specifically. Lot Owners will control themselves, their children, their pets and guests to not detract in any way from the surroundings, interests and property of the other Lot Owners. Mount Haven Subdivision is a recreational residential community and, as such, lots shall be used only for recreational residential purposes. The Common Areas shall also only be used in a manner consistent with the recreational residential nature of the Project.

b. Ownership Requirements. There shall be no requirements concerning who may own Mount Haven Lots, it being intended that they may and shall be owned as any other property rights by persons. Water shares purchased for a Lot will be considered to be a part of that Lot and when title of a Lot is secured by a new owner the water share purchased to service the Lot will also be deemed to be owned by the new owner. A Lot Owner desiring to sell his or her Lot shall file notice, in writing, of his/her intention to sell with the Secretary of the Corporation. The Secretary shall then give notice to the other Lot Owners as soon as it is expedient to do so. Other Lot Owners may then negotiate with the party desiring to sell their Lot as with any other real property transactions. The Lot Owner is free to accept or reject any offer as they determine to be appropriate.

c. Notification of Sale. Any Lot Owner selling or otherwise legally conveying his or her lot to another person shall be responsible to notify the Secretary of the Association of the new owner's name and mailing address and shall surrender Mount Haven member certificates, common area keys and water share certificates (if any) to the Board of Trustees. New owners must obtain membership certificates, water share certificates and common area keys directly from the acting Board of Trustees. Failure to obtain these documents and/or keys through the proper channels as outlined herein SHALL NOT negate a Lot Owner's Mounthaven membership requirements or adherence to water regulations as provided for in this Declaration.

d. Easements, Streets and Roadways. All of the streets, roads and rights-of-way shown within this subdivision are privately owned and maintained by the Association, and each Lot Owner has a perpetual easement and right to travel thereon; notwithstanding, all Lot Owners, families, guests and invitees shall adhere to watershed regulations. The Board of Trustees has authority to make rules governing the roads and the use thereof, and may restrict travel on any or

all roads for a reasonable period of time as safety precautions or for the repair or improvement of the roads or for the repair or improvement of other services for which the Board of Trustees is given responsibility to provide for the benefit of the Owners. It is understood that Salt Lake County is not obligated to improve or maintain any of the streets, roads or rights-of-ways within the subdivision; and that Salt Lake County has approved this subdivision with the understanding that no claim will be made upon it for snow removal, garbage collection or other similar services.

(1) Each Lot Owner is hereby granted a non-exclusive easement on, over and across the Common Area streets and roadways and bridge for purposes of access to his or her Lot. Anything to the contrary notwithstanding, motor vehicles including but not limited to snowmobiles, motorcycles, and all terrain vehicles may only be driven in designated areas i.e. roads and may not be parked in the roadways so as to block road usage by others.

(2) No Lot Owner or occupant, their families, guests or invitees may plow, alter, change, modify, damage or impair the roadways without the prior written consent of the Board of Trustees.

(3) The Association, acting through its Board of Trustees, may erect and maintain a locked gate at the entrance/exit of the Project and distribute keys to the lock to eligible members, law enforcement and other government officials, and other entities as deemed necessary and/or appropriate.

(4) No Lot Owner or occupant, their families, guests or invitees, may pick, pry, damage, break or destroy the lock or locks on the entrance/exit gate. Ingress or egress must be obtained through the use of an authorized key.

e. Utility Easements. An easement is hereby reserved over, on and through Mount Haven Subdivision for the construction, installation and continued maintenance, repair, reconstruction, replacement and removal of such water pipeline, sewage disposal lines, electric distribution pole lines and circuits and telephone pole lines as may from time to time become necessary to serve water, sewer, telephone and electric installations located within the boundaries of the subdivision. Each Lot Owner is hereby granted a non-exclusive easement on, over and across the easements for purposes of access to utility services.

f. Telephone. A booth with telephone has been constructed for the use of all members. The system is owned and maintained by the Association in conjunction with the utility providing the telephone service. Use of the telephone is subject to the following:

(1) The Association, acting through its Board of Trustees, may erect and maintain a telephone booth with lock. Access shall be only with an authorized common area key.

(2) Only local calls may be made. Any member making a long distance call shall be responsible for the cost of such call.

(3) No Lot Owner or occupant, their families, guests or invitees, may pick, pry, damage, break or destroy the telephone booth or related equipment or the lock on the booth.

(4) The Board of Trustees has authority to make rules governing the telephone and booth and the use thereof.

g. Water Rights. The Association has installed a water system for the benefit of all Lot Owners. The system is owned and maintained by the Association, acting through the Board of Trustees. The water system is subject to the following:

(1) The Association, acting through its Board of Trustees, will conform to all Salt Lake City, Salt Lake County, State of Utah and Forest Service regulations and sanitation requirements as set forth for the area in which the water supply and Tract are located.

(2) Lot Owners or occupants, their families, guests or invitees will conform to all Salt Lake City, Salt Lake County, State of Utah and Forest Service regulations and sanitation requirements and will not take any action in regards to the water system that may jeopardize the water system or the quality of the water.

(3) The Association, acting through its Board of Trustees, has the power and authority to plan, erect, improve, replace and/or maintain a water system to service the Project.

(4) Lot Owners may obtain a water share (certificate) from the Association by contacting the Board of Trustees and complying with all requirements for ownership of such share. The Board of Trustees may determine the fee for a water share and may adjust the price from time to time.

(5) Only one water share per Lot may be purchased and can only be used to service the Lot for which the share is purchased.

(6) A privately owned water line will be connected or disconnected from the Mount Haven water pipelines at the expense of the Lot Owner, and only with the approval of the Water Master or Board of Directors.

(7) A water connection deposit, presently a minimum of five hundred (\$500), shall be deposited with the Board of Trustees to insure that Mount Haven water regulations have been followed prior to connecting or replacing or altering any connections to the Mount Haven water lines. Upon completion of the connection and inspection by the Water Master, ninety percent (90%) of the water connection deposit will be refunded to the Lot Owner as long as there has been no damage to the Common Area or Common Area Property as a result of the connection being made, or such damage has been satisfactorily repaired as determined by the Board of Trustees and its Water Master. Ten percent (10%) of the connection deposit will be retained to pay for a connection inspection.

(8) The Board of Trustees has authority to make rules and regulations governing the water and water system and the use thereof which will be binding on all Lot Owners, water share certificate holders, families, occupants, their guests and invitees. The Board may assess a fee for violation of any of the rules regarding the water system, and/ or may revoke a water share after a notice of the alleged violation has been made to the Lot Owner.

(9) The Board of Trustees may appoint or hire a Water Master and/or create a committee for overseeing and maintaining the water system. The Board may determine compensation for the Water Master and/or committee services.

(10) The Water Master and/or Board of Trustees or its representative(s) may enter onto any Lot to affect emergency or other repairs or shut offs of a private line connected to the Mount Haven water lines in order to maintain the purity and quality of the water supply.

h. Lot Improvements. Each Lot Owner shall be entitled to make improvements to her/his Lot subject to the following:

(1) Lot Owners will conform to all Salt Lake City, Salt Lake County and State of Utah regulations governing improvements in any like recreational residential subdivision within the County, including but not limited to obtaining and complying with the provisions of a building permit from Salt Lake County prior to commencing any construction or improvement.

(2) A building deposit, presently a minimum of one thousand (\$1,000) dollars, shall be deposited with the Board of Trustees prior to the commencement of any lot improvement requiring the use of heavy equipment including but not limited to excavation equipment, concrete trucks, pumping trucks and cranes. The Building deposit will be held in a Reserve Account until such time as the construction of improvement has been completed. Should the Board of Trustees determine no damage has been done to the Common Area or Common Area Property as a result of the construction, or such damage has been satisfactorily repaired, the full amount of the building deposit will be refunded to the Lot Owner. However should damage occur as a result of the Lot Owner's construction, either by himself or his invitees, all or a portion of the building deposit may be withheld to go towards the cost of repairs to the Common Area or replacement of Common Area Property and/or towards damage assessments that the Board of Trustees may levy. The Board of Trustees has the power to adjust from time to time the amount of the required building deposit as well as the authority to levy damage assessments.

