

**AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR
GRAND SUMMIT RESORT HOTEL
AT THE CANYONS
A UTAH CONDOMINIUM PROJECT
IN
SUMMIT COUNTY, UTAH**

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MARY ANN TRUSSELL, SUMMIT COUNTY RECORDER

FEE 391.00 BY JOHN LUND



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**AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR
GRAND SUMMIT RESORT HOTEL
AT
THE CANYONS**

This Amended and Restated Declaration of Condominium for Grand Summit Resort Hotel at The Canyons (this "Declaration") is recorded by The Canyons Grand Summit Owners Association, Inc., a Utah nonprofit corporation (the "Association") upon the approval of this Declaration by the Owners, and is effective as of the date (the "Effective Date") it is recorded in the Office of the Recorder of Summit County, Utah.

TIMESHARE INTERESTS AS DEFINED IN SECTION 2(27) OF TITLE 57, CHAPTER 19, OF THE UTAH CODE (hereinafter referred to as the "Time Share Act") HAVE BEEN CREATED WITH RESPECT TO CERTAIN OF THE UNITS OF THIS CONDOMINIUM PROJECT.

RECITALS

1. The real property situated in Summit County, Utah described in **Exhibit A** of this Declaration (the "Parcel") was previously submitted together with all buildings and improvements constructed on the Parcel, and all easements and rights appurtenant thereto, to a condominium project now consisting of 213 Units and certain related Common Elements (the "Condominium Project") pursuant to Utah Code §§ 57-8-1 et seq.

2. The Declaration of Condominium Grand Summit Resort Hotel at the Canyons was recorded on January 31, 2000 by GRAND SUMMIT RESORT PROPERTIES, INC., a Maine corporation (the "Declarant"), in the Office of the Recorder of Summit County, Utah as Entry No. 00558243 in Book 01305 beginning at Page 756 (the "Enabling Declaration").

3. This Declaration is executed pursuant to the terms of a Settlement and Mutual Release Agreement (the "Settlement Agreement") between the Association and TCFC LeaseCo LLC, a Delaware limited liability company ("TCFC"), as the current Commercial Unit Owner, and certain other parties named therein for the purpose of settling certain lawsuits between them addressed therein and for certain other purposes. The Association's primary purpose in executing and recording this Declaration is to amend and restate the Enabling Declaration and to incorporate herein certain terms of the Settlement Agreement. This Declaration also incorporates certain other changes, corrections, and updates in addition to those changes required by the Settlement Agreement.

4. The Association, with the authority and the approval of the requisite number of Owners, has adopted and executed this Declaration, which (along with and subject to any future duly adopted amendments) shall be the sole Declaration for the Condominium Project and shall amend, restate and supersede in its entirety the Enabling Declaration and any prior declaration and amendments thereto (whether recorded or not, properly adopted or not, or referenced in this Declaration or not) prior to the date of the recording of this Declaration.

5. This Declaration and the Settlement Agreement are not intended to expand, reduce, acknowledge, disavow, or in any way alter any remaining rights (if any) of the Declarant as it relates to the Association. Any modification, removal or continued inclusion of any language in this Declaration related to the Declarant or its rights is not intended as an indication that any such rights exist or do not exist at the time this Declaration is executed and recorded.

6. The Association and the Owners hereby desire to establish the terms and conditions of this Declaration for the mutual benefit and burden of the Association and all current and future Owners, Eligible Mortgage Holders and others acquiring an interest in the Condominium Project.

7. The Association's Executive Board has obtained the approval of the requisite number of the Owners and the approval of the requisite number of the Eligible Mortgage Holders necessary to adopt and record this Declaration and its attached Exhibits, which are incorporated into and form a part of this Declaration.

NOW THEREFORE, for the reasons recited above, the Association hereby adopts this Declaration.

ARTICLE 1
SUBMISSION

Section 1.1 Submission to the Utah Condominium Ownership Act. Pursuant to the Enabling Declaration, the Declarant, as the owner in fee simple of the Real Estate described in Exhibit A, attached hereto and made a part hereof (the "Real Estate"), situated in Summit County, Utah, submitted the Real Estate, together with and subject to all easements, rights and appurtenances thereunto belonging and the building and improvements erected or to be erected thereon (collectively, the "Property") to the provisions of Chapter 8 of Title 57 of the Utah Code, as the same may be amended from time to time, known as the Utah Condominium Ownership Act (the "Act"). There have been created within the Condominium Project 213 Units. The maximum number of Units which the Declarant reserved the right to create is 225.

Section 1.2 Timeshare Estates. The Condominium Project consists of those Units identified in Exhibit B hereto and the Map, including a Commercial Unit and Quartershare Units. Each Quartershare Unit is divided into not more than five (5) separate timeshare estates, four (4) of which timeshare estates are Quartershare Estates and one (1) of which timeshare estates is the Service Period for such Quartershare Unit, which shall be a Limited Common Element as described in this Declaration.

Section 1.3 Address of Condominium Project. The address of the Condominium Project is:

Grand Summit Resort Hotel at The Canyons
3855 North Grand Summit Drive
Park City, Utah 84098

ARTICLE 2
DEFINITIONS

Section 2.1 Terms Defined in the Act. Capitalized terms are defined herein or in the Map. Otherwise they shall have the meanings specified or used in the Act.

Section 2.2 Terms Specifically Defined in this Declaration. In addition to the terms defined herein, the following terms shall have the following meanings in this Declaration, the Bylaws, and the Map:

(a) "Annual Assessment" means: (i) with respect to a Quartershare Owner, the Quartershare Owner's share of the anticipated Common Expenses and the anticipated Residential Expenses, allocated by Unit and Use Period; and (ii) with respect to the Commercial Unit Owner, the Commercial Unit Owner's share of the anticipated Common Expenses and the anticipated Commercial Expenses, for each fiscal year of the Association's fiscal year as reflected in the budgets adopted by the Executive Board for such fiscal year, payable on an annual or other periodic basis as designated by the Executive Board.

(b) "Association" means The Canyons Grand Summit Owners Association, Inc., a Utah non-profit corporation, organized to be the Association referred to herein.

(c) "Building" means any residential, office, retail, commercial, recreational or service structure or other improvement now or hereafter constructed on the Property, as shown on the Map. The term "Building" shall mean and include the singular or plural number.

(d) "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to Section 57-8-15 of the Act, as such document may be amended from time to time. A copy of the Bylaws, which have been amended and restated to be effective as of the Effective Date of this Declaration, is attached hereto as **Exhibit D** and incorporated by this reference.

(e) "Commercial Expenses" (or in the singular, a "Commercial Expense") means the costs and expenses, including reserve funds, established by the Executive Board as a Commercial Expense (and not as a Common Expense or a Residential Expense) pursuant to Article XIV.

(f) "Commercial Unit" means Commercial Unit 1 or Unit No. 1, as designated on the Map and any subdivision thereof, and any Units designated for commercial use that may be added to the Condominium Project.

(g) "Commercial Unit Board Member" means the members of the Executive Board appointed by the Commercial Unit Owner pursuant to Section 12.1 of this Declaration.

(h) "Commercial Unit Owner" means the owner of fee title to the Commercial Unit.

(i) "Common Elements" (or in the singular, a "Common Element"), "Common Area," or "Common Areas" as any of these terms are used in this Declaration or in the

Map means those parts of the Property either described in the Act as being common elements and facilities or described herein or in the Map as being Common Elements. Unless otherwise expressly stated herein, references to Common Elements shall include, but not be limited to, Limited Common Elements.

(j) "Common Expenses" (or in the singular, a "Common Expense") means the costs and expenses, including reserve funds, established by the Executive Board as a Common Expense (and not as a Residential Expense or a Commercial Expense) pursuant to Article XIV.

(k) "Condominium Documents" includes the Declaration, Map, Bylaws and Rules and Regulations.

(l) "Condominium Project" means the Property, the Units, the Common Elements and all improvements submitted by the Enabling Declaration to the provisions of the Act.

(m) "Declaration" means this document, as the same may be amended from time to time.

(n) "Eligible Mortgage Holder" means the holder of a recorded first mortgage or deed of trust on a Unit or a Quartershare Estate which has delivered written notice to the Association by prepaid United States mail, return receipt requested, or by delivery in hand securing a receipt therefor, which notice shall state the mortgagee's name and address, the Owner's name and address, and the identifying Unit number, and the Use Period of any Quartershare Estate, and shall state that the mortgage or deed of trust is a recorded first mortgage or deed of trust.

(o) "Executive Board" means the Executive Board of the Association which shall have all of the powers of an executive board of a unit owners association as provided in the Act.

(p) "Insurance Trust Agreement" means that certain agreement, if any, between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds in accordance with Section 9.3 hereof.

(q) "Insurance Trustee" means that certain entity responsible for the management and disbursement of insurance proceeds pursuant to the Insurance Trust Agreement, if any.

(r) "Lessee" means the lessee of the Commercial Unit.

(s) "Limited Common Elements" (or in the singular, a "Limited Common Element") means those parts of the Property either described in the Act as being Limited Common Elements or described in this Declaration or in the Map as being Limited Common Elements, including the furniture, furnishings, kitchen appliances, household equipment, kitchen improvements and decorations serving the Quartershare Units or other personal property from time to time owned or held for use in common by all Quartershare Owners in a Quartershare

Unit during their respective Use Periods. The timeshare estate in the Service Periods with respect to each Quartershare Unit shall be a Limited Common Element appurtenant to the Quartershare Estates in that Unit for all other Use Periods.

(t) "Mortgagee" means the holder of any recorded first mortgage or deed of trust encumbering one or more of the Units or Quartershare Estates.

(u) "Owner" (or in the plural, "Owners") means the one or more record owners of each Unit that is not a Quartershare Unit and the one or more record owners of the Quartershare Estates in each Quartershare Unit.

(v) "Parking Area" means the portion of the Commercial Unit improved for the parking of motor vehicles, as identified on the Map, regardless of whether structures are constructed in those areas.

(w) "Parking Easement" shall have the meaning for such term as defined in Section 6.1(a) of this Declaration.

(x) "Parking Easement Area" shall have the meaning for such term as defined in Section 6.1(a) of this Declaration.

(y) "Percentage Interest" means the undivided ownership interest in the Common Elements appurtenant to each Unit and the proportion thereof appurtenant to each Quartershare Estate in that Unit, as set forth on **Exhibit B** attached hereto, as the same may be amended from time to time.

(z) "Property" means the Property described in Section 1.1 above.

(aa) "Map" means the Record of Survey Map for the Grand Summit Resort Hotel at The Canyons, recorded in the Office of the Recorder of Summit County, Utah, as such may have been or may be amended from time to time.

(bb) "Quartershare Estate" means a separate estate in fee simple in a Quartershare Unit conferring the exclusive right of possession of the Quartershare Unit during a Use Period. The ownership of each Quartershare Unit has been divided into four (4) Quartershare Estates.

(cc) "Quartershare Owner" means the one or more record owners of a Quartershare Estate.

(dd) "Quartershare Unit" means a Unit, the ownership of which has been divided into five (5) separate timeshare estates, four (4) of which timeshare estates shall be Quartershare Estates and one (1) of which timeshare estates shall be the Service Period for each Quartershare Unit.

(ee) "Quartershare Unit Board Members" shall mean the members of the Executive Board elected by the Quartershare Owners pursuant to Section 12.1 of this Declaration.

(ff) "Residential Expenses" (or in the singular, a "Residential Expense") means the costs and expenses, including reserve funds, established by the Executive Board as a Residential Expense (and not as a Commercial Expense or a Common Expense) pursuant to Article XIV.

(gg) "Resort Management Company" means The Canyons Resort Village Association, Inc., a Utah non-profit corporation, or its designee, successor, or assign, under the Village Management Agreement.

(hh) "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time with respect to the use of all or any portion of the Property.

(ii) "Service Period" means the period of time between the end of each week allocated to one Use Period and the beginning of the next week allocated to the succeeding Use Period during which time use and occupancy of a Quartershare Unit is restricted to the Association, the Service Period for each Quartershare Unit being a separate timeshare estate and being a Limited Common Element appurtenant to such Quartershare Unit.