(3) Only one (1) single family dwelling unit shall be constructed on any one lot. The dwelling shall not have an area of less than five hundred (500) square feet, and shall have a dull finished roof and siding, rather than one which is shiny and reflects light. All painting shall be done with subdued or rustic colors, and bright colors shall not be permitted. No motorhomes, mobilehomes, campers or trailers shall be used as dwellings. A structure of a temporary nature shall not be used as a dwelling.

(4) No improvements will be built on any Lot which shall block access to common area roads or utility easements.

(5) All of the Lot Owners will conform to all Salt Lake City, Salt Lake County, State of Utah and Forest Service sanitation requirements covering liquid waste and sewage disposal and sewage disposal systems in the area in which the Tract is located including any and all applicable requirements filed by the original developer in the Mount Haven Protective Covenants to-wit:

(a) It is understood that Lots in the Tract shall have a ten (10) foot or more soil covering and those Lots not conforming shall be classified as unsuitable for either septic tanks or drain fields and will require that all liquid waste be stored in a sealed vault or tank.

(b) It is understood that each Lot Owner will contact the Salt Lake City Health Department for verification of his or her property as to the soil condition, water table, and as to the necessary size of the sealed vault or tank for storage of liquid waste, size of septic tank and amount of drain field.

(6) No sewer service is included with the Lots in this Tract and each Lot Owner hereby acknowledges that no representation has been made to him or her by the Association, or its agents, as to the possible availability of sewer service at this time or at any time in the future.

i. Board of Trustees. The right of each Lot Owner to use his/her property is limited by the following:

(1) The right of the Association, acting through its Board of Trustees, to manage and operate the Common Areas for the benefit and enjoyment of all members of the Association;

(2) The right of the Association to suspend the voting rights of a Member and Member's right to use of the Common Area for: (a) any period during which any assessment against such member's Lot remains delinquent, and (b) a period as may be set forth by the Board of Trustees, after notice to the Member, for any major infraction of the Association rules; and

(3) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for the purpose of providing utilities and similar or related purposes.

j. Delegation of Use. An Owner may delegate to any occupant of his or her Dwelling Unit or guest or invitee to his or her Lot the right to the use and enjoyment of the Common Area and Facilities. It is the Owners responsibility to advise and bind their occupants, families, guests and invitees to the Mount Haven rules and regulations.

k. Rules and Regulations. The Association, acting through its Board of Trustees, may adopt administrative rules and regulations from time to time, which shall be binding upon all Owners and occupants, their families, guests and invitees.

l. Nuisance. No Owner or occupant shall create or maintain a nuisance on the Project. This includes but is not limited to the following:

(1) The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about a Lot or the Common Areas;

(2) The storage of any item, property or thing that causes a Lot or the Common Area to appear to be in an unclean or untidy condition or that is noxious to the senses;

(3) The storage of any substance, product or material upon any Lot or in the Common Areas that causes a foul, unpleasant or noxious odor, or that causes a noise or other condition that disturbs the peace, quiet, safety, comfort, or serenity of the other residents at the Project;

(4) The creation or maintenance of any noxious or offensive condition or activity in, on or about any Lot or the Common Areas;

(5) Actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other residents, their guests or invitees, particularly if the police or sheriff must be called to restore order;

(6) Maintaining any plants, animals, devices or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community by other residents, their guests or invitees;

(7) Too much noise in, on or about any Lot or the Common Area, especially after 10:00 p.m. and before 8:00 a.m.;

(8) Too much traffic in, on or about any Lot or the Common Area, especially after 10:00 p.m. and before 8:00 a.m.;

(9) Snow plowing of the roads is prohibited without the prior written consent of the Board of Trustees; and

(10) Breaking, damaging or prying the gate lock or locks or telephone booth lock or locks.

m. Unsightly Work, Hobbies or Unkempt Condition. The pursuit of hobbies or other activities, including but not limited to the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Project.

n. Garbage and Trash Removal. All rubbish, trash, refuse, waste, debris and garbage shall be regularly removed from any Lot, Common Area or any part or portion thereof, and shall not be allowed to accumulate thereon.

o. Trash. No trash or any other refuse may be thrown or dumped on a Lot, Common Area or any part or portion thereof.

p. Fires. No fires shall be started or kept for the burning of any type of materials except within enclosed fireplaces within the Dwelling Units upon Lots of this subdivision, or adequately constructed fireplaces, barbecue or pit areas wherein ample protection is provided against the spread of any fires so started.

q. Subdivision of Lot. No Lot shall be subdivided or partitioned, nor shall any two or more lots or partitions thereof be combined and recorded as one lot without the prior written permission of the Board of Trustees.

r. Landscaping and Improvements. No Lot Owner or occupant, their families, guests and invitees, may alter, change or modify any landscaping or improvements in on or about the Common Area without the prior written consent of the Board of Trustees.

3. Liability of Owners and Occupants for Damages. Any Owner or occupant shall be strictly liable to the Association or other Owners or occupant for damages to person or property in the Project caused by him or her, or the Lot Owner's family, guests or invitees. This includes but is not limited to damage to the roadways, bridge, entrance/exit gate, locks, water system, telephone or telephone booth, Common Area landscaping and Common Area improvements.

4. Status and General Authority of Board of Trustees. Any instrument executed by the Board of Trustees that recites facts which, if true, would establish the Board of Trustees power and authority to accomplish, through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (l) below, constitute a legal entity capable of dealing in its Board of Trustees name. The Board of Trustees shall have, and is hereby granted, the following authority and powers:

a. To Enter. The power and authority to enter into or upon any Lot to make repairs and to do other work reasonably necessary for the proper maintenance and operation of the Project.

b. Grant Easements. The authority to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

c. Execute Documents. The authority to execute and record, on behalf of all the Lot Owners, any amendment to the Declaration or Record of Survey Map or changes of Lots comprising the Mount Haven Subdivision.

d. Standing. The power to sue and be sued in its Board of Trustees name.

e. Enter Into Contracts. The authority to enter into contracts up to twenty thousand dollars (\$20,000) necessary to operate and maintain the Project.

f. Transfer Interests in Real Property. The power and authority to exchange, sell, convey or transfer any interest in real property.

g. To Purchase. The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property.

h. Promulgate Rules. The authority to promulgate such reasonable administrative guidelines, rules, regulations, and procedures as may be necessary or desirable to aid the Board of Trustees in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with this Declaration.

i. Make Assessments. The power and authority to assess fees against the Lots for the purpose of obtaining monies for the necessary and desired expenditure for management and operation of the Association and Common Areas, and the power to implement procedures for the collection of said fees.

j. Enforcement. The authority to elicit and invite law enforcement officers or other authorized authorities to patrol or enter onto and in the Mount Haven Subdivision property for the purpose of enforcing each and every ordinance or law to which Mount Haven Subdivision Lot Owners, their families, guests, and invitees are subject.

k. Meetings. The authority to establish procedures for the conduct of its meetings, which, at the discretion of the Board, may be open or closed to the Lot Owners, and to regulate record keeping, taping and video-recording of meetings.

l. All Other Acts. The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Board of Trustees to manage and operate the Association and Common Areas.

5. Composition of Management Board of Trustees. The Board of Trustees shall be composed of seven members, four Officers (namely President, Vice-President, Secretary and Treasurer) and three Trustees. Board of Trustees members shall be elected at the annual Lot Owners Meeting and serve on the Board subject to the following:

a. In even numbered years the President, Vice-President and Secretary shall be elected and immediately commence serving a two year term respectively;

b. In odd numbered years the Treasurer and two Trustees shall be elected and immediately commence serving a two year term respectively;

c. Each and every year one Trustee shall be elected and immediately commence serving a one year term;

d. Each and every year one Trustee in Waiting will be elected. The Trustee in Waiting will not have voting authority on issues coming before the Board but will be invited to attend Board meetings. Should any Trustee be unable for any reason to fulfill his or her full term, the Trustee in Waiting shall fill the vacancy on the Board created by the displaced Trustee and shall serve with full responsibilities and privileges of a Trustee until the next annual meeting of the Owners;

e. Any Board of Trustees member who fails on three successive occasions to attend Board of Trustees meetings (whether regular or special) or who has failed to attend at least twenty five (25%) percent of all Board of Trustees meetings (whether regular or special) held during any twelve month period shall automatically forfeit his or her seat. In such cases, the remaining Board of Trustees members shall appoint a replacement (usually the Trustee in Waiting) to sit on the Board of Trustees until the next Owners Meeting;

f. Unless she/he forfeits or otherwise loses his or her seat as herein provided, a member shall serve on the Board of Trustees until his or her successor qualifies and is properly elected by the Association;

g. Board of Trustees members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Board of Trustees business and approved by the Board of Trustees; and

h. Board of Trustees Members may be removed at any time by the affirmative vote of a majority of Lot Owners.

6. Board of Trustees Voting Allocations. Each member of the Board of Trustees shall have one (1) vote. More than half of the votes of the members present at a Board of Trustees meeting is enough to approve any action as long as there is a Quorum (either in person or by proxy) at the meeting. If the Board does not have a Quorum, those present at the meeting have authority to adjourn until they can get a Quorum. It is presumed that any Board member who attends a Board meeting agrees with the action taken at the Board meeting unless:

a. The Board member requests that their disagreement be entered in the minutes of the meeting;

b. The Board member files a written notice of disagreement with the Secretary before the meeting ends; or

c. The Board member forwards a written disagreement by registered or certified mail to the Secretary of the Association immediately after the meeting is over.

However, a Board member who voted in favor of an action does not have a right to file a dissent.

7. Delineation of Board of Trustees and Agents. The Board of Trustees shall perform its functions through those members who are elected as officers and trustees of the Board of Trustees and through such agents or employees as the Board of Trustees may appoint. Any Board of Trustees officer, trustee, agent or employee shall act in good faith to perform each and every duty assigned to that

member by the Board and for the benefit of the necessary and desired continuance of the Association. Officers are automatically members of the Board of Trustees. Board of Trustees members and their respective powers and functions shall be as follows:

a. President. The President shall be the chief executive of the Board of Trustees and shall exercise general supervision over the property and affairs of the Project. The President shall preside over all meetings of the Board of Trustees and of the Lot Owners and shall execute all instruments on behalf of the Board of Trustees, unless she or he chooses to delegate that authority to another Board of Trustees member.

b. Vice-President. The Vice-President shall have all the powers of the President in the event of the latter's absence or inability to act.

c. Secretary. The Secretary shall keep minutes of meetings of the Board of Trustees and of the Lot Owners and shall keep all records required of him or her by the Board, as well as perform any other duty assigned by the Board. All records shall be kept reasonably available to all members of the Association.

d. Treasurer. The Treasurer shall have custody and control of the funds available to the Board of Trustees (i.e.) the Association, and shall cause to be prepared an annual financial fiscal year statement to be presented at the annual Owners meeting and current financial statements to the Board of Trustees as requested. The Treasurer shall keep the financial books and perform any other duties assigned by the Board as well as make full disclosure of financial records within thirty days upon request of any Board of Trustee member or Lot Owner.

e. Trustee(s). The Trustees shall perform any duty assigned by the Board to him or her respectively.

Any Board of Trustees officer, trustee, agent or employee may at any time be removed, with or without cause, by the vote of a majority of the Board of Trustees members, or Lot Owners.

8. Board of Trustees Meetings. A regular meeting of the Board of Trustees shall be held immediately after the adjournment of each annual Owners meeting or at such other time as the members of the Board of Trustees may decide. Other regular meetings shall be held at periodic intervals at such time and place as the Board of Trustees may determine. Once the time and place of regular meetings is determined and agreed on by all Board members, no notice need be given of such regular Board of Trustees meetings. Special Board of Trustees meetings shall be held whenever called by the President or by any two members of the Board of Trustees. Reasonable effort shall be made to give either oral or written notice of a special meeting to each Board of Trustees member at least twenty-four (24) hours before the time fixed for the meeting. The propriety of holding any meeting which is attended by all Board of Trustees members may not be challenged on grounds of inadequate notice. A quorum for the transaction of business at any Board of Trustees meeting shall consist of a majority of all the members then in office.

9. Owners Meetings. The Lot Owners shall have the following meetings:

a. The annual meeting of the Owners shall be held at 7:00 P.M. on the second Monday in June of each year. The place of meeting shall be determined by the Board of Trustees and stated in a notice sent to all Lot Owners. At least thirty (30) but not more than fifty (50) days before the date of the annual meeting, a written notice thereof shall be personally delivered or mailed postage prepaid to each person who appears as an owner on the Mount Haven books at his or her last known address. The notice shall state the time, place and general purpose of the meeting.

b. Special meetings of the Owners may be called by the President, by any two members of the Board of Trustees, or by at least twenty-five (25%) of the undivided ownership interest in the Homeowners Association. At least ten (10) but not more than thirty (30) days before the date set for a special meeting, written notice thereof shall be given in the manner described in the immediate preceding paragraph stating the time, place and purpose of the meeting. If the meeting is called by the Lot Owners, then the only business that can be conducted at that meeting is the business shown in the notice.

c. Whenever all the Lot Owners meet in person or by proxy, then notice of the meeting can be waived, and such meeting may not be challenged on grounds of inadequate notice. The presence of at least one-third of the Members of the Association entitled to vote (including proxies) shall constitute a quorum at any Owners meeting. If a quorum is not present at any Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled at the discretion of the acting Board of Trustees. Notwithstanding the foregoing provisions of this Paragraph, however, in any case in which this Declaration requires the affirmative vote of a certain percentage of ownership interest for authorization or approval of a matter, their consent in person, by proxy, or in writing is required for authorization or approval of the item, regardless of the quorum requirements.

10. Lot Owners Voting Allocations. Each Lot Owner shall have one vote for each owned Lot. Cumulative voting is prohibited. All assessments against any Lot must have been paid before that Lot Owner may vote. If an eligible Lot Owner does not want to or is unable to attend a meeting to vote, the Lot Owner may designate a proxy in writing to vote for him or her. Such proxy authorization will expire in eleven (11) months, unless the written proxy authorization says something different. Voting of certain Lots is subject to the following:

a. If a Lot is owned by more than one person, the Lot shall only have one vote. Unless a written objection is received by the Board of Trustees from a co-Owner, the vote of a Lot Owner shall be deemed to be the vote of the Lot;

b. If a Lot Owner is a corporation, then the voting is done by whoever the Board of that corporation determines;

c. If the Court has appointed somebody to look after a Lot Owner's affairs, then that court-appointed person can vote without having to transfer the Lot title to his or her own personal name. If such a court appointment does exist, then that person must show the Board of Trustees some evidence that he or she has been so appointed prior to voting;

d. If a Lot Owner pledges his or her Lot (such as to a bank for a loan), the Lot Owner can still vote. If the Lot ownership is transferred (to the entity the owner pledged the Lot to) the voting will be done by whomever the Lot is transferred to; and

e. If the Mount Haven Association owns some of its own Lots, the Association cannot vote those Lots.

11. Operation, Maintenance and Alterations. With regard to Mount Haven's road system, water system, telephone booth and telephone, and other Common Area properties, the Board of Trustees has the responsibility and authority as granted by the Association to operate, maintain, and/or alter the Common Areas, including but not limited to, the following:

a. Common Area in General. The Association shall operate, maintain, repair and replace all Common Area in a safe, functional, attractive, sanitary and clean condition, consistent with Community Wide Standards. The Board shall provide those utility services provided for in this Declaration and not separately metered and billed to individual Lots by the provider.

b. Road System. The Board shall operate, maintain and repair any part of the road system, including the bridge and gate, in a safe, functional, attractive and clean condition consistent with Community Wide Standards and may make rules about the use of the roads for coming in and going out.

c. Water System. The Board shall operate, maintain, and repair any part of the water system to comply with any and all health requirements imposed by any legal entity to insure the safe condition of culinary water delivered to the Lot Owners owning water shares. The Board may shut down, and/or drain, any part of the water pipeline to make repairs or insure the safe quality of the water or to comply with any lawful demand. The Board may make rules about the use of the water system and it is understood that no water, rights to water, or water shares are included with the Lots in this Tract except as purchased from the Association, as provided for herein, and each Lot Owner hereby acknowledges that no representation has been made to him or her by the Association, or its agents, that year round water usage is available at this time or that year round water use will be available at any time in the future.