(jj) "Special Assessment" means an Owner's share of any assessment made by the Executive Board in addition to the Annual Assessment.

(kk) "Unit" means a physical portion of the Condominium Project designated for separate ownership or occupancy, the boundaries of which are described in Article 3.

(ll) "Use Period" means an annually recurring period of ownership in a Quartershare Unit during which period a Quartershare Owner has the right to occupy a Quartershare Unit as more particularly described in Section 5.1 of this Declaration.

(mm) "Village Management Agreement" means The Canyons Resort Village Management Agreement dated November 15, 1999, between ASC Utah, Inc., American Skiing Resort Properties, Inc., Wolf Mountain Resorts, L.C., The Canyons Resort Village Association, Inc., and certain other parties, and recorded on December 15, 1999, as Entry No. 555285, in Book 1300, beginning at Page 1 of the records of the Summit County Recorder's Office, as amended by: (i) the First Amendment to The Canyons Resort Village Management Agreement, dated December 17, 1999, and recorded on December 17, 1999, as Entry No. 555434, in Book 1300, beginning at Page 668 of the records of the Summit County Recorder's Office; (ii) the Second Amendment to The Canyons Resort Village Management Agreement, dated January 7, 2000, and recorded on January 11, 2000, as Entry No. 556961, in Book 1303, beginning at Page 296 of the records of the Summit County Recorder's Office; and (iii) the Third Amendment to The Canyons Resort Village Management Agreement, dated January 27, 2000, and recorded on January 31, 2000, as Entry No. 558232, in Book 1305, beginning at Page 719 of the records of the Summit County Recorder's Office.

Section 2.3 Provisions of the Act. The provisions of the Act shall apply to and govern the operation and governance of the Condominium Project, except to the extent that contrary provisions not prohibited by the Act are contained in one or more of the Condominium Documents.

ARTICLE 3
UNIT BOUNDARIES AND MAINTENANCE RESPONSIBILITIES

Section 3.1 Unit Boundaries.

(a) The boundary lines of each Unit are as shown on the Map and are formed by the following planes:

(1) The Unit-side surface of the masonry portion of such exterior walls of the Building as are adjacent to such Unit;

(2) The Unit-side surface of the non-masonry portion of such exterior walls of the Building as are adjacent to such Unit, the Unit to include the thickness of the finish material such as plaster or drywall;

(3) The Unit-side surface of the interior walls and partitions of the Building which separate such Unit from adjoining Units or Common Elements, the Unit to include the thickness of the finish material such as plaster or drywall;

(4) The Unit-side surface of furring around utility shafts, structural columns and other Common Elements within or passing through such Unit, the Unit to include the thickness of the finish material such as plaster or drywall;

(5) The Unit-side surface of ceilings and furring under and around (i) wood, steel or other structural members and (ii) utility lines, ducts and cables, the Unit to include the thickness of the finish material such as plaster or drywall;

(6) The Unit-side surface of the floor of such Unit, the Unit to include the thickness of the finish material such as carpet, ceramic or resilient tile or hardwood;

(7) The Unit-side surface of the sash of windows that are set in the exterior walls of such Unit, the interior surface of the panes of such windows and the Unit-side surface of window sills, moldings, trim, jambs and mullions for such windows, the Unit to include the thickness of the finish material such as paint; and

(8) The interior surface of doors, and their sills and hardware, and the Unit-side surface of the doorframes in which such doors are set, the Unit to include the thickness of the finish material such as paint.

(b) Each Unit consists of all portions of the Building within the aforesaid boundary lines, except the air space displaced by: (i) structural members and load bearing partitions, not including the thickness of the finish material such as plaster or drywall, within or passing through such Unit, which members and partitions are deemed to be Common Elements;

and (ii) other Common Elements within such Unit including, without limitation, chutes, flues, ducts, wires, conduits and pipes under which serve more than one Unit. By way of illustration and not limitation, there is included within a Unit: (1) the air space enclosed by such boundary lines; (2) all non-load bearing partitions which are wholly contained within such boundary lines including, but not limited to, all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits and other equipment and devices in such partitions serving only such Unit; (3) all fixtures located within such boundary lines and serving only such Unit, and their water and waste connections; (4) heat pumps, exhaust fans and the grilles, registers, ventilation ducts, and related fixtures, and screens and storm windows, which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements; (5) lighting devices (including by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in or suspended from, ceilings, walls and partitions within or around the perimeter of such Unit) serving only such Unit, whether or not such lighting devices are themselves located entirely within the boundary lines of such Unit; (6) outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone, telegraph and television transmission, except to the extent otherwise specifically provided herein) which serve only such Unit and which are located entirely within the boundary lines of such Unit; (7) surface mounted and recessed cabinets including, by way of illustration and not limitation, all associated lighting fixtures and accessories.

(c) Each Unit's identifying number is shown on the Map and on **Exhibit B**.

Section 3.2 Right to Combine Units. With the written consent of the Association, which consent shall not be unreasonably withheld, two or more Units may be utilized by the Owner or Owners thereof as if they were one Unit. To the extent permitted in the written consent of the Association, any walls, floors, ceilings, or other structural separations between any two such Units, or any space which would be occupied by such structural separations but for the utilization of the two Units as one Unit, may, for as long as the two Units are utilized as one Unit, be utilized by the Owner or Owners of the adjoining Units as Limited Common Elements, except to the extent that any such structural separations are necessary or appropriate, or contain facilities necessary or appropriate, for the support, use, or enjoyment of other parts of the Condominium Project. At any time, upon the written request of the Owner of one of such adjoining Units, any opening between the two Units which, but for joint utilization of the two Units, would have been occupied by structural separation, shall be closed, at the equal expense of the Owner or Owners of each of the two Units and the structural separations between the two Units shall thereupon become Common Elements.

Section 3.3 Subdivision of Units. No Unit, other than the Commercial Unit, may be subdivided other than by the Declarant in the exercise of the rights reserved to Declarant described in Section 16 of this Declaration. The Commercial Unit may be subdivided from time to time into two or more Units. Any such new Unit may be subdivided upon application of the Unit Owner made to the Association. Upon receipt of such an application, the Association shall prepare, execute and record an Amendment to the Declaration, including the Map, subdividing that Unit. The Amendment to the Declaration must be executed by the Owner of the Unit to be

subdivided and shall assign an identifying number to each unit thereby created. The allocated interest formerly allocated to the subdivided Unit shall be re-allocated to the new Units in a reasonable manner, but in no event shall such re-allocation change the total interest allocated to the total Commercial Unit (Unit No. 1), and any new Unit created by subdivision of Unit No. 1 shall be Commercial Units. All references in this Declaration to Unit No. 1 or the Commercial Unit shall include any new Unit created by a subdivision of the Commercial Unit.

Section 3.4 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by the Association except as expressly set forth to the contrary herein.

Section 3.5 Maintenance of Common Elements and Limited Common Elements. The Association shall maintain, repair, and replace all Common Elements and Limited Common Elements, including without limitation structural repairs and replacements; provided, however, that the Owner of the Commercial Unit shall maintain and repair the Limited Common Elements allocated for the exclusive use of the Commercial Unit. The Association shall establish and maintain an adequate common reserve fund for maintenance, repair, and replacement of those parts of the Common Elements and Limited Common Elements that are anticipated to require maintenance, repair, or replacement on a periodic basis, and for those maintenance, repair, and replacement obligations arising under the Village Management Agreement that are anticipated to require maintenance, repair, or replacement on a periodic basis.

Section 3.6 Maintenance of Units.

(a) The Association shall keep and maintain the Quartershare Units and their furniture, furnishings, decorations, equipment, appliances, and appurtenances in good order, condition, and repair and in a clean and sanitary condition, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of the Units. The Association shall maintain the interior and exterior surfaces of windows in the Quartershare Units, including periodic washing. The Association shall perform its responsibility in such manner as shall not unreasonably disturb or interfere with the occupancy of the Quartershare Units by the Quartershare Owners. Each Quartershare Owner shall promptly report to the Executive Board or the managing agent any defect or need for repairs for which the Association is responsible. The Association shall establish and maintain a separate reserve fund for maintenance, repair, and replacement of those parts of the Quartershare Units that are anticipated to require maintenance, repair, or replacement on a periodic basis.

(b) The Owner of the Commercial Unit shall keep and maintain the Commercial Unit and its furniture, furnishings, decorations, equipment, appliances, and appurtenances, and the Limited Common Elements allocated for the exclusive use of the Commercial Unit, in good order, condition, and repair and in a clean and sanitary condition, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary. The Owner of the Commercial Unit shall maintain the exterior surfaces of windows in the Commercial Unit, including periodic washing.

(c) No Owner shall sweep or throw, or permit to be swept or thrown, from any Unit any dirt, debris, or other substance. During the heating season, all Units shall be heated at all times to a temperature of at least 50 degrees Fahrenheit.

Section 3.7 Assessment of Maintenance Expenses. The expenses of the Association in repairing, maintaining, and replacing the Quartershare Units shall be assessed as Limited Common Expenses to the Quartershare Owners. The expenses of the Association in repairing, maintaining, and replacing the Common Elements shall be assessed to all Owners as a Common Expense, and the expenses of the Association arising under the Village Management Agreement shall be assessed to all Owners as a Common Expense; provided, however, that the expense of maintenance, repair, or replacement of any damage to the Common Elements or any Unit including, without limitation, any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances, caused by the negligence, neglect, misconduct, or misuse of any one or more Owners, or by that of any member of such Owner's family, or such Owner's guests, employees, agents, or lessees, shall be assessed to such Owners as a Limited Common Expense. Nothing herein contained, however, shall be construed so as to modify any waiver by any insurance carrier of any right of subrogation against an Owner. Each Owner shall use the Units, Common Elements, and Limited Common Elements only in a safe and sanitary manner and otherwise in accordance with this Declaration, the Bylaws, and the Rules and Regulations.

ARTICLE 4
DESCRIPTION AND ALLOCATION OF COMMON ELEMENTS
AND LIMITED COMMON ELEMENTS

Section 4.1 Description of Common Elements. Common Elements are those portions of the Building defined as such pursuant to Sections 57-8-3(5) and 57-8-7 of the Act, that portion of the Property which is not a Unit, and those portions of the Building and Property identified and designated as Common Elements in this Declaration or in the Map, which include without limitation the fitness room and the swimming pool.

Section 4.2 Description of Limited Common Elements. Limited Common Elements are the Service Period in each Quartershare Unit and those portions of the Common Elements of the Building and Property defined as such pursuant to Sections 57-8-3(23) of the Act or as identified and designated as Limited Common Elements on the Map, or by Section 2.2 or 4.3 hereof. Those portions of the Limited Common Elements serving only the Unit or Units above, below, or adjacent to such Limited Common Element, as the case may be, are Limited Common Elements allocated only to the Unit or Units which they serve.

Section 4.3 Specified Limited Common Elements. In addition to items specified in Section 2.2 herein, pursuant to Section 57-8-3(23) of the Act, Limited Common Elements shall include the following designated portions of the Building or the Property: shutters, awnings, exterior windows, window boxes, exterior doors, doorsteps, stoops, balconies, porches, decks, and patios, if any, which are not part of the Unit but which are adjacent to and serve only such Unit.

Section 4.4 Locations of Common and Limited Common Elements. The locations of the Limited Common Elements, other than the Limited Common Elements specified in Section 2.2 herein or defined in Section 57-8-3(23) of the Act, are shown on the Map. Any area of the Property or Building not shown on the Map as a Unit or a Limited Common Element, other than a Limited Common Element specified in Section 2.2 herein or defined in Section 57-8-3(23) of the Act, is a Common Element.

Section 4.5 Reserved Common Elements. The Executive Board shall have the power in its discretion from time to time to grant revocable licenses in designated Common Elements to the Association or to any Quartershare Owners and to establish a reasonable charge to such Quartershare Owners for the use and maintenance thereof. Such designation by the Executive Board shall not be construed as a sale or disposition of the Common Elements.