d. Telephone System. The telephone booth shall be maintained and repaired as needed to keep it in a safe, functional, attractive and clean condition consistent with Community Wide Standard and the Board may make rules concerning the use of the Telephone and Telephone Booth.

e. Rules and Assessments. The Board may make rules and regulations regarding the use of the roads, water system, telephone and improvements that have to do with the use and enjoyment of the land owners and their guests and may set, impose and collect assessments to pay for the maintenance, repairs, replacement or other upkeep of these common area improvements.

f. Lots. The Association requires that the Lot Owners shall operate maintain, repair and replace their Lots and Dwelling Units respectively in a safe, functional, attractive, sanitary and

clean condition consistent with standards generally prevailing in the Community and other similar recreational residential subdivisions in the County. Any private landscaping shall be tasteful so as not to affect adversely the value or use of any other Lot or the Common Area, or to detract from the uniform design and appearance of the Project.

g. Neglect. If the Board of Trustees determines that (i) any Owner has failed or refused to properly maintain or repair his or her Lot or dwelling Unit,; or (ii) that the need for maintenance, repair, or replacement of the Common Area is caused through the willful or negligent act of any Owner, his or her family, guests, lessees or invitees, and it is not covered or paid by insurance, in whole or in part, then the Association may, but is not obligated to, provide such maintenance or repair at the Owner's sole cost and expense plus any assessments levied by the Board of Trustees. Such costs, expenses and assessments shall be collected by lien and foreclosure as set forth below.

h. Notice of Board Action. Except in an emergency situation, the Association, acting through its Board of Trustees, shall give a Lot Owner written notice of the Association's intent to provide necessary maintenance, repair and/or assessment as provided for in "g" above at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance or repair deemed necessary by the Board, the estimated cost and assessment, and shall give the Owner at least thirty days after receipt of notice within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence the maintenance or repair. The Lot Owner may appeal to the Board, but must do so within fifteen (15) days of receiving notice and the appeal must be in writing. Anything to the contrary notwithstanding, the Association may, but is not obligated to, provide any such maintenance or repair. The Board of Trustees may assess and collect fees as a means of enforcing Community Wide Standards.

i. Alterations to the Common Area. No structural alterations or damage may be made to the Common Area by a Lot Owner without the prior written consent of the Board of Trustees.

j. Landscaping. All landscaping in the Project shall be maintained and cared for in a manner consistent with the standards of design and quality originally established for the Mount Haven Subdivision. Specific guidelines and restrictions on landscaping may be established by the Board of Trustees from time to time.

12. Common Area Expenses. Each Lot Owner shall pay his or her Common Area assessments or expenses subject to the following:

a. Purpose of Common Area Expenses. The Common Area Fees provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Lots, including the maintenance of real and personal property of the Association all as may be more specifically authorized from time to time by the Board of Trustees.

b. Creation of Common Area Fees. There are hereby created Common Area Fees to pay for the common expenses as may be from time to time specifically authorized by the Board of

Trustees. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association, in a timely manner, all Common Area Fees assessed.

c. Apportionment. The total of such common expenses shall be apportioned equally among all the Lots.

d. Approval of Common Area Assessments. Common Area Fees shall become effective unless disapproved at the annual Owners meeting or special Owners meeting by a vote of at least a majority of eligible voters in attendance. Notwithstanding the foregoing, however, if the membership disapproves the Common Area Fees or the Board of Trustees fails for any reason to establish the Common Area Fees for the succeeding year, then and until such time as a new Common Area Fee schedule shall have been established, the Common Area Fees in affect for the then current year shall continue for the succeeding year.

e. Payment of Common Area Fees. The Board of Trustees has the sole authority and discretion to determine how and when the annual Common Area Fees are paid, and shall give each Owner at least thirty days prior written notice before any payment is due. Unless otherwise specified by the Board, all Common Area Assessments are due and payable by the second Monday in June of each year. All assessments made against a Lot must have been paid to and be in the hands of the Treasurer of the Association prior to any Owners meeting for the Lot Owner to be eligible to vote at that Owners meeting.

f. Owners Liable to Pay Common Area Fees. For purposes of this Section, the term "Owner" shall mean and refer to the Owner of the legal and equitable interest in the Lot, including but not limited to the owner of record in the offices of the county recorder of Salt Lake County, Utah and both the Buyer and Seller under any land sales contract, uniform real estate contract, or other similar instrument, who shall be jointly and severally liable to pay Common Area Fees.

g. Equitable Changes. If the aggregate of all Common Area Fee payments on all of the Lots is too large or too small as a result of unanticipated income or expenses, the Board of Trustees may from time to time at its discretion effect an equitable change in the amount of said payments. Each Owner shall be given at least thirty days written notice of any changes.

h. Reserve Accounts. The Board of Trustees may establish and maintain reserve accounts to pay for unexpected operating expenses and capital improvements in the future. The Board of Trustees at its discretion may determine a reasonable amount to be retained in any reserve account at any time.

i. Personal Obligation of Owner. Owners are jointly and severally liable to pay all Common Area Fees assessed, including the Seller under a uniform real estate contract, land sales contract, or other similar instrument or a mortgage lender which obtains title to the Lot by conveyance or foreclosure. Owners obtaining title to a Lot whether a Seller or mortgage lender shall be liable for unpaid Common Area Fees which accrued prior to the acquisition of title and which remain unpaid at the time of acquisition of title.

j. Statement of Common Area Fees Due. Upon written request, the Board of Trustees shall furnish to any Owner a statement of Common Area Fees due, if any, on his or her Lot. Failure to provide the statement within thirty days after a written request shall be deemed conclusive evidence that all Common Area Fees are paid current on the Lot. The Association may require the advance payment of a processing charge not to exceed fifteen (\$15.00) for the issuance of such statement.

k. Superiority of Common Area Fees. All Common Area Fees and liens created to secure the obligation to pay Common Area Fees are superior to any homestead exemptions to which an Owner may be entitled.

l. Termination of Utility Service or Right to Use Amenities for Non-Payment of Common Area Fees or Misuse. At the discretion of the Board of Trustees, the utility service to any Owner or occupant of any Lot paid for by Common Area Fees or the right to use the Common Areas may be terminated if the Owner or occupant is in arrears for more than two (2) years on his or her obligation to pay Common Area Fees or has misused the utility service(s) or Common Area and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least thirty (30) days.

m. Suspension of Right to Vote for Non-Payment. At the discretion of the Board of Trustees, the right of an Owner to vote on issues concerning the Association may be suspended if the Owner is delinquent in the payment of his or her Common Area Fees, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least thirty (30) days.

13. Collection of Common Area Fees. It is important that all Lot Owners pay their Common Area Fees and that the Fees are collected in a timely manner.

a. Late Fees. The Board of Trustees, at its discretion, may set and assess late fees and set the date or dates that a Common Area Fee is considered to be subject to a late fee assessment. Any late fee assessed will be a minimum of ten (\$10) dollars. A current Late Fee of one hundred (\$100) dollars has been adopted by the Board to be assessed against each and every unpaid Common Area Fee per Lot per year, and such assessment is made against each such unpaid Common Area Fee on September 15 of each year.

b. Interest. A reasonable interest rate determined by, and at the discretion of, the Board of Trustees may accrue on all unpaid Common Area Fees and Late Fees.

c. Attorneys Fees and Collection Costs. A Lot Owner in default shall pay all reasonable attorneys fees, court fees or other collection costs incurred by the Association.

d. Lien. A lien may be filed with the Salt Lake County Recorder against a Lot to secure the payment of Common Area Fees which remain unpaid for two (2) or more years. The notice of lien shall also secure any after-accruing fees and collection costs.

e. Foreclosure of Lien and/or Collection Action. To collect any unpaid Common Area Fees, the Association may, as determined by the Board of Trustees, institute suit to collect the amounts due and/or to foreclose the lien.

f. Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.

g. No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Common Area Fees provided for herein, including but not limited to the non use of Common Areas, amenities or the abandonment of the Lot.

h. Duty to Pay Independent. No reduction or abatement of Common Area Fees shall be claimed or allowed by reason of any alleged failure of the Association or Board of Trustees to take some action or perform some function required to be taken or performed by the Association or Board of Trustees under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Common Area Fees being a separate and independent covenant on the part of each Owner.

i. Application of Payments. All payments shall be applied in the following order: (1) Costs and attorney's fees, (2) late charges, (3) accruing interest, (4) any other assessments, (5) delinquent Fees, and (6) current Fees.

j. Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Common Area Fees may be enforced by sale or foreclosure of the Lot Owner's interest therein by the Board of Trustees. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Lot Owner shall pay: (1) the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, (2) reasonable attorney's fees, and (3) a reasonable rental for the Lot during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board of Trustees may bid for the Lot at foreclosure or other sale and hold, lease, mortgage or convey the Lot.

k. Appointment of Trustee. If the Board of Trustees elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby irrevocably appoints the attorney of the Association, provided she or he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. The Lot Owner hereby transfers in trust to the Trustee all of his or her right, title and interest in and to the real property for the purpose of securing his or her performance of the obligations set forth herein.

14. Special Assessments. In addition to the other Common Area Fees authorized herein, the Board of Trustees may levy special assessments in any year for repair, replacement or improvement of common areas or common area services. Any special assessment exceeding the sum of three hundred (\$300) dollars per Lot must be approved in advance by a Majority of the Lot Owners in attendance at the annual meeting or special owners meeting that complies with all rules governing such meeting as provided for herein. Special Assessments shall be subject to each and every provision provided for Common Area Expenses and Collection of Common Area Fees as provided heretofore.

15. Damage Assessments. In addition to the other Common Area Fees authorized herein, the Board of Trustees may levy selective damage assessments against any Lot whose Owner, occupant, family, guests or invitees cause damage, whether intentional or otherwise, to any Mount Haven Subdivision properties including but not limited to the roads, gate and bridge, lock or locks, water system, telephone booth and telephone, and common area landscaping. Such damage assessment, including actual costs to the Association for repair of damages as provided for herein, shall be subject to the same provisions provided for Common Area Expenses, with the exception of apportionment equally among all the Lots, and every provision for Collection of Common Area Fees as provided heretofore.

16. Violation Assessments. The Board of Trustees is hereby granted authority to make reasonable assessments, at the Board's discretion, against any Lot Owner who himself or herself, family member, occupant, guest or invitee violates, whether intentional or otherwise, any provisions of this Declaration, By-Laws, Association rules and regulations or Covenants, or any municipal rule or governmental law to which Mounthaven Owners are subject. Such violation assessment shall be subject to each and every provision, with the exception of apportionment equally among all the Lots, provided for Common Area Expenses and Collection of Common Area Fees as provided heretofore.

17. Notice and Appeals. If a Member appears to be in violation of any material provision of the Declaration, By-Laws or administrative rules and regulations adopted by the Board of Trustees from time to time, or the Board elects to levy damage or violation assessments, the Board of Trustees shall give written notice to the member specifying the nature of the violation and providing any other appropriate information. Such Notice may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two hours after it has been deposited in the United States mail, first class postage prepaid, addressed to the member at the address given by the member to the Board of Trustees for the purpose of service or notice or to the address of the Member's Lot if no other address has been provided. A Member may respond to Notice in any following manner:

- a. Satisfy the demands stated in the Notice to the satisfaction of the Board of Trustees within thirty (30) days; or
- b. Appeal in writing to the Board of Trustees within fifteen (15) days of receipt of Notice.

If a Member fails to correct a violation under the terms of the Notice or fails to appeal, the Board of Trustees may vote to further assess the Member and collect any assessments by lien and foreclosure as set forth above. Should the member appeal, a ruling of the Board of Trustees on any appeal will be made within thirty (30) days of receipt of such appeal and the Lot Owner will be notified in writing of such decision or ruling by the Board. The determination of the Board of Trustees shall be final.

However, nothing herein shall be construed to prevent the Board of Trustees from taking any action in the event of an emergency and subsequently providing notice to the Lot Owner.

18. Enforcement and Right to Recover Attorney's Fees. Should the Association, Board of Trustees or any Lot Owner be required to take action to enforce this Declaration, the By-Laws, Articles, or any administrative rules and regulations adopted by the Board of Trustees from time to time, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, the non-defaulting party may recover all costs and expenses, including a reasonable attorney's fee, which may arise or accrue.

19. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than members and property otherwise might be. Neither the Association, nor the Board of Trustees shall in any way be considered insurers or guarantors of security within the Project, however, and neither the Association, nor the Board of Trustees shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and occupants, their guests and invitees, acknowledge and understand that the Association and Board of Trustees are not insurers of their safety and they hereby assume all risks for loss or damage to their person or property and further acknowledge that the Association and Board of Trustees have made no representations or warranties, nor have they relied upon any representations or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose, relative to any security measures undertaken within the Project.

20. Liability of Board of Trustees and Appointees. Each member of the Board of Trustees and its appointees i.e. Water Master shall be indemnified, discharged, released and held harmless from any and all personal liability arising out of or related to his or her service as a Board member, unless the claim is the result of gross negligence, intentional misconduct or bad faith.

21. Insurance. The Association shall at all times purchase and maintain liability insurance to cover Officers, Trustees, Board of Directors appointees i.e. Water Master and any other directors or officers of the Association, if reasonably available. If a claim is filed by, because of, on behalf of, or for the benefit of a Lot Owner, then the Lot Owner shall be responsible for the deductible.

22. Limitation of Liability. The liability of any Lot Owner for damages or indemnity shall be limited to the total liability concerned multiplied by such Owner's undivided percentage of ownership interest in the Association.

23. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration 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 genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

24. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Association, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of the Declaration.

25. Liens Against the Common Area. All liens for materials, labor or money judgments against the Association or affecting the Common Area are to be indexed in the public records under the name of the Association and the Mount Haven Subdivision. An Owner may pay his or her pro rata share of the amount of any such lien and that shall be sufficient to release the lien on his or her Lot. Such liens will not constitute a lien on the Common Areas and not against any Lot. Any person or entity who elects to perform labor or provide materials at this Project shall do so subject to the terms of this Section. If the Association has encumbered the Common Areas and thereafter defaults on its obligations, the lien holder must exercise its rights against the Common Areas before it may proceed against the Lots or the Lot Owners.

26. Agent for Service of Process. The President of the Association is the person to receive service of process (the "Registered Agent"). The name and mailing address of the current Registered Agent is: Stephen Tanner, 1186 East 8220 South, Sandy Utah 84094.

The current business office of the Association is: Mounthaven Owners Association, c/o Rela Lennberg, Secretary/Treasurer, 8408 South Colene Drive, Sandy, Utah 84094.

27. Amendment. The affirmative vote of at least a majority of the Lot Owners shall be required and shall be sufficient to amend this Declaration or the By-Laws. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Board of Trustees. In such instrument, the Board shall certify that the vote required by this Section for amendment has occurred.

28. Conflict or Inconsistency. If there is a conflict, inconsistency or incongruity between the provisions of this Amended and Restated Protective Covenant and the By-Laws, Articles or administrative rules and regulations adopted by the Board of Trustees from time to time, the provisions of this Amended and Restated Protective Covenant shall in all instances govern and control. It is understood that the Articles of Incorporation must adhere to the authority governing Corporations and this Declaration will defer to that governing entity.

29. Effective Date. The effective date of this Amendment to the Declaration shall be the date on which this document is filed for record in the office of the County Recorder of Salt Lake County, Utah.

EXHIBIT "A"
of the
AMENDED AND RESTATED PROTECTIVE COVENANTS
AND BY-LAWS
OF THE MOUNT HAVEN SUBDIVISION

MOUNTHAVEN SUBDIVISION - A subdivision located in the NW 1/4 of Section 18, Township 2 South, Range 3 East, Salt Lake Base and Meridian, State of Utah, County of Salt Lake Recorded #1756478, Book V, Page 97, January 12, 1961:

Beginning at a point on the Section Line S88°53'40" W 275.00 feet from the Quarter Corner Common to Section 7 and Section 18, Township 2 South, Range 3 East, Salt Lake Base and Meridian, and running thence S0°47'30"E 425.00 feet; thence S 60°-19'30" W 78.48 feet; thence S1°13' W 184.83 feet; thence S 48°30' W 281.21 feet; thence S 53°30' E 126.91 feet; thence S27°30' W 100.43 feet; thence S 60°25' E 21.77 feet; thence S 28°30' W 103.45 feet; thence N 63°40' W 387.37 feet; thence N 71°42' W 394.65 feet; thence N 43°11' W 64.58 feet; thence N 0°30' W 738.59 feet to the West Sixteenth Corner Common to Section 7 and to Section 18 of said Township and Range; thence N 88°53'40" E 1024.33 feet along said Section Line to the point of Beginning.