Section 4.6 Alteration of Common Elements by the Association. The Association shall have the right to modify, alter, remove or improve portions of the Common Elements, including without limitation any equipment, fixtures and appurtenances, when in the Executive Board's judgment it is necessary or desirable to do so.

ARTICLE 5
TIMESHARE ESTATES. SERVICE PERIODS,
PERCENTAGE INTERESTS. COMMON EXPENSES AND VOTING RIGHTS

Section 5.1 Quartershare Estates and Use Periods. With respect to all Units with the exception of the Commercial Unit, Declarant intended to divide ownership of each Unit into five (5) timeshare estates, each of which timeshare estate is a separate estate in fee simple in the Unit, the timeshare estates in each Unit to be the four Use Periods (the "Quartershare Estates") and the Service Period. The Owner of a Quartershare Estate shall have the exclusive right to use and occupy that Owner's Quartershare Unit during the Owner's Use Period, and as between Owners of interests in the Condominium Project, to non-exclusively use the Common Elements of the Condominium Project and the rights and easements appurtenant to the Condominium Project, during the Owner's Use Period. Each Use Period shall consist of thirteen or fourteen weeks out of each year, excluding the Service Period. These weeks are not consecutive. The weeks assigned to each Use Period shall have a permanent character and shall not be altered without the written consent of the record owners of all Quartershare Units and the record holders of all liens therein. With respect to each Quartershare Unit, there shall be four (4) Use Periods. Use Period I shall consist of the weeks assigned to Group "I" in **Exhibit C** attached hereto. Similarly, Use Periods II, III, and IV shall consist of the weeks assigned to Groups "II," "III," and "IV," respectively, in **Exhibit C**. Each year, the calendar weeks associated with a Use Period will change by rotation, so that, for example, the calendar weeks assigned to Use Period I in 1998 are assigned to Use Period IV in 1999, and the weeks assigned to Use Period III in 1998 are assigned to Use Period II in 1999. Each week shall commence at 5:00 P.M. on the beginning date specified in **Exhibit C** and shall terminate at 9:00 A.M. on the ending date specified in said Exhibit. **Exhibit C** shows the assignment of weeks to Use Periods for the years 1998 to 2002. It shall be the responsibility of the Executive Board to promulgate date designations for ensuing years.

Section 5.2 Service Periods. The Service Period with respect to each Quartershare Unit is a separate timeshare estate allocated to such Quartershare Unit as a Limited Common Element. Occupancy of the Quartershare Units during the Service Periods is reserved to the Association for the purpose of maintenance and repair. The Quartershare Owners shall be required to vacate the Quartershare Units and the Common Elements during the Service Periods in accordance with check-out and check-in procedures established by the Association. The Association shall further be permitted to perform maintenance and repair work at other times during the Use Periods, provided, however, that except in emergencies, such work shall be performed at such times and in such manner as not to unreasonably interfere with the occupancy of the Quartershare Units by the Quartershare Owners.

Service Periods shall consist of the recurring weekly period from 9:00 A.M. on the last day of a designated week (as set forth on **Exhibit C**) to 5:00 P.M. on the first day of the next succeeding designated week; provided, however, that in the case of two or more successive weeks in a Use Period, the otherwise intervening Service Period times shall be deemed part of the Quartershare Owner's Use Period and not a part of the Service Period.

Section 5.3 Percentage Interests. Attached hereto as **Exhibit B** is a list of the Units by their identifying number and the Percentage Interest appurtenant to each Unit. The Percentage Interests of Units in the Common Elements have been determined based on the par value of each Unit. The par value for each Quartershare Unit stated in **Exhibit B** is equal to the Quartershare Unit's square footage. The par value for the Commercial Unit stated in **Exhibit B** is equal to the Commercial Unit's square footage for the interior and parking portion of the Commercial Unit, less the square footage of the Parking Easement Area in the Condominium Project's Parking Area as indicated on the Map. The Percentage Interest appurtenant to each Unit is calculated by dividing the par value assigned to that Unit by the sum total of the par values of all of the Units in the Condominium Project. For example, if Unit X has a par value of 1 and the sum total of the par values of all the Units is 10, Unit X's Percentage Interest would be .1 or 10%. The Percentage Interest of each Quartershare Estate is equal to one-fourth (1/4) of the Percentage Interest of the Unit to which the Quartershare Estate applies. No Percentage Interest is allocated to the Service Periods. The Percentage Interests stated for each Unit in **Exhibit B** hereto shall have a permanent character and shall not be altered without the consent of two-thirds of the Unit Owners. The sum of the Percentage Interests allocated to all Units shall at all times equal one (1) or one hundred percent (100%). The undivided interest of one or more Units may be adjusted to cause the totals in **Exhibit B** to equal one (1) or one hundred percent (100%).

Section 5.4 Common Expenses. The liability of each Unit and of the Quartershare Estates in the Quartershare Units and of the Owners for the Common Expenses shall be determined as provided in Article 14.

Section 5.5 Allocation of Voting Rights. The vote in the Association allocated to each respective Unit and to the Quartershare Estates in the Quartershare Units is set forth in **Exhibit B** hereto, determined on the basis of each Unit's Percentage Interest (relative to the other Units in the Condominium Project).

Section 5.6 Casting of votes. The vote in the Association allocated to a Quartershare Estate in each Quartershare Unit, and the vote allocated to a Unit that is not a Quartershare Unit

can be cast only as a single vote and cannot be split. If a Quartershare Estate or Unit is owned of record by one person, that Owner's right to vote shall be established by the record title to the Quartershare Estate or Unit. If ownership is in more than one person, the person who shall be entitled to cast the votes allocated to that Quartershare Estate or Unit shall be as set forth in the Bylaws.

ARTICLE 6 EASEMENTS

Section 6.1 Additional Easements. In addition to the easements provided for by the Act, the easements described in **Exhibit A** of this Declaration, the easements provided or to be provided for under the Village Management Agreement, and the easements described in Article 16 hereof, the following easements are hereby created:

(a) The Parking Area (exclusive of certain structural components therein, which constitute Common Elements) is part of the Commercial Unit. Therefore, except for the Parking Easement, Quartershare Owners have no ownership rights to parking spaces because of their ownership of their Quartershare Estates. The Quartershare Owners, guests of the Quartershare Owners staying in the Project, and the Association shall have a permanent, non-transferable easement (the "Parking Easement") over certain portions of the Parking Area located within the Commercial Unit as indicated and designated on the Map (the "Parking Easement Area"). The Parking Easement as a whole shall be non-transferable by the Association and the Quartershare Owners as a group, except that a Quartershare Owner's interest in the Parking Easement shall transfer in connection with a sale of a Quartershare Estate. The Parking Easement shall apply to and be binding upon the current Owner of the Commercial Unit, any person having any property interest in the Commercial Unit, and all future Owners and holders of any property interest in the Commercial Unit. Pursuant to the Parking Easement, Quartershare Owners, guests of Quartershare Owners staying in the Project, the Commercial Unit Owner's employees and agents, and the Association shall have the right (subject to the terms and conditions set forth in this Section 6.1, in Section 6.2 and in any rules established pursuant to Section 6.2(g)) to park vehicles within the Parking Easement Area without the obligation to pay any fee for that parking. Such right to use the Parking Easement Area shall be available to Owners who, at the time, are occupying a Unit and also to Owners who are not occupying a Unit; however, the Parking Easement does not authorize Owners to store vehicles or other property in the Parking Easement Area on an ongoing basis as further defined and regulated in Association Rules addressing this issue.

Section 6.2 Priorities and Limitations on Parking. Parking in the Parking Easement Area pursuant to the Parking Easement shall be subject to the following terms, conditions, and limitations:

(a) Use of parking spaces within the Parking Easement Area shall be based on the following priorities from highest priority to lowest priority: (1) Quartershare Owners staying in a Quartershare Unit; (2) guests staying in Quartershare Units who are not Quartershare Owners; (3) Quartershare Owners not staying in a Quartershare Unit; (4) employees, agents, and guests of (i) the Association, (ii) the Commercial Unit Owner, or (iii) a Lessee or sublessee of

the Commercial Unit; and last (5) anyone else otherwise allowed to park in the Parking Easement Area. In the discretion of the Association and notwithstanding any right to park to the contrary, parking in the Parking Easement Area may be temporarily limited or restricted for lower priority categories, if the Association determines that more parking is necessary to accommodate higher priority categories as described in this Section 6.2(a). Such temporary limitations and restrictions may include but are not limited to temporarily banning all parking by lower priority categories for the necessary period of time to accommodate higher priority categories and/or temporary restrictions on the number of lower priority persons that may enter. If the Association limits but does not completely eliminate parking for priority (4) above, the Association shall provide within the Parking Easement Area an equal number of parking spaces for those persons parking at the request of the Association as it provides to those persons parking at the request of the Commercial Unit Owner and the Lessees or sublessee of the Commercial Unit.

(b) Notwithstanding anything to the contrary in this Declaration (subject to the right to close the Parking Easement Area for maintenance), the Commercial Unit Owner shall ensure that Quartershare Owners staying in a Quartershare Unit and other guests staying in a Quartershare Unit shall always be provided parking within the Parking Easement Area and not at an off-site location; provided, however, that the Commercial Unit Owner shall have the right to provide and require free valet parking to satisfy this requirement when the Parking Easement Area is filled to capacity or is almost filled to capacity.

(c) Except as provided below, neither the Association nor the Commercial Unit Owner may allow anyone to use the Parking Easement Area or license parking rights in the Parking Easement Area, except the following: (1) the Association and its employees and agents; (2) the Commercial Unit Owner and its employees and agents; (3) a Lessee of the Commercial Unit and its employees and agents; (4) a sublessee of the Commercial Unit and its employees and agents; (5) vendors providing services in the Project to the Association, the Commercial Unit Owner, or the Lessee or sublessee of the Commercial Unit; (6) invitees of the Commercial Unit Owner or invitees of the Lessee or sublessee of the Commercial Unit who are parking for a one-day or one-night event that is held in the Project; (7) Quartershare Owners; and (8) guests staying in a Quartershare Unit for the duration of their stay. The right of Quartershare Owners to use the Parking Easement Area when not staying at Condominium Project is not transferable except through transfer of ownership of a Quartershare Unit.

(d) Notwithstanding anything to the contrary herein, the Association and the Commercial Unit Owner may close all or part of the Parking Easement Area for necessary maintenance, emergencies, or safety issues.

(e) Other than for necessary maintenance, emergencies, or safety issues, the Commercial Unit Owner may close or make other uses of the Parking Easement Area only if:

(1) The Association expressly consents to the other use or closure, which the Association shall not unreasonably withhold;

(2) The Association impliedly consents to the other use or closure by not responding to a written request for consent under (1) above within 7 days; or

(3) Upon at least 14 days written notice to the Association of a planned closure and without any need for Association approval, if:

- (i) the closure is for fewer than 51 parking spaces;
- (ii) the closure is for fewer than 30 days;
- (iii) the closure is not during peak periods, which are December 15 through January 3, all weekends during the months Park City is open for skiing, the week of and nearest weekend to the Martin Luther King Jr. holiday, the week of and nearest weekend to Washington's Birthday holiday (commonly referred to as the Presidents' Day holiday), and the day before, duration of, and day after the Sundance Film Festival; and
- (iv) for purposes of this Section 6.2(c)(3), any closure for any period of time in any one 24 hour day (measured from midnight to midnight) of any parking space in the Parking Easement Area counts as a Parking Space Closed Day, and the total Parking Space Closed Days shall not exceed 800 in any calendar year.

(f) Notwithstanding Section 3.4 of this Declaration or any other provision of the Declaration to the contrary, all operating and capital costs, and the duty to maintain (including any necessary protective coatings, painting, sealing, membranes, crack and joint sealing) the Parking Area and any Commercial Unit structures within the Parking Area (including walls and other fixtures constructed and installed in the Parking Area after the initial construction of the Parking Area) will be paid for entirely by the Commercial Unit Owner. The Association and the Quartershare Owners shall not be required to contribute to those costs. However, if structural components of the Condominium Project identified in this Declaration as Common Elements require maintenance or repair (other than those duties specifically assigned to the Commercial Unit Owner in this subparagraph (f) to the extent they are considered structural components), those costs shall be a Common Expense.