This survey map records Lot divisions, road easements and utility easements of the original Mounthaven Subdivision.

MOUNTHAVEN NO 2 SUBDIVISION - A Subdivision located in the NW 1/4 of Section 18, Township 2 South, Range 3 East, Salt Lake Base and Meridian, State of Utah, County of Salt Lake, Recorded #1801348, Book X, Page 52, September 22, 1961:

Beginning at the Southeast Corner of Lot 6 of Mounthaven Subdivision, said point being S88°53'40" W 275.00 feet and S 0°-47'30" E 425.00 feet from the Quarter Corner Common to Section 7 and Section 18, Township 2 South, Range 3 East, Salt Lake Base and Meridian, and running thence S60°19'30" W 78.48 feet; thence S 1°13'00" W 184.83 feet; thence S48°30'00" W 281.21 feet; thence S20°20'00" W 117.17 feet; thence S60°25'00" E 132.57 feet; thence S28°30'00" W 103.45 feet; thence S 63°40'-00" E 151.97 feet; thence S 28°45'00" E 183.25 feet; thence S 59°38'00" E 374.70 feet to a point on a Section Line; thence N 0°47'30" W 191.67 feet along said Section Line to the North Sixteenth Corner of Section 18, said point being S 0°47'30" E 1332.46 feet from said 1/4 Corner common to Section 7 and Section 18; thence along the Section Line N 0°47'30" W 740.46 feet along said Section Line; thence N 59°45'10" W 320.95 feet to the point of Beginning.

This survey map records Lot divisions, road easements and utility easements of the original Mounthaven NO 2 Subdivision.

BK7524PG0171

EXHIBIT "A"

Page 2

AMENDMENTS to SURVEY MAPS

Lot 59 - Lot 59 has been subdivided into six Lots known as Lots 59 through 63 on the Mount Haven records. Further description of Lot boundaries have been approved and are on file at the Salt Lake County Recorders office.

Lot 6 - A certain part of Lot 230 was partitioned and added to Lot 6 by the original developer. The legal description of such partition is on file at the Salt Lake County Recorders office.

Road Easement - The Road Easement between Lot 226 and Lot 230 has been abandoned by the Association.

BK7524PG0172

EXHIBIT "B"
of the
AMENDED AND RESTATED PROTECTIVE COVENANTS
AND BY-LAWS
OF THE MOUNT HAVEN SUBDIVISION

BYLAWS OF MOUNT HAVEN OWNERS ASSOCIATION

Mount Haven Lots 1-62
Mount Haven 2 Lots 201-230

ARTICLE I

OFFICERS

Section 1. The main office of the Association is Salt Lake County. The Board of Trustees has the right to change the main office by majority vote.

The registered office, might not be the same as the main office. The registered office can be changed by the Board of Trustees.

ARTICLE II

STOCKHOLDERS

Section 1. ANNUAL MEETING.

- The annual meeting is in Salt Lake County;
- The Board of Trustees can determine the place of the annual meeting;
- The secretary has to notify the Stockholders at least ten (10) days before the annual meeting;
- The secretary cannot send the notice out more than fifty (50) days before the annual meeting;
- The notices have to be sent to the Stockholders' addresses which are in the stock book; and
- The annual meeting is usually on the second Monday in June.

Section 2. SPECIAL MEETINGS. The Board of Trustees can call special meetings. They must give ten (10) days notice for special meetings. The notice of special meetings is sent to the Stockholder' addresses in the stock book. If everybody attends the meeting, then notice can be waived. If everybody attends the meeting or sends a note that says that they do not care about the notice, then the ten (10) days' notice is not necessary.

Special meetings can also be called by the Stockholders if they have at least one third (1/3) of the Stockholders that agree. Special meetings can also be called by the President. If the Stockholders call the meeting, then the only business that can be conducted at that meeting is the business shown in the notice.

Section 3. CLOSING OF TRANSFER BOOKS OR FIXING RECORD DATE.

538
5329789
14 SEPTEMBER 72 09131 AM
KATIE L. DIXON
RECORDER, SALT LAKE COUNTY, UTAH
ROY SMITH
2816 MYLA WAY S.C. 84124
REC BY: REBECCA GRAY, DEPUTY

RECEIVED
1992 SEP - 8 11 2 1/2 AM
SALT LAKE COUNTY
OFFICE OF THE RECORDER

6876029

2252010032

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EXHIBIT "B"

Page 2

The Board of Trustees has the right to close the books for fifty (50) days for any of the following purposes:

- a. To determine which Stockholders are entitled to receive notice of a meeting;
- b. To determine which Stockholders are entitled to vote at a meeting; and
- c. If the Board of Trustees has some other reason that the Board thinks is proper.

If the Board is going to close the stock transfer books in order to determine who the Stockholders are, they have to close the books for at least ten (10) days immediately before the meeting. If the Board does not want to close the stock transfer books, they can pick a date way in advance of the meeting or the voting and make that a "Record Date." If that is the route the Board takes, then that date has to be at least ten (10) days prior to the meeting or the vote and not more than fifty (50) days prior to the meeting or the vote. If the Board decides not to close the stock transfer books and not to set a record date, then the date of the notice of the meeting is the record date. The Stockholders who have a right to vote at a meeting are also the people who have right to call for an adjournment.

Section 4. VOTING. Each Stockholder gets one (1) vote for each share of stock they have. Before they can vote, they must have paid all of the assessments. If an eligible Stockholder does not want to vote he/she can authorize somebody else to vote for them

Section 5. PROXY. If the Stockholder authorizes somebody else to vote, that authorization must be in writing. The authorization will expire in eleven (11) months, unless the authorization says something different. If the Stockholder authorizes somebody else to vote for them and then wants to change his/her mind, that is okay.

Section 6. VOTING OF SHARES BY CERTAIN HOLDERS.

- a. If a Stockholder is a corporation, then the voting is done by whoever the Board of that corporation determines;
- b. If the Court has appointed somebody to look after a Stockholder's affairs, then that court-appointed person can vote without having to transfer the shares to his/her own personal name. If such a court appointment does exist, then he/she has to show the Board of Trustees some evidence that he/she has this appointment;
- c. If a Stockholder pledges his/her shares (such as to a bank for a loan), the Stockholder can still vote those shares. If the shares get transferred (to the person that the Stockholder pledged the shares to), the voting is done by whoever they were transferred to; and

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d. If the Mt. Haven Association owns some of its own shares, the Association cannot vote those shares.

Section 7. ELECTION OF BOARD OF TRUSTEES. Each Stockholder gets a vote for each share held by the Stockholder. The Stockholder is entitled to vote that number of shares for each Trustee to be elected. Cumulative voting is prohibited. Cumulative voting is where a voter is issued a vote for each Trustee to be elected, and then is permitted to bunch up those votes to only one candidate or vary few candidates.

Section 8. QUORUM. If more than half of the voting shares are present at a meeting (including proxy), that is enough to transact business. On any vote at the meeting, if you get more than half of the shares present, that is enough to carry the question.

Section 9. INFORMAL ACTION BY STOCKHOLDERS. Any action can be taken by the Stockholders without a meeting, if you have a written consent of all of the Stockholders.

ARTICLE III

TRUSTEES AND OFFICERS

Section 1. NUMBER. The Association is managed by a Board of Trustees. There must be seven (7) members on the Board. The election of Trustees is governed by Article VIII.

Section 2. POWERS. The Trustees have to act as a Board, not as individuals. The Trustees can adopt rules for the following purposes:

1. The conduct of meetings;
2. The management of the Association;
3. The proper and safe use of Mt. Haven Road;
4. The proper and safe use of the water system.

All the rules adopted by the Board of Trustees must be consistent with the Bylaws and the laws of the State of Utah.

Section 2(a). With regard to Mt. Haven road and the water system, the Board has the following authority:

1. To maintain the road and water system;
2. To make rules about the use of the road for coming in and going out;
3. To make rules about the use of the road, telephone and improvements that have to do with the use and enjoyment of the land owners and their guests;
4. To set and collect assessments; and

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B. To impose fines.

Section 2(b). With regard to assessments and fines, the Board has the right to make rules about:

1. Speed limits;
2. Rules of the right of way;
3. Rules with regard to limiting the time that the roads can be used; and
4. Rules with regard to using law officers to enforce laws and rules.

Section 2(c). The Board has authority to make rules with regard to the water system. They can enforce those rules by assessments and fines. They can employ law officers for the purpose of enforcing these rules.

Section 3. BOARD OF TRUSTEE'S MEETINGS. The Board must meet within two (2) weeks after the annual meeting of the Stockholders. The Board can determine the time and the place. Special meetings of the Board can be called by the President or by the Secretary. The President or the Secretary can only call these meetings if three (3) Trustees make a written request.

Section 4. BOARD OF TRUSTEE'S MEETINGS. When you hold a board meeting, you must give each Board member written notice. The written notice has to get to them at least three (3) days before the meeting. The written notice has to tell where the meeting is and the date and time.

The Board can conduct any business that they wish as long as more than half of the Board members are present. The Board can also conduct any business that they want, if more than half of the Board have waived the notice requirements of the meeting. This means, that if you need to get something done this afternoon, and you can get more than half of the Board together, and they are willing to waive the notice requirements, you go ahead and make a decision.

A Board member can waive the requirement of the three (3) day notice at the meeting. However, if the Board member attends the meeting, that means that he or she has automatically waived the requirement of the three (3) day notice, unless he/she attends the meeting to object to the procedures in calling the meeting.

Section 5. VOTING. Each Board member gets one (1) vote. More than half of the votes of the members present is enough to approve any action. Remember the requirement that you have to have the Quorum before you can have the meeting.

Section 6. REMOVAL OF TRUSTEES. Any Board member can be removed for any reason so long as:

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- a. A special meeting of the Stockholders is called for that purpose; and
- b. The vote to remove the Trustee includes more than half of the voting shares.

Section 7. QUORUM. In order to transact any business, there must be at least four (4) members of the Board present. To approve any action, more than half of those present must vote for it. If the Board does not have a Quorum, they do have authority to adjourn the meeting until they can get a Quorum.

Section 8. PRESUMPTION OF ASSENT. These rules assume that any Board member who attends a Board meeting agrees with the action taken at the Board meeting unless;

1. The Board member requests that the disagreement be entered in the minutes of the meeting; or
2. The Board member files a written notice of disagreement with the Secretary before the meeting ends; or
3. The Board member forwards a written disagreement by registered or certified mail to the Secretary of the Association immediately after the meeting is over.

However, somebody who voted in favor of the action does not have a right to file a dissent.

Section 9. DELINEATION OF OFFICERS. The Association will have four (4) officers, these are:

- a. President;
- b. Vice-President;
- c. Second Vice-President; and
- d. Secretary/Treasurer.

The officers are automatically members of the Board of Trustees.

Section 10. ELECTION OF OFFICERS. Officers are elected annually by the Stockholders at the Stockholder annual meeting. The officers hold office for one (1) year or until somebody else is elected to serve. If an officer resigns, the Board can appoint somebody to fill the remainder of the one (1) year term. To preserve continuity, the immediate past President automatically becomes a board member unless he/she resigns or is removed from office by a majority vote of the Stockholders.

Section 11. DUTIES OF OFFICERS. The duties and powers of the officers are as follows:

A. President

1. Presides at all meeting of the Stockholders;

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EXHIBIT "B"
Page 6

2. Gives a report on the condition of the Association at each annual meeting;
3. Is responsible to call all the meetings of the Stockholders;
4. Is responsible to call all the meetings of the Board of Trustees;
5. Signs all the contracts;
6. Amends the contracts, if the President gets the authority of the Board of Trustees;
7. Is responsible to see that all the records are properly kept;
8. Signs all stock certificates;
9. Signs all Checks;
10. Enforces the Bylaws; and
11. Whatever else is required by law.

B. Vice-Presidents. The Vice-Presidents have the following duties and responsibilities:

1. In the President's absence the Vice-President performs the President's jobs.

C. Secretary/Treasurer. Secretary/Treasurer has the following duties and responsibilities:

1. Keeps the minutes of the meetings of the Board;
2. Keeps the minutes of the meetings of the Stockholders;
3. Prepares and sends out all notices;
4. Keeps the records including the corporate seal;
5. Keeps the stock transfer books including the following:
 - a. the amount of capital stock issued;
 - b. the amount of capital stock outstanding;
 - c. how the stock was paid for;
 - d. when the stock was paid for;
 - e. the names of the owners of the stock (alphabetically);
 - f. number of shares owned by each Stockholder;
 - g. the date when each Stockholder became an owner; and
 - h. the amount that was paid for the stock.
6. Keeps the stock and transfer books open for inspection during business hours;
7. Permits each Stockholder to get copies of any records;
8. Signs certificates of stock;
9. Presents all correspondence addressed to the Association;
10. Handles any correspondence;
11. Takes care of the money;
12. Makes deposits of the funds in banks or safe

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- deposit vaults;
13. Keeps the books available to any Stockholder;
 14. Presents a statement of the financial condition at each regular meeting of the Board;
 15. Presents a full financial report at each annual meeting of Stockholders;
 16. Keeps the financial books; and
 17. Performs any other duties assigned by the Board.

Section 12. **VACANCIES, HOW FILLED.** All Officer vacancies will be filled at a meeting of the Stockholders. A special meeting may be called for this purpose. If a majority of the entire Board of Trustees agrees, the Board can reassign these duties and powers of officers to other officers or other Board members. This is for a temporary period of time.

Section 13. **REMOVAL OF OFFICERS.** An officer or Trustee may be removed for any reason by a majority vote of the Stockholders.

ARTICLE IV

CERTIFICATES OF STOCK

Section 1. **DESCRIPTION OF STOCK CERTIFICATES.** The certificates will be numbered and registered. Certificates will have the owner's name and number of shares. The certificates will carry two (2) signatures. One (1) signature will be a President or Vice-President. The second signature will be that of the Secretary/Treasurer. The certificate must also carry the seal of the Association.

Section 2. **TYPES OF STOCK.** There are two (2) types of stock. The two (2) types of stock are: Owner-share stock and water-share stock. Water-share stock can be used only to vote on those issues which are directly related to water issues. An owner-share stock can only be used to vote on issues which are directly related to lot issues.

Section 3. **TRANSFER OF STOCK.** Stock can only be transferred by the person who own the stock or by that person's representative. When you transfer stock, you have to turn the old certificate in before a new one can be issued. You cannot transfer any stock from ten (10) days before the annual Associations meeting until after the meeting.

Section 4. **SALE OF STOCK.** If you want to sell your stock, you must offer a "First Right of Refusal" to the existing Stockholders and the Association. The intention is to give the remaining Stockholders and the Association a preference to purchase the stock. Any sale in violation of this article is null and void. You do this by notifying the Secretary/Treasurer of the Association. The Secretary/Treasurer then notifies the other

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Stockholders and the Association of the price of the stock. If none of the other Stockholders or the Association buy the stock within thirty (30) days, then the Stockholder can sell stock to whomever they want, so long as the terms of the offer are the same as the terms that were offered to the Association. If you sell your stock in violation of that condition, then the sale of the stock is void.

Section 8. LOST CERTIFICATES. If you lose your stock certificate, you can apply to the Board of Trustees for a new certificate. When you apply, you have to make an Affidavit up telling the Board what happened. The Board has a right to insist that you file a deposit or a bond if they wish.

Section 9. ASSESSMENTS. The Association has a right to file a lien against the shares of the stock owned by a member. The stockholder must be delinquent for four (4) years before they can do that. If the Association decides to forfeit the share certificates, then you have to give a written notice to the shareholder first. After it is forfeited, then the stock ought to be reissued to that shareholder if he or she pays all of the dues owing from before the notice and after the notice.