(g) With the consent of the Commercial Unit Owner, which may not be unreasonably withheld, the Association may adopt and implement reasonable rules relating to the use and management of the Parking Easement Area.

(h) The Association may install a parking access control system that controls and regulates access to the Condominium Project's Parking Area subject to the following provisions:

(1) In the event the Association elects to install such a control system, the initial cost of the system as well as any ongoing costs related to the system shall be a Common Expense.

(2) The Association shall provide the Commercial Unit Owner full access to all data generated by and accessible from the parking access control system including any data collected and retained by the Association about parking loads and use of the Parking Area.

(3) The Association shall create, turn on and turn off parking cards or other access mechanisms or tools (collectively the "Access Cards") used as part of the parking access control system. The Association shall issue to an Owner or a guest in residence Access Cards requested by the Owner, which request shall be identified as a request for ongoing access or for short term access for a specific period of time. In the event the Association disputes the issuance of any Access Cards requested by an Owner, which it may, the Access Cards shall be issued by the Association, and the dispute shall thereafter be resolved in the manner set forth in Section 6.2(h)(4) of this Declaration.

(4) The Association shall not turn off or disable an Access Card issued to an Owner for ongoing access unless the Owner consents in writing or unless a replacement Access Card is issued contemporaneously. Without the permission of the Owner, the Association shall not turn off or disable an Access Card for short term access until the period of short term access has ended. If any initial request for consent to turn off an Access Card is refused or not responded to, the Association's Executive Board shall vote on the issue. If the Executive Board concludes that an Access Card should be turned off or disabled and the Owner does not consent, the Executive Board must submit the issue to the ADR Process set forth in Article 23 of this Declaration and obtain a ruling from the arbitrator that turning off or disabling the Access Card is appropriate before the Association may turn off or disable an Access Card.

(i) Any dispute related to access to the Condominium Project's Parking Area shall be resolved through the expedited alternative dispute resolution process set forth in Article 23 of this Declaration.

(j) Any right or obligation of the Association related to management and operation of the parking may be, in the sole discretion of the Association, delegated in part or in whole to an agent, manager, or any other person.

(k) The Commercial Unit Owner may not sell any parking spaces within the Parking Easement Area except as part of the sale of the Commercial Unit. The Commercial Unit Owner may not lease any parking spaces within the Parking Easement Area except as part of the lease of all or a substantial portion of the Commercial Unit. Any sale or lease shall be subject to all easement rights granted to the Association and others in this Declaration.

(l) The location and configuration of parking spaces within the Parking Easement Area shall not be modified without the approval of the Association and the Commercial Unit Owner, with each parties' approval not to be unreasonably withheld.

(m) The Association shall have control over the use and the conditions of use of all parking that is outside of the Parking Area and within the Common Elements.

Section 6.3 Special Access Rights.

(a) Quartershare Unit Owners shall have the right to park for free at the Condominium Project when not occupying a Quartershare Unit, subject only to the priority parking scheme and right to enforce that scheme set forth in Section 6.2(a) of this Declaration. These access rights shall be preserved perpetually.

(b) Quartershare Unit Owners shall have the right to use the Condominium Project's fitness room and swimming pool for free while not occupying a Quartershare Unit. These access rights shall be preserved perpetually.

(c) Subject to reasonable limitations that may be imposed by the Association in the Rules and Regulations, guests of the Commercial Unit Owner not occupying a Quartershare Unit shall have the right to use the Condominium Project's swimming pool and fitness room. These access rights shall be preserved perpetually.

Section 6.4 Swimming Pool Access and Restroom Easement. As indicated on the Map, the Quartershare Owners and their guests shall have an easement for access to and use of the interior swim-in access to the Condominium Project's swimming pool through the interior hallway on the ground level of the Commercial Unit and also an easement for access to and use of the interior restrooms and changing areas within the Commercial Unit, which interior restrooms and changing areas are adjacent to the Condominium Project's swimming pool (collectively referred to herein as the "Swimming Pool Access and Restroom Easement"). The Swimming Pool Access and Restroom Easement shall continue in effect until the Association constructs new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project. The Swimming Pool Access and Restroom Easement shall not supersede, replace, or alter in any way any already existing easement rights granted or created pursuant to the Enabling Declaration and this Declaration. No later than December 31, 2023, the Association shall cause to be constructed new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project that will eliminate the need for the Swimming Pool Access and Restroom Easement. The amendment to the Map that is recorded at the time the Association constructs the new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project shall evidence the termination and elimination of the Swimming Pool Access and Restroom Easement. If the Association does not cause the new swimming pool restrooms and changing rooms to be constructed within the Common Elements portion of the Condominium Project by December 31, 2023, then at any time after December 31, 2023, the Commercial Unit Owner shall have the right, in its sole discretion, to cause to be constructed the new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project, all of which shall be constructed consistent with the building code and the top quality nature of the hotel, and the Association shall cooperate with the Commercial Unit Owner in causing to be recorded amendments to the Map and to this Declaration to evidence the construction of the new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project and to evidence the termination and elimination of the Swimming Pool

Access and Restroom Easement. The Association shall reimburse the Commercial Unit Owner, within ten (10) days after written demand therefor, the full amount of all costs and expenses incurred by the Commercial Unit Owner to construct the new swimming pool restrooms and changing rooms within the Common Elements portion of the Condominium Project, all of which shall be reasonable and consistent with the quality of work performed. In the event the Association does not reimburse the Commercial Unit Owner for such costs and expenses as provided above, then the Commercial Unit Owner shall have the right to offset against the Annual Assessments payable by the Commercial Unit Owner to the Association the full amount of such unreimbursed costs and expenses until the Commercial Unit Owner has recovered by the exercise of such offset rights the full amount of such costs and expenses incurred by the Commercial Unit Owner.

Section 6.5 Miscellaneous Easements.

(a) The Units, Quartershare Estates, and Common Elements shall be, and hereby are, made subject to easements in favor of the Declarant, appropriate utility and service companies, cable television companies, and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created by this Section 6.5(a) shall include, without limitation, rights of the Declarant, the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate, and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, drainage ditches and pump stations, telephone wires and equipment, television equipment and facilities (cable or otherwise), electrical wires, conduits, and equipment and ducts and vents over, under, through, along, and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Section 6.5(a), any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed as of the date of the first conveyance of an interest in such Unit by the Declarant or so as not to materially interfere with the use or occupancy of the Unit by its occupants. With respect to any utility lines or equipment serving the Condominium Project and located upon the Common Elements, the Executive Board shall have the right and power to convey title to the same to any private or public utility company. The Executive Board shall also have the right and power to convey permits, licenses, and easements over the Common Elements for the installation, maintenance, repair, and replacement of utility poles, lines, wires, and other equipment to any private or public utility company. In addition, the Executive Board shall have the right to grant permits, licenses, and easements over the Common Elements for purposes necessary for the proper operation of the Condominium Project.

(b) Those portions of the Common Elements not located within a Building shall be and hereby are made subject to an easement in favor of the Association and the agents, employees, and independent contractors thereof on, over, and under such portions for the purpose of maintaining and/or correcting drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. The easement created by this Section 6.5(b) expressly includes the right to cut any trees, bushes, or shrubbery, to grade soil, or to take any other action reasonably determined to be necessary. The Association shall restore the affected property as closely to its original condition as is practicable.

(c) The Common Elements (other than the Limited Common Elements) shall be and hereby are made subject to an easement in favor of each Owner and his invitees, employees, tenants, and servants (as to Quartershare Owners, during the Use Period of the Quartershare Owner's Quartershare Estate), the Association and the agents and employees of the Association for access, egress, and ingress over, through, and across each portion thereof, pursuant to such requirements and subject to such charges as the Executive Board may from time to time prescribe; provided that nothing contained herein shall create any access easement in favor of Quartershare Owners with respect to such portions of the Common Elements that are not needed in order to gain access to the Quartershare Units and as to which the Executive Board may from time to time determine necessary or desirable to limit or control access by Quartershare Owners, including, by way of illustration and not limitation, machinery and equipment rooms and any management agent's office; provided, however, that every Quartershare Owner shall have an unrestricted right of ingress and egress to his Quartershare Unit during the Use Period of that Quartershare Owner's Quartershare Estate, subject to the provision of this Declaration. Nothing in this section shall be construed to limit or otherwise allow charges for access, egress, and ingress as otherwise specifically provided for in other sections of this Declaration.

(d) The Units, Limited Common Elements, and Common Elements shall be and hereby are made subject to an easement in favor of the Association and the agents, employees, and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair, and replacement of the Units, Limited Common Elements, and Common Elements.

(e) The Common Elements shall be and hereby are made subject to the following easements in favor of the Units benefited:

(1) For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables, and all other utility lines and conduits that are a part of or serve such Unit and which pass across or through a portion of the Common Elements;

(2) For the installation, repair, maintenance, use removal and/or replacement of overhead lighting fixtures, electrical receptacles, and the like that are located in a portion of the ceiling, wall, or floor adjacent to a Unit and which is a part of the Common Elements; provided that the installation, repair, maintenance, use, removal, or replacement of such fixtures, receptacles, and the like does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building;

(3) For driving and removing nails, screws, bolts, and the like into the Unit-side surface of walls, ceilings, and floors that are part of the Common Elements; provided that such action does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building; and

(4) For the maintenance or the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles, and similar fixtures that serve only one Unit but that encroach into any part of any Common Element or Limited Common Element on the date this Declaration is recorded or any amendment hereof is recorded.

(f) To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Building and the Common Elements and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in the Building and the Common Elements.

(g) The Units and Common Elements are hereby made subject to the following easements:

(1) In favor of the Association and its agents, employees, and independent contractors (i) for inspection of the Units and Common Elements in order to verify the performance by Owners of any items of maintenance and repair for which they are responsible, (ii) for inspection, maintenance, repair, and replacement of the Common Elements situated in or accessible from such Units or Common Elements or both, (iii) for correction of emergency conditions in one or more Units or Common Elements, or both, or casualties to the Common Elements and/or the Units, and (iv) for any of the purposes set forth in Section 6.5(h) or Section 6.5(i) hereof, it being understood and agreed that the Association and its agents, employees, and independent contractors shall take reasonable steps to minimize any interference with an Owner's use and enjoyment of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Section 6.5(g)(1) and the following Section 6.5(g)(2) or both;

(2) In favor of the Owners benefited thereby and the Association and its agents, employees, and independent contractors, for the installation, repair, maintenance, use, removal, and/or replacement of pipes, ducts, electrical, telephone, telegraph or other communication systems, and all other utility lines and conduits that are part of the Common Elements and that pass across or through a portion of one or more Units.

(h) If construction, reconstruction, repair, shifting, settlement, or other movement of any portion of the Condominium Project results either in the Common Elements encroaching on any Unit, or in any Unit encroaching on the Common Elements or on any other Unit, a valid easement shall exist during the period of the encroachment for the encroachment and for the maintenance thereof.

(i) All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Property, including by way of illustration but not limitation the Quartershare Estates, the Units, and the Common Elements and (except as expressly may be otherwise provided herein or in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration.

Section 6.6 Reservation of Easement Rights. The Declarant reserves the right to grant to any third party any license or easement in, on, over or through the Property, in addition to and not in limitation of those set forth above, which license or easement is determined by the Declarant to be necessary for the development or improvement of the Property. Any such license or easement granted hereunder may be recorded by the Declarant. Each Owner, at the request of the Declarant, shall execute and deliver in recordable form any instrument or document necessary or appropriate to confirm the grant of such license or easement.

ARTICLE 7
RESTRICTIONS ON USE, LEASE OF UNITS, AND ALIENATION

Section 7.1 Use. The following restrictions shall apply to the use of the Condominium Project:

(a) Except as provided in this Declaration with respect to uses permitted by the Declarant, each Quartershare Unit is hereby restricted to single family residential use and enjoyment by the Quartershare Owners thereof, their immediate family, guests, and invitees, all in accordance with and subject to the terms and conditions of this Declaration, the Bylaws of the Association, and the Rules and Regulations of the Association. No Quartershare Owner shall permit use of any Quartershare Unit for commercial purposes, except that any Quartershare Owner or his duly authorized agent may rent or assign use rights to his Quartershare Unit from time to time.

(b) No Owner may obstruct the Common Elements in any way. No Owner may store anything in or on the Common Elements without the prior written consent of the Executive Board.

(c) No Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any Unit. The Property is to be maintained in a clean and sanitary condition, and no Owner may place any garbage, trash or rubbish anywhere in the Property other than in his own Unit and in or on such parts of the Common Elements as may be designated for such purposes by the Executive Board.

(d) No Unit shall be used, occupied or kept in a manner that in any way increases the fire insurance premiums for the Property without the prior written permission of the Executive Board.

(e) No Quartershare Owner may erect any sign on or in any Quartershare Unit or any Common Element, without in each instance having obtained the prior written permission of the Executive Board. This provision is not intended to prevent the Executive Board from maintaining on the Common Elements a register of Unit occupants, or Owners, or both.

(f) No animals of any kind, except as otherwise required by law, shall be kept or harbored on the Property except with the prior written consent of the Executive Board, which consent may be revoked as allowed by law.

(g) Any Unit other than a Quartershare Unit may be operated for business, retail or other commercial purposes provided that such use does not unreasonably impair the use of the Quartershare Units for residential purposes.

(h) The Executive Board may from time to time promulgate reasonable Rules and Regulations not in conflict with this Declaration or with the use of any Commercial Unit as permitted by this Declaration, concerning the use and enjoyment of the Property. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Owners by the Association promptly after the adoption of such Rules and Regulations and any amendments thereto.

Section 7.2 Exclusive Use and Occupancy. Subject to the restrictions set forth in Section 7.1, during the Use Period of his Quartershare Estate, each Quartershare Owner shall have the exclusive right to occupy his Quartershare Unit, and as between Quartershare Owners to use and enjoy the Common Elements of the Condominium Project and the rights and easements appurtenant to the Condominium Project. Except as otherwise provided in this Declaration, no Quartershare Owner shall occupy a Quartershare Unit, or exercise any other rights of ownership in respect of the Condominium Project, during any other Use Period unless expressly so authorized by the Quartershare Owner entitled to occupy the Quartershare Unit during such Use Period, or during any Service Period except when acting through and on behalf of the Association. Each Quartershare Owner shall keep the Quartershare Unit and all Common Elements in good condition during the Use Period of such Owner's Quartershare Estate, shall vacate the Quartershare Unit and the Common Elements at the commencement of any Service Period and remove all persons and property therefrom excluding only Common Elements, shall leave the Quartershare Unit in good and sanitary condition and repair, and otherwise comply with such reasonable checkout and other procedures as may from time to time be contained in Rules and Regulations promulgated by the Association.

ARTICLE 8

RIGHTS OF MORTGAGEES, INSURERS AND GUARANTORS

Section 8.1 Subject to Declaration. Whether or not they expressly so state, any mortgage or deed of trust which encumbers a Quartershare Estate or a Unit and any obligation secured thereby shall provide generally that the mortgage or deed of trust and the rights and obligations of the parties thereto shall be subject to the terms and conditions of the Act and the Condominium Documents.

Section 8.2 Rights of Eligible Mortgage Holders.

(a) The Association shall send reasonable prior written notice by prepaid United States mail to Eligible Mortgage Holders of the consideration by the Association of following proposed actions:

(1) The termination of the Condominium Project pursuant to Section 57-8-22 of the Act;

(2) A change in the allocated interest of a Quartershare Estate or Unit or a change in the boundaries of a Unit;

(3) The merger or consolidation of the Condominium Project with another condominium;

(4) The conveyance or subjection to a security interest of any portion of the Common Elements;

(5) The proposed use of any proceeds of hazard insurance required to be maintained by the Association or the Act for purposes other than the repair or restoration of the damaged property;

(6) The adoption of any proposed budget by the Executive Board and of the date of the scheduled owners meeting to consider ratification thereof, a summary of the proposed budget to accompany this notice; and

(7) Any default in the performance or payment by the Owner of the Quartershare Estate or Unit securing the mortgage or deed of trust of any obligations under the Declaration, including without limitation default in the payment of common expense liabilities.

(b) Any such notice required to be given by Section 8.2(a) above shall be deemed to have been given reasonably prior to the proposed actions set forth in Section 8.2(a) above if such notice is sent at the time notice of such proposed action is given to the Owners.

(c) In the event of any proposed actions described in section 8.2(a)(1) through 8.2(a)(7) above, an Eligible Mortgage Holder shall have the right but not the obligation in place of the Owner to cast the votes allocated to that Owner's Quartershare Estate or Unit or to give or withhold any consent required of the Owner for such action by delivering written notice to the Association with a copy to the Owner prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand. An Eligible Mortgage Holder shall also have the right but not the obligation to cure any such default by the Owner. Failure of the Eligible Mortgage Holder to so exercise such rights shall constitute a waiver thereof and shall not preclude the Owner from exercising such right.

(d) In addition, an Eligible Mortgage Holder or its representative shall have the right to attend Association and Executive Board meetings for the purposes of discussing the matters described in subsection (a) of this Section 8.2.

Section 8.3 Rights of Mortgage Holders, Insurers or Guarantors.

(a) The Association shall send timely prior written notice by prepaid United States mail to holders, insurers, and guarantors of a mortgage or deed of trust on any Quartershare Estate or Unit of the following matters:

(1) Any condemnation or casualty loss that affects either a material portion of the Condominium Project or the Quartershare Estate or Unit securing the mortgage or deed of trust

(2) Any sixty-(60) day delinquency in the payment of Annual Assessments or other charges owed by the Owner of any Quartershare Estate or Unit on which it holds the mortgage or deed of trust.

(3) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(4) Any proposed action that requires the consent of fifty-one percent (51%) of the Eligible Mortgage Holders.

(b) To receive such notice, the mortgage holder, insurer, or guarantor shall send a written request therefor to the Association, stating its name and address and the Unit number and Use Period of the Quartershare Estate, or Unit number of the Commercial Unit, on which it holds, insures, or guarantees the mortgage or deed of trust.

Section 8.4 Liability for Use and Charges. Any Mortgagee who obtains title to a Quartershare Estate or Unit pursuant to the remedies provided in a mortgage or deed of trust, foreclosure of such mortgage or deed of trust, or a deed in lieu of foreclosure shall not be liable for such Quartershare Estate's or Unit's unpaid assessments or charges that accrued to the Owner prior to the acquisition of title to such Quartershare Estate or Unit by the Mortgagee, except to the extent otherwise provided for in the Act and except to the extent that such Mortgagee is liable as an Owner for the payment of such unpaid assessment or charge that is assessed against the Mortgagee as a result of all Owners being reassessed for the aggregate amount of such deficiency.

Section 8.5 Condemnation Rights. No provision of this Declaration shall give an Owner, or any other party, priority over any rights of the Mortgagee of a Quartershare Estate or Unit pursuant to its mortgage or deed of trust in the case of a distribution to the Owner of insurance proceeds or condemnation awards for loss to or a taking of one or more Units, Quartershare Estates and/or Common Elements.

Section 8.6 Books and Records. Any Mortgagee shall have the right, exercisable by written notice to the Executive Board, to examine the books and records of the Association and to require that it be provided with a copy of each annual report of the Association and other financial data of the Association reasonably requested by such Mortgagee.

ARTICLE 9 INSURANCE

Section 9.1 Types and Amounts. The Association shall maintain, to the extent reasonably available, the following types and amounts of insurance:

(a) Property insurance insuring against loss or damage by fire and other perils, with "all risk" type coverage, or such other fire and casualty insurance as the Executive Board may determine provides equal or greater protection for the Owners and their Mortgagees, if any, in each case complying with the applicable requirements of Section 9.2 hereof. The insurance maintained by the Association shall be a "master" or "blanket" type of insurance policy, which shall cover the Property, including but not limited to all Common Elements and Limited Common Elements, the Units and all improvements, fixtures, and appliances contained within the Unit or the value thereof, and fixtures, building service equipment, and common equipment and supplies owned by the Association, but excluding all other personal property of the Owners. The amount of any such hazard insurance obtained pursuant to this Section 9.1(a) shall be equal to one hundred percent (100%) of the full current replacement cost of the Condominium Project, including the individual Units, at the time the insurance is purchased and at each renewal date without deduction for depreciation, exclusive of land, foundations, and excavations. Such hazard insurance policy may, at the option of the Association, contain a reasonable "deductible" provision in an amount to be determined by the Executive Board; provided, however, that the maximum deductible amount shall be limited so as to avoid the effect of any co-insurance provisions. The proceeds of such policy shall be payable to the Insurance Trustee, if any, otherwise to the Association for the benefit of the Owners and holders of mortgages or deeds of trust secured by the Quartershare Estates or any Unit. Such hazard insurance policy shall include a separate "loss payable endorsement" in favor of the Mortgagees, if any, modified to make the loss payable provisions in favor of the Mortgagees subject and subordinate to the loss payable provisions in favor of the Association if there is no Insurance Trustee, or if there is an Insurance Trustee, to the Insurance Trustee under the Insurance Trust Agreement. If the Executive Board fails within sixty (60) days after the date of an insured loss to initiate a claim for damages recoverable under the policy or policies obtained pursuant to this subsection (a), any Mortgagee may initiate such a claim on behalf of the Association.

(b) Comprehensive general liability insurance, including medical payments insurance, complying with the requirements of Section 9.2. hereof, insuring the Owners in their capacity as Owners and Association members and any managing agent retained by the Association, against any liability to the public or to other Owners, their tenants, or invitees, relating in any way to the ownership and/or use of the Common Elements, public ways, and any other areas under the supervision of the Association and any part thereof. Such insurance policy shall contain a "severability of interest endorsement" or equivalent coverage which precludes the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner. Such insurance shall include coverage for bodily injury and property damage that results from the operation, maintenance, or use of the Common Elements, any liability related to employment contracts in which the Association is a party, water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered in similar projects. The amount of such liability insurance shall be not less than One Million Dollars (\$1,000,000) for bodily injury or death of any one person in any one occurrence; not less than Three Million Dollars (\$3,000,000) for bodily injury or death to more than one person in any one occurrence; and not less than Two Hundred Fifty Thousand Dollars (\$250,000) aggregate per policy year for property damage, or in the alternative, a combined single limit of not less than Three Million Dollars (\$3,000,000). The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by

the Executive Board and may be changed in its discretion provided that such policies shall continue to comply with the requirements of this Section 9.1 and Section 9.2 hereof.

(c) Such worker's compensation insurance as applicable laws may require.

(d) Insurance to satisfy the indemnification obligation of the Association and all Owners set forth in Section 10.2 hereof, if and to the extent available, including but not limited to insurance coverage commonly referred to as "Directors and Officers Insurance."

(e) Adequate blanket fidelity bond coverage naming the Association as obligee, or other security or insurance, to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association, and all others who handle or are responsible for handling funds held or administered by the Association, including the managing agent. Any such fidelity bond shall: (i) name the Association as an obligee; (ii) be written in an amount not less than the greater of (a) the maximum funds that will be in the custody of the Association or its management agent at any time during the term of the bond, or (b) a sum equal to three months assessments on all Units and Quartershare Estates plus reserve funds; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

(f) If any part of the Condominium Project is in a special flood hazard area, a "master" or "blanket" policy of flood insurance. The amount of such insurance shall be at least equal to the lesser of one hundred percent (100%) of the insurable value of the Condominium Project or the maximum coverage available under the appropriate National Flood Insurance program. Such insurance shall cover Common Elements and shall equal one hundred percent (100%) of the insurable value of the Building, including machinery and equipment that are part of the Building. The contents coverage must include one hundred percent (100%) of the insurable value of all contents, including any machinery and equipment that are not part of the Building but that are owned in common by the Association members. If the required coverage exceeds the maximum coverage available under the National Flood Insurance Administration's programs, coverage equal to the maximum amount that is available under such programs shall be acceptable.

(g) Insurance in types and amounts required by the Village Management Agreement.

Section 9.2 Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

(a) All policies shall specify the named insured as the authorized representative of the Association, including its Insurance Trustee, or the following: The Canyons Grand Summit Owners Association, Inc., for the use and benefit of the individual owners of the Grand Summit Resort Hotel at The Canyons.

(b) All policies shall be written with a company authorized and licensed to do business in the State of Utah, and for the hazard insurance policy described in Section 9.1(a) hereof such company must hold a general policy holder's rating of at least "A" by

Best's Insurance Reports, or by an equivalent rating bureau should Best's Insurance Reports cease to be issued.

(c) Exclusive authority to act on behalf of the insured with respect to adjustment of losses under policies hereafter in force on the Property shall be vested in the Executive Board or its authorized representative.

(d) With respect to the insurance policies described in subsections (a) and (b) of Section 9.1 issued to the Association and covering all or any part of the Property, the Association shall cause such policies to provide that:

(1) Each Owner is an insured person under such policies with respect to liability arising out of each Owner's ownership of an undivided interest in the Common Elements or membership in the Association;

(2) The insurer waives its right to subrogation under the policy against Owners or members of their households;

(3) No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will prejudice such policies or be a condition to recovery under such policies;

(4) If at the time of a loss under such policies there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance;

(5) The liability of the insurer shall not be affected by and the insurer shall not claim any right of set-off, counterclaim, apportionment, pro-rata, or contribution by reason of any other insurance obtained by or for any Owner;

(6) The insurer shall not be relieved from liability for loss occurring while the hazard to the Property is increased, whether or not within the knowledge or control of the Executive Board or because of any breach of warranty or condition or any other act or neglect by the Executive Board or any Owner or any other person under either of them;

(7) Such policies may not be canceled nor may coverage thereunder be substantially changed (whether or not requested by the Executive Board) except by the insurer giving at least ten (10) days prior written notice thereof to the Executive Board, the Insurance Trustee, if any, Owners, each holder of a first mortgage or deed of trust that is listed as a scheduled holder of a first mortgage or deed of trust in such policies, and every other party in interest who shall have requested such notice of the insurer; and

(8) Any Insurance Trust Agreement will be recognized.

(e) With respect to the property insurance policy described in subsection (a) of Section 9.1, such policy shall contain a standard mortgagee clause, which shall:

(1) Provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages or deeds of trust of any Quartershare Estate or Unit in their respective order and preference, whether or not named therein;

(2) Provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Executive Board or Owners or any persons under any of them;

(3) Waive any provision invalidating such mortgagee clauses by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, and shall waive any requirement that the mortgagee pay any premium thereon and any contribution clause; and

(4) Provide that without affecting any protection afforded by such mortgagee clause, any proceeds payable under such policy shall be payable to the Insurance Trustee designated by the Executive Board for that purpose, otherwise to the Association.

(f) With respect to the property insurance policy described in subsection (a) of Section 9.1, such policy shall contain the following endorsements:

(1) Agreed amount and inflation guard endorsement, when it can be obtained.

(2) Construction code endorsements, if there is a construction code provision that requires changes to undamaged portions of the Building even when only part of the Condominium Project is destroyed by an insured hazard.

Section 9.3 Insurance Trustee and Power of Attorney. Notwithstanding any of the provisions and requirements of this Article relating to property or liability insurance, the Executive Board may designate as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee (herein referred to as the "Insurance Trustee"), who shall have the exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Section 9.4 Repair of Damage or Destruction to Condominium Project. The repair or replacement of any damaged or destroyed portion of the Condominium Project shall be done in accordance with and shall be governed by the provisions of Sections 57-8-30 and 57-8-31 of the Act.

Section 9.5 Additional Insurance. Nothing in this Declaration shall be construed to limit the authority of the Executive Board to obtain additional insurance that it deems advisable.

Section 9.6 Owner Insurance.

(a) Each Owner may obtain additional insurance at such Owner's expense; provided, however, that: (1) such policies shall not be invalidated by the waivers of subrogation required to be contained in policies required by this Declaration; and (2) no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount that the Association may realize under any insurance policy which the Association may have in force on the Property at any particular time.

(b) Any Owner who obtains individual insurance policies covering any portion of the Property other than personal property belonging to such Owner shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after purchase of such insurance.

ARTICLE 10
LIMITATION OF LIABILITY

Section 10.1 Limited Liability of the Executive Board. The Executive Board and its members (individually a "Board Member" and collectively, the "Board Members") in their capacity as members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by an Owner or other person on the Property, or resulting from electricity, gas, water, rain, dust or sand that may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

(b) Shall not be liable to the Owners as a result of the performance of the Board Members' duties for any mistakes of judgment, negligence, or otherwise, except for the Board Members' own willful misconduct or gross negligence;

(c) Shall have no personal liability in contract to an Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, deed of trust, instrument, or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Board Members' duties, except for the Board Members' own willful misconduct or gross negligence;

(d) Shall not be liable to an Owner, or such Owner's tenants, employees, agents, contractors, customers, or guests, for loss or damage caused by theft of or damage to personal property left by such Owner or his tenants, employees, agents, contractors, customers, or guests in a Unit, or in or on the Common Elements, except for the Board Members' own willful misconduct or gross negligence;

(e) Shall have no personal liability in tort to an Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Board Members' own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no personal liability arising out of the use or misuse of or conduct in or with respect to the Building, or which might in any other way be assessed against or imputed to the Board Members as a result of or by virtue of their performance of their duties, except for the Board Members' own willful misconduct or gross negligence.

Section 10.2 Indemnification. Each Board Member in his or her capacity as a member of the Executive Board, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such Board Member in connection with any proceeding in which he or she may become involved by reason of being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he or she is a Board Member, officer or both at the time such expenses are incurred, except in such cases wherein such Board Member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his or her duties or any other standard imposed by the Act; provided that in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected Board Member abstaining if a member of the Executive Board at the time of the vote) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification by the Owners set forth in this Section 10.2 shall be paid by the Association on behalf of the Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Board Member and/or officer may be entitled as a matter of law or agreement or by vote of the Owners or otherwise.

Section 10.3 Defense of Claims. Complaints brought against the Association, the Executive Board, or the officers, employees, or agents thereof in their respective capacities as such or the Condominium Project as a whole shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Owners and the holders of any mortgages or deeds of trust and such complaints shall be defended by the Association. The Owners and the holders of mortgages shall have no right to participate in such defense other than through the Association.

Section 10.4 Storage: Disclaimer of Bailee Liability. Neither the Executive Board, the Association, nor any Owner shall be considered a bailee of any personal property stored on the Common Elements (including property located in storage areas on the Common Elements), whether or not exclusive possession of the particular area is given to an Owner for storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE 11

UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 11.1 Applicability of Condominium Documents. Each present and future owner, tenant, occupant, and Mortgagee of a Quartershare Estate or Unit and any other occupant of a Unit shall be subject to and shall comply with the provisions of the Act, the Village Management Agreement, and with the covenants, conditions, and restrictions as set forth in the Condominium Documents and the deed to such Quartershare Estate or Unit; provided that nothing contained herein shall impose upon any tenant or Mortgagee of a Quartershare Estate or Unit any obligation that the Act or one or more of such documents or both make applicable only to Owners (including, without limitation, the obligation to pay assessments for Common Expenses). The acceptance of a deed or mortgage or deed of trust to any Quartershare Estate or Unit or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Act and the covenants, conditions, and restrictions set forth in the Condominium Documents and the deed to such Quartershare Estate or Unit are accepted and ratified by such grantee, Mortgagee, or occupant. All of such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Quartershare Estate or Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage, deed of trust, or lease thereof. The Association and any aggrieved Owner shall have a right of action against Owners who fail to comply with the provisions of the Condominium Documents or with decisions made by the Association or the Executive Board. Aggrieved Owners shall have similar rights of action against the Association.

Section 11.2 Eminent Domain. Whenever all or part of the Common Elements shall be taken, injured, or destroyed by eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, provided, however, that the Association shall officially represent the Owners in such proceedings. In any proceedings for the determination of damages, such damages shall be determined for such taking, injury, or destruction as a whole and not for each Owner's interest therein, and any award for such damage shall be payable to the Association or the Insurance Trustee for the benefit of the Owners and of the mortgagees of the Units and Quartershare Estates.

ARTICLE 12

EXECUTIVE BOARD OF THE ASSOCIATION

Section 12.1 Members, Election, and Term of Office.

(a) The Executive Board shall include seven (7) members all of whom shall be natural persons and Owners. With respect to the Commercial Unit, an Owner of the Commercial Unit or an officer, principal, or agent of the Commercial Unit Owner, or appointee of the Lessee of the Commercial Unit as provided for in Section 12.4, may be a member of the Executive Board. The Executive Board shall be elected and appointed by the members of the Association in classes, as hereinafter set forth in this Section to ensure fair representation on the Executive Board of the Quartershare Owners and of the Commercial Unit Owner. The Quartershare Owners shall elect five (5) Board Members, identified as the Quartershare Unit Board Members. If a Quartershare Unit Owner is an entity or trust, only one of its officers,

managing members or member of an LLC, or trustee of a trust may serve on the Executive Board. If a Quartershare Unit is owned by more than one person, entity, or trust, only one person related to the ownership of that Quartershare Unit may serve on the Executive Board at any one time. The Commercial Unit Owner shall appoint two (2) Board Members, identified as the Commercial Unit Board Members. If a vacancy occurs with respect to membership on the Executive Board, the vacancy shall be filled by vote or appointment of the class that was entitled to vote for or appoint the Board Member whose position has been vacated. The Quartershare Unit Board Members shall be elected, as the terms of the members expire, for the terms of three (3) years each. The Commercial Unit Board Members may be appointed or removed at any time by the Commercial Unit Owner, and they serve without any term or expiration. Any such appointment or removal shall be in writing delivered to the Association.

(b) The Executive Board shall possess all of the duties and powers granted to the Executive Board by the Act.

Section 12.2 Disputes. Subject to the ADR Process addressed in Section 6.2(h), Section 14.11 and Article 23 of this Declaration, the Association and any aggrieved Owner shall have an appropriate right of action, together with any and all appropriate remedies under the Act, at law or in equity, against all of the Owners or the Association for failure to comply with any provision of any Condominium Document or with any decision of the Association made pursuant thereto. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief in order to assist it in carrying out its responsibilities under this Section 12.2.

Section 12.3 Abating and Enjoining Violations by Unit Owners. The violation of any Rules and Regulations adopted by the Executive Board, the breach of any provision contained in the Bylaws, or the breach of any provision of this Declaration or the Act by any Mortgagee, Owner, or any invitee of such Owner shall give the Executive Board the right, in addition to any other rights to which it may be entitled, to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 12.4 Commercial Unit Lessee Appointed Board Members.

(a) In the absence of written notice from the Commercial Unit Owner to the Association objecting to such appointment, the Lessee of the entire Commercial Unit may appoint and/or remove the Commercial Unit Board Members. Any such appointment or removal shall be in writing delivered to the Association. The Association may demand such evidence as is necessary (such as a lease) to reasonably establish who the Lessee of the Commercial Unit is and to verify that the appointment is made by the Lessee.

(b) The Commercial Unit Owner agrees to the following for any appointee of the Lessee of the Commercial Unit to the Executive Board:

(1) Powers. The appointee shall have full authority to act on behalf of the Commercial Unit Owner and to exercise every right of the Commercial Unit Owner related to: (i) the Association and (ii) the Commercial Unit.

(2) Control. The appointee is acting within the Commercial Unit Owner's control in all actions, and any action or inaction by the appointee related

to the Association and the Commercial Unit is binding on the Commercial Unit Owner. The appointee's actions and inactions related to the Association and the Commercial Unit shall be in all legal and practical effect the actions and inactions of the Commercial Unit Owner. The Association shall have no duty to confirm any action or inaction of the appointee with any other agent, officer, or employee of the Commercial Unit Owner.

(3) Ratification. The Commercial Unit Owner shall be deemed to ratify and accept every action of the appointee related to the Association and the Commercial Unit after the date of the appointment, and the Commercial Unit Owner agrees such actions are for all legal and practical purposes the actions of the Commercial Unit Owner.

(4) Reliance. Until such time as the Commercial Unit Owner delivers the notice of objection or the Lessee delivers written cancellation of the appointment to the Executive Board, the appointment shall remain in full force and effect, and the Association may rely upon the appointment as the conclusive and unconditional statement by the Commercial Unit Owner that the appointee has authority as provided for in this Section 12.4, notwithstanding any statement, action, or inaction by Lessee, the Commercial Unit Owner, the appointee or any third party.

(5) Term. The appointment of any such appointee shall be effective on the date made in writing and shall continue until cancelled in writing by the Commercial Unit Owner or the Lessee or by the resignation of the Board Member.

(6) Notice. Notice related to the Association or the Project delivered to the appointee shall be deemed notice to the Commercial Unit Owner.

ARTICLE 13 MANAGEMENT

The Association shall have the right to employ a professional, experienced managing agent who shall oversee the daily operation of the Condominium Project in accordance with the provisions of the Act and the Condominium Documents; provided, however, that no agreement for such professional management of the Condominium Project may exceed a term of three (3) years but may be renewed upon consent of the Association. Such agreement shall be cancellable by either party without cause and without a termination fee upon not less than sixty (60) days written notice and shall be cancellable by the Executive Board with cause upon not less than thirty (30) days written notice.

ARTICLE 14
BUDGETS; ASSESSMENTS; LIABILITY OF OWNERS

Section 14.1 Association Budgets. The Association, acting through the Executive Board in accordance with this Declaration and the Bylaws, shall have the power to fix and determine, from time to time, the sums necessary and adequate to provide for the Common Expenses, the Limited Common Expenses, and the costs and expenses arising by, through or under the Village Management Agreement including, but not limited to, such amounts as are necessary for uncollectible assessments, budget deficits, such reserves as are described in this Declaration and such additional reserves as the Executive Board shall deem necessary or prudent, and such other expenses as are specifically provided for in the Act, this Declaration, or the Bylaws. The Association shall adopt annually a budget of Common Expenses, Residential Expenses, and Commercial Expenses for the Condominium Project which budget shall be composed of three separate parts: the "Common Facilities Budget," the "Quartershare Unit Budget," and the "Commercial Unit Budget" as described hereinafter in this Article 14.

Section 14.2 Common Facilities Budget. The Common Facilities Budget shall include the following budget items (the "Common Expenses"):

(a) Expenses related to the operation, repair and maintenance of the septic system and water system for service to the Common Elements, including fees for water and septic service to the Common Elements;

(b) Expenses related to interior and exterior structural and mechanical maintenance of the Common Elements and a capital improvement repair and replacement reserve fund for the Common Elements;

(c) Expenses related to (i) janitorial and maintenance service for common hallways, lobbies, and other common areas of the Building; (ii) roadway and parking area maintenance, snowplowing, and sanding; and (iii) lawn mowing and grounds maintenance;

(d) Expenses related to the administration, management, and professional services provided to the Association, including but not limited to legal expenses, accounting expenses, and the expenses of the management of the Association;

(e) Expenses arising under the Village Management Agreement;

(f) Expenses related to the Association providing Wi-Fi and other wireless electronic access;

(g) Fees related to the Association's banking and financial activities, excluding: (i) fees relating to Owners' payment by credit card of Association assessments, fines, or fees; such credit card fees shall be charged to the Owner making any such payment by credit card, except for such fees incurred during the Association's 2017 fiscal year (May 1, 2016 to April 30, 2017), when such fees may be paid from the Association's Quartershare Unit Budget or charged to Owners, in the Association's

discretion; and (ii) in the discretion of the Association, interest on Association loans charged as a fee to only those owners who obtain the benefit of such loans if less than all the Owners benefit from the loans;

(h) Expenses incurred by the Association related to security provided for the Common Elements;

(i) Expenses incurred by the Association for telephone service at the Condominium Project;

(j) Expenses related to Executive Board members' travel to Association meetings or for other Association business;

(k) Other Association expenses determined pursuant to Sections 14.5, 14.6, 14.7, 14.8 and 14.9 of this Declaration to be Common Expenses; and

(l) Other Association expenses determined by the Executive Board to be of common benefit to all Owners, and other Association expenses not included in the Quartershare Budget or the Commercial Unit Budget.

Section 14.3 Quartershare Unit Budget. The Quartershare Unit Budget shall include the following budget items (the "Residential Expenses"):

(a) Expenses related to maintenance, repair, and replacement of hallways, stairways, and other Common Elements and Limited Common Elements serving only the Quartershare Units, including a replacement reserve;

(b) Expenses related to maintenance and repair of Quartershare Unit furnishings, fixtures, appliances, and other Limited Common Elements of the Condominium Project appurtenant to the Quartershare Units and a replacement reserve fund with respect to the same;

(c) Expenses related to the operation, repair, and maintenance of the septic system and water system for service to the Quartershare Units, including fees for water and septic service to the Quartershare Units;

(d) Other Association expenses determined pursuant to Sections 14.5, 14.6, 14.7, 14.8 and 14.9 of this Declaration to be Quartershare Unit expenses and

(e) Other expenses of the Association determined by the Executive Board to benefit only the Quartershare Owners or the Quartershare Units.

Section 14.4 Commercial Unit Budget. The Commercial Unit Budget shall include the following budget items (the "Commercial Expenses"):

(a) Expenses related to maintenance, repair, and replacement of Limited Common Elements serving only the Commercial Unit, including a replacement reserve;

(b) Expenses related to the operation, repair, and maintenance of the septic system and water system for service to the Commercial Unit, including fees for water and septic service to the Commercial Unit;

(c) Other Association expenses determined pursuant to Sections 14.5, 14.6, 14.7, 14.8 and 14.9 of this Declaration to be Commercial Unit expenses; and

(d) Other expenses of the Association determined by the Executive Board to benefit only the Owners of the Commercial Unit. All items included in the Commercial Unit Budget shall be assessed to the Owner of the Commercial Unit, or if the Commercial Unit is subdivided or additional Commercial Units otherwise created, to the Owners of the resulting Commercial Units in proportion to their Percentage Interest in the Common Elements.

Section 14.5 Association Insurance Expenses. The insurance expenses for the Association shall be allocated among the Common Facilities Budget, the Quartershare Unit Budget, and the Commercial Unit Budget based on whether premiums or portions of premiums primarily benefit all Owners alike, the Quartershare Owners, or the Commercial Unit Owner. For those premiums (or portions of premiums) that primarily benefit all Owners alike, the Executive Board shall allocate such premiums (or portions of premiums) to the Common Facilities Budget. For those premiums (or portions of premiums) that primarily benefit the Quartershare Owners, the Executive Board shall allocate such premiums (or portions of premiums) to the Quartershare Unit Budget. For those premiums (or portions of premiums) that primarily benefit the Commercial Unit Owner, the Executive Board shall allocate such premiums (or portions of premiums) to the Commercial Unit Budget. Unless the allocation is agreed to unanimously by the Executive Board Members, an independent insurance expert or experts (the "Insurance Expert") selected by the unanimous approval of the Executive Board Members shall determine the allocation of the Association's insurance premiums between the three budgets. If, however, all of the Executive Board Members cannot agree on an Insurance Expert, the Association's manager shall appoint an independent, qualified Insurance Expert in accordance with the selection procedure outlined in Article 22 of this Declaration. The Insurance Expert shall use his or her best, reasonable, professional judgement to determine the proper allocation of insurance expenses under the standard in this Section 14.5. The costs related to the Insurance Expert shall be a Common Expense of the Association.

Section 14.6 Utility Expenses. The Association may sub-meter all utility expenses at the Condominium Project in a commercially reasonable manner to determine utility expenses related to the Commercial Unit as distinct from those related to Common Elements and the Quartershare Units. Alternatively and for utility expenses that have not been or cannot be sub-metered, the utility expenses for the Association shall be allocated among the Common Facilities Budget, the Quartershare Unit Budget, and the Commercial Unit Budget based on whether the utility expenses primarily benefit all Owners alike, the Quartershare Owners, or the Commercial Unit Owner. For those expenses (or portions of expenses) that primarily benefit all Owners alike, the Executive Board shall allocate such expenses (or portions of expenses) to the Common Facilities Budget. For those expenses (or portions of expenses) that primarily benefit the Quartershare Owners, the Executive Board shall allocate such expenses (or portions of expenses) to the Quartershare Unit Budget. For those expenses (or portions of expenses) that primarily

benefit the Commercial Unit Owner, the Executive Board shall allocate such expenses (or portions of expenses) to the Commercial Unit Budget. Unless the allocation is agreed to unanimously by the Executive Board Members, an independent expert or experts (the "Utility Expert") selected by the unanimous approval of the Executive Board Members shall determine the allocation of the Association's utility expenses between the three budgets. If, however, all of the Executive Board Members cannot agree on a Utility Expert, the Association's manager shall appoint an independent, qualified Utility Expert in accordance with the selection procedure outlined in Article 22 of this Declaration. The Utility Expert shall use his or her best, reasonable, professional judgement to determine the proper allocation of utility expenses under the standard in this Section 14.6. The costs related to obtaining any sub-metering of utilities or of the Utilities Expert pursuant to this Section 14.6 shall be a common expense of the Association.

Section 14.7 Maintenance/Repair/Engineering Expenses. Beginning not later than the Effective Date of this Declaration, the Association shall reasonably track actual Quartershare Unit and Common Elements related maintenance, repair, and engineering expenses. The Association shall charge maintenance, repair, and engineering expenses related to the Quartershare Units to the Quartershare Unit Owners. The Association shall charge maintenance, repair, and engineering expenses related to the Common Elements of the Condominium Project to the Quartershare Unit Owners and the Commercial Unit Owner as a Common Expense.

Section 14.8 Television. To the extent the Association pays for television services provided to the Commercial Unit and the Quartershare Units, the Association shall allocate the costs of such services between the Commercial Unit Owner and the Quartershare Owners for purposes of the Commercial Unit Budget and the Quartershare Unit Budget based on the number of television screens within the Commercial Unit and within the Quartershare Units or by another commercially reasonable method approved by the Executive Board.

Section 14.9 Trash Removal and Recycling. The Association shall allocate costs related to trash removal and recycling in a commercially reasonable manner that allocates the costs as accurately as possible based on the Quartershare Owners', the Commercial Unit Owner's, and the Common Elements' respective use of the trash removal services. The Association may retain experts to assist in this determination.

Section 14.10 Budget Adoption Procedures. The Common Facilities Budget, the Quartershare Unit Budget, and the Commercial Unit Budget shall be adopted by the Executive Board and ratified by the Owners in accordance with the provisions of this Section 14.10.

(a) Common Facilities Budget. The Common Facilities Budget for each fiscal year of the Association shall be prepared by the Executive Board and submitted to a vote of the Executive Board not later than sixty (60) days prior to the commencement of the fiscal year to which such budget applies. A copy of the Common Facilities Budget as adopted by the Executive Board shall be mailed to each Owner and submitted to a ratification vote by the Owners, and unless at that meeting the Common Facilities Budget is rejected by a vote of the majority of all votes allocated to all Unit Owners, then the budget shall be deemed ratified.

(b) Quartershare Unit Budget. The Quartershare Unit Budget for each fiscal year of the Association shall be prepared by the Executive Board and submitted to a vote by the

full Executive Board not later than sixty (60) days prior to the commencement of the fiscal year to which such budget applies. The Quartershare Unit Budget as adopted by the Executive Board shall be mailed to each Quartershare Owner and submitted to a ratification vote by the Quartershare Owners at the same meeting at which the Common Facilities Budget is presented for ratification, and unless at that meeting the Quartershare Unit Budget is rejected by a vote of the majority of all votes allocated to Quartershare Owners, then the budget shall be deemed ratified.

(c) **Commercial Unit Budget.** The Commercial Unit Budget for each fiscal year of the Association shall be prepared by the Executive Board and submitted to a vote by the full Executive Board not later than sixty (60) days prior to the commencement of the fiscal year to which such budget applies. The Commercial Unit Budget as adopted by the Executive Board shall be mailed to each Commercial Unit Owner and submitted to a ratification vote by the Commercial Unit Owners at the same meeting at which the Common Facilities Budget is presented for ratification, and unless at that meeting the Commercial Unit Budget is rejected by a vote of the majority of all votes allocated the Commercial Unit Owners, then the budget shall be deemed ratified.

Section 14.11 **Budget Dispute Resolution.** If any dispute arises between the Commercial Unit Board Members and the Quartershare Unit Board Members related to the preparation or adoption of the Association's budgets or the allocation of expenses between the Quartershare Unit Budget, the Common Facilities Budget, and the Commercial Unit Budget which the Executive Board cannot resolve, the Executive Board shall submit the dispute to the ADR Process set forth in Article 23 of this Declaration for resolution. Any such dispute and/or the submission of any such dispute to ADR shall not stop or otherwise delay the approval or implementation of any of the Association's budgets approved as provided for in this Declaration.

Section 14.12 **General Power to Assess.** The Association shall have the right, but not the duty, to assess as a Limited Common Expense exclusively against the Owners benefited by any Common Expense benefiting fewer than all of the Units or Quartershare Owners. The Association shall have the right, but not the duty, to assess exclusively to an individual Owner any Common Expense or Limited Common Expense incurred due to the negligence, neglect, or other misconduct of such Owner, its family, tenants, employees, contractors, or invitees. Each Owner and each Quartershare Owner, with respect to occupancy during the Use Period of his Quartershare Estate, is responsible for paying the cost of long distance telephone charges, charges for telephone message units, and charges for other special services allocable to his occupancy (or that of his family, tenants, employees, contractors, or invitees) of his Unit, as well as the cost of repair of any damage to the Unit or replacement of any property contained therein on account of damage occurring during such occupancy.

Section 14.13 **2017 Fiscal Year Budget Adjustment.** Upon the recording of this Declaration, the Association's 2017 fiscal year budget (May 1, 2016 through April 30, 2017) shall be adjusted to conform with this Declaration as to the allocation of expenses between the Quartershare Unit Budget, the Common Facilities Budget, and the Commercial Unit Budget and as to the calculation of Annual Assessments, which shall be calculated based on the Percentage Interests contained in **Exhibit B** to this Declaration (the "Adjusted 2017 Budget"). The Adjusted 2017 Budget shall be retroactive to May 1, 2016. However, no interest shall be assessed for

underpayment of the Commercial Unit's Annual Assessments due, so long as the Commercial Unit Owner pays amounts for the Commercial Unit's Annual Assessments that are reasonably estimated to comply with the Adjusted 2017 Budget. Any payments made by the Association to the Commercial Unit Owner or the current Lessee of the majority of the Commercial Unit under the initial 2017 fiscal year budget, which are not required under the Adjusted 2017 Budget (including, but not limited to, payments related to the Recreational License Fee pursuant to a Court Order) shall be refunded to the Association. This Section 14.13 shall only have application as to Annual Assessments and the Association's budget for the Association's 2017 fiscal year.

Section 14.14 Special Assessments. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expenses, Residential Expenses or Commercial Expenses for such fiscal year for any reason (including by way of illustration and not limitation, any Owner's non-payment of his Annual Assessment or municipal assessments not yet assessed), the Executive Board shall have the power, at any time it deems necessary and proper, to levy one or more Special Assessments against each Owner; provided, however, that Special Assessments for Common Expenses, Residential Expenses or Commercial Expenses allocated to particular classes of Owners pursuant to Section 14.2, Section 14.3, or Section 14.4 hereof shall be allocated to the same class or classes of Owners as specified in those Sections. Special Assessments shall be due and payable in the manner and on the date set forth in the notice thereof.

Section 14.15 Payment of Assessments. Each Owner shall pay all assessments levied by the Association. Liability for such assessments shall begin accruing at the time of the creation of the Condominium Project and assessments shall be due and payable on a monthly, annual, or other periodic basis as designated by the Executive Board. Assessments that are unpaid for over fifteen (15) days after the due date shall bear interest at the rate of eighteen percent (18%) per annum from the due date until paid. In the sole discretion of the Executive Board, a late charge of \$25.00 per assessment not paid when due may be assessed against the delinquent Owner. In addition, the Executive Board may deny any Quartershare Owner access to his Quartershare Unit during his Use Period unless and until such Quartershare Owner has paid in full all outstanding amounts due to the Association as Annual Assessments or Special Assessments or otherwise.

Section 14.16 Failure to Fix New Assessments. Annual Assessments for each fiscal year shall be based on the Association budgets adopted and ratified in accordance with Section 14.10 hereof. If the budgets for any fiscal year shall fail to be adopted by the end of the prior fiscal year, or if the Executive Board shall fail to fix new Annual Assessments for Common Expenses, Residential Expenses or Commercial Expenses for the subsequent fiscal year before the expiration of any fiscal year, the Owners shall continue to pay the same sums they were paying for such Annual Assessments during the fiscal year just ended, and such sum shall be deemed to be the new Annual Assessments for the succeeding fiscal year. If the Executive Board shall change the Annual Assessment at a later date, the difference between the new Annual Assessment, if greater, and the previous year's Annual Assessment up to the effective date of the new Annual Assessment shall be treated as if it were a Special Assessment under Section 14.14 hereof. In the event the new Annual Assessment is less than the previous year's Annual Assessment, in the sole discretion of the Executive Board, the excess either shall be refunded to the Owners, credited against future Annual Assessments, or retained by the Association for reserves.

Section 14.17 No Exemption by Waiver. No Owner may exempt himself from liability for the Common Expenses, Residential Expenses or Commercial Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by the abandonment of his Unit or Quartershare Estate or otherwise.

Section 14.18 Personal Liability of Owners. All sums owing pursuant to this Article 14 and all sums assessed by the Association as an Annual or Special Assessment shall constitute the personal liability of the Owners so assessed and also, until fully paid, shall constitute a lien against such Owner's Unit and against such Quartershare Owner's Quartershare Estate and Quartershare Unit pursuant to Section 57-8-44 of the Act. The Executive Board shall take action for failure to pay any assessment or other charge as permitted in this Declaration and the Act. The delinquent Owner shall be obligated to pay (a) all expenses of the Executive Board, including reasonable attorneys' fees, incurred in the collection of the delinquent assessment by legal proceedings or otherwise, and (b) any amounts paid by the Executive Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such.

Section 14.19 Liability of Purchaser for Unpaid Assessments. Upon the voluntary sale, conveyance, or other voluntary transfer of a Unit or Quartershare Estate (which shall include any sale by a Mortgagee in connection with the foreclosure of its mortgage or deed of trust in such Unit or Quartershare Estate or a sale by a Mortgagee as the owner of such Unit or Quartershare Estate acquired by a deed in lieu of foreclosure), the grantee thereof shall not be liable with the grantor thereof (or in the case of a foreclosure or deed in lieu of foreclosure, prior owner of such Unit or Quartershare Estate that was foreclosed upon or that was subject to such deed in lieu of foreclosure) for unpaid assessments for Common Expenses, Residential Expenses or Commercial Expenses (including without limitation Annual Assessments and any fees, charges, late charges, fines, and interest with respect thereto) which are charges against such Unit or Quartershare Estate as of the date of consummation of such sale, conveyance, or transfer, unless such grantee agrees to assume the obligation thereof, and in the case of any such sale, conveyance, or transfer by way of foreclosure or deed in lieu of foreclosure, any charge or lien securing such unpaid assessments shall not survive such sale, conveyance, or transfer. The rights under this Section 14.19 shall be in addition to the rights set forth in Section 8.4.

Section 14.20 Subordination of Certain Charges. Any Annual Assessments or any fees, charges, late charges, fines, and interest that may be levied by the Association pursuant to Section 57-8-44 of the Act shall be junior and subordinate to any first mortgage or deed of trust recorded before such Annual Assessment, fee, charge, late charge, fine, or interest was due and shall be extinguished upon the foreclosure of such mortgage or deed of trust.

Section 14.21 Surplus. Any amounts accumulated from assessments for Common Expenses, Residential Expenses or Commercial Expenses in excess of the amount required for actual Common Expenses, Residential Expenses or Commercial Expenses and reserves for future Common Expenses, Residential Expenses or Commercial Expenses, unless otherwise directed by the Executive Board in its sole discretion, shall be credited to each Owner, such credit to be applied to the next Annual Assessment of Common Expenses, Residential Expenses or

Commercial Expenses due from said Owner under the next fiscal year's budgets, and thereafter until exhausted, or shall be retained by the Association for reserves.

ARTICLE 15
CONVEYANCE AND OWNERSHIP OF UNITS

Section 15.1 Separate Mortgages. Subject to the Bylaws, each Quartershare Owner shall have the right to mortgage or otherwise encumber his Quartershare Estate and each Owner of a Unit that is not a Quartershare Unit shall have the right to mortgage or otherwise encumber his Unit. No Owner shall attempt to mortgage or otherwise encumber in any manner whatsoever the Condominium Project or any part thereof except his Quartershare Estate or Unit nor shall any Owner have the right or authority so to do. Any mortgage, deed of trust, or other encumbrance of any Quartershare Estate or Unit shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or otherwise.

Section 15.2 Waiver of Partition. No Owner or other person or entity acquiring any right, title or interest in the Condominium Project shall seek or obtain through any legal procedures judicial partition of all or any portion of the Condominium Project, any Unit, Common Element, or Quartershare Estate, or sale of the Condominium Project, any Unit, Common Element, or Quartershare Estate in lieu of partition. If, however, any Quartershare Estate or Unit shall be owned by two or more persons as tenants in common or as joint tenants, nothing herein contained shall prohibit a partition of such Quartershare Estate or Unit as between such co-tenants or joint tenants but there shall be no partition or physical division of any Unit nor any partition of any interest in any Unit from its appurtenant percentage interest in the Common Elements.

Section 15.3 Conveyance of Units and Quartershare Estates. The Quartershare Estates in each Quartershare Unit shall be deemed to have been created upon the conveyance by the Declarant of the first Quartershare Estate for a Use Period in that Quartershare Unit, and upon such conveyance the Service Period estate in that Unit shall become a Limited Common Element allocated to that Quartershare Unit. No Quartershare Owner, as to his Quartershare Estate, and no Owner other than a Quartershare Owner as to his Unit, shall sell, convey, hypothecate, or encumber less than all of his interest in any Quartershare Estate or Unit, except that nothing herein shall prohibit an Owner from conveying a fractional share of his or her entire interest, such that said Quartershare Estate or Unit is owned by such Owner and another person or persons as joint tenants or tenants in common. Any sale, conveyance, hypothecation, or encumbrance by any Owner of less than all of his interest in any Quartershare Estate or Unit, except as set forth in the preceding sentence, shall be null, void, and of no effect. The transfer of any Quartershare Estate or Unit shall operate to transfer to the new Owner the interest of the prior Owner in funds in the hands of the Association, if any, and in the Common Elements without further instrument of transfer.

Section 15.4 Restriction on Quartershare Owners. Except as otherwise provided in this Declaration, by direction of the Association, by express consent of all Quartershare Owners, or

if required to prevent damage or injury to persons or property in an emergency, no Quartershare Owner shall make improvements, decorations, or repairs to any Quartershare Unit or the Common Elements or contract so to do or subject any Quartershare Unit or the Common Elements to any liens for the making of improvements, decorations, or repairs.

Section 15.5 Separate Taxation of Units. Each Unit shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision thereof or of any special improvement district or of any other taxing or assessing authority. All such taxes, assessments