ARTICLE V

SEAL

Section 1. SEAL. The Association has the right to use a seal.

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ARTICLE VI

AMENDMENTS

Section 1. HOW AMENDED. You can only amend the Bylaws by a vote of the Stockholders. It can be a regular meeting or a special meeting. The meeting has to be called for that purpose. More than half of the voting shares have to be present. The meeting has to be held with all the rules in place about notice.

ARTICLE VII

FISCAL YEAR

Section 1. FISCAL YEAR. The fiscal year begins January 1 of each year.

ARTICLE VIII

WAIVER OF NOTICE

Section 1. WHAT CONSTITUTES WAIVER. Whenever a Trustee or a shareholder of the Association wants to waive notice of the meeting, they can do so as long as they do it in writing. It can be done before or after the time of the meeting. If they do waive it in writing, that is the same thing as having received notice.

ARTICLE IX

INCONSISTENCIES

Section 1. INCONSISTENCIES. If these Bylaws say one (1) thing and the articles of Incorporation say another, then what the Articles of Incorporation says is what counts.

ADOPTED this 27 day of August

State of Utah
County of Salt Lake

MT. HAVEN OWNERS ASSOCIATION
A UTAH CORPORATION



BY *C. Morrison* *J. Carter*
President



CERTIFICATE OF SECRETARY/TREASURER

I, the undersigned, do hereby certify:

Mt. Haven Owners Assoc.

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1. That I am the duly elected and acting Secretary/Treasurer of Mt. Haven Owners Association, a Utah Corporation; and
2. That the foregoing Bylaws, comprising nine (9) pages, constitute the Bylaws of said Association as duly adopted at a meeting of the shareholders thereof duly held on the 27th day of August, 1992.

State of Utah
County of Salt Lake
8-27-92

Rita A. Lemberg
Secretary/Treasurer

Chas C. Rowland



EXHIBIT "C"
of the
AMENDED AND RESTATED PROTECTIVE COVENANTS
AND BY-LAWS
OF THE MOUNT HAVEN SUBDIVISION

MT. HAVEN OWNERS ASSOCIATION

RULES

Introduction: We invested in our Mt. Haven property to enjoy the canyon and the association of our fellow Mt. Haven residents. Loud noise, annoying and dangerous behavior, trespassers or unwanted vehicles limit the peace and enjoyment of the area. The following rules should help to control the potential problems

1. ENTRANCE

The entrance will remain locked at all times throughout the year. The gate installed at the entrance is to remain locked. If you are going to your cabin for a minute and coming right back, lock the gate in between. Arrangements should be made to meet family and friends at the gate to let them in. The entrance should not be blocked by parking vehicles or other equipment on the bridge or access road. Locks should not be deliberately damaged for any reason.

2. KEYS

Each property owner, who is current on their assessments, will be given two keys to the gate and telephone booth when locks are changed or property acquired. Three additional keys may be purchased at a current fee of \$5.00 each. The Board of Directors may adjust these fees as they deem appropriate. Should property change ownership, all keys should be relinquished to an officer of the Association.

3. ROADS

All owners have the right to use the road at any time. Roads may not be blocked. Uphill traffic has the right of way. Flowing of common roadway is prohibited. Excessive speed and reckless driving are prohibited, and unnecessary driving around the area is discouraged in order that others may enjoy a peaceful mountain atmosphere.

4. LAW ENFORCEMENT

All state, county, and Forest Service rules, laws and ordinances will be enforced. The County Sheriff has perpetual access to patrol and enforce the law.

5. DAMAGE TO COMMONLY OWNED PROPERTY

Owners are liable for any damage caused by themselves, their guests or employees. The board will bill the owner for

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repairs. Deliberate damage will be fined as determined by the board. A damage deposit of \$1,000 must be made before new construction may begin. The money will be returned at completion of construction with the cost of repairs, if any, deducted.

6. LEASING OR RENTING CABINS

Mt. Haven is intended for residential use. Leasing or renting of cabins will be limited to two weeks per year. The property owner will bear liability for actions of their guests or lessees.

7. WATER TANKS

Filling water storage tanks must be done during Monday through Thursday to avoid leaving other cabins dry during high usage weekends.

8. ACCEPTANCE OF RULES

All approved Mt. Haven covenants, articles, by-laws, rules, special provisions and restrictive covenants presently in force, or any approved in the future through action of the Board of Trustees and/or stockholders, are recognized as binding on each stockholder and will automatically become binding on any future Mt. Haven stockholder whether Mt. Haven property is acquired through inheritance, sale, gift or other legal means. All liens, assessments, or penalties currently documented in Mt. Haven records or filed through proper legal means in the future will stand as legal and binding upon present or future Mt. Haven property owners.

9. PROPOSALS

Shareholders have the right to request a review of any or all of Mt. Haven's rules and regulations or to make suggestions by submitting a written proposal to any member of the acting Board of Trustees. The proposals will be reviewed at the next scheduled meeting of the Board, but in no event longer than twelve months time. The action of the Board regarding proposals will be addressed in writing to the shareholder submitting the request.

August 12, 1996

MT. HAVEN WATER REGULATIONS

In order to insure the quality and reliability of the water system in the Mt. Haven Subdivision, the following regulations have been adopted. Failure to adhere to these regulations can result in fines or loss of water share in the Mt. Haven Subdivision.

1. All new water connections must be coordinated with and supervised by the Water Master at Mt. Haven. The Water Master must be notified 7 days prior to a desired water hookup and scheduled at the Water Masters's convenience. The Water Master is Steve Hoskins and he can be reached at (801) 944-0881.
2. Turning off or on of any valves in the Mt. Haven Subdivision, without approval of the Water Master, is prohibited.
3. Only 1 water connection is allowed per lot. If a lot has more than one connection actions will be taken to correct this immediately.
4. All new water connections must be inspected by the Water Master prior to burial.
5. Water connections shall be no larger than 1 inch, unless it is a fire hydrant hookup.
6. Connections to the main water line will be made with a 1 inch or smaller saddle on the 4 inch schedule 40 pvc pipe.
7. A stop and waste valve will be installed no farther than 10 feet from the main line connection and all lines shall be buried a minimum of 30".
8. Galvanized or brass pipe, preferably brass, must be installed between the main line connection and the stop and waste valve.
9. Only one outside tap per lot is permitted. This tap is not to be used for irrigation water.
10. If water storage tanks are installed for winter use, the water supply to them shall come from their existing (1) hookup. Additional hookups are not allowed for water storage tanks. The line feeding this storage tank shall be equipped with a double check valve or back flow prevention device.
11. Mt. Haven will not be responsible for the quality of water in individual water storage tanks.
12. The water system will be drained the 3rd weekend in October each year and no

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EXHIBIT "C"

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exceptions will be made. At this time all cabins should be winterized and prepare for water turn on in the following spring.

13. Water usage shall be controlled and water shall not be left running unattended.

14. Default in water maintenance payment for more than 2 years will result in the revocation of water certificate and the water will be disconnected at the owners expense.

15. It is the responsibility of each lot owner to maintain and keep in good working order the water line from their stop and waste valve to and through their cabin. Water leaks should be repaired as soon as possible. If notice has been received from the association, requiring repairs, repairs shall be made within the specified time or penalties may be assessed.

16. Fines and penalties may be assessed by the Board of Directors of Mt. Haven for failure to abide by any of these regulations.

17. The Mt. Haven Board Of Directors and Water Master have the right to assess penalties and / or revoke water shares.

18. A \$500.00 Bond shall be posted, with The Mt. Haven Owners Association, prior to any new construction, new water hookups, or any water connection modifications to assure compliance to these regulations and payment of any damages. All but \$50.00 of the bond (for inspection fee) will be refunded upon construction completion.

I _____ Owner of lot # ____ In the Mt Haven Subdivision, have read and will abide by the water regulations listed above. I also agree to post a construction bond in the amount of \$_____ to cover any damages, fines, and inspection fees when making any new connection or modifications to the water connection on the above stated lot. I understand that the bond will be refunded completely, minus a \$50.00 inspection fee and any fines for damages or infractions of any of the above regulations, upon completion of construction.

Signed

Date

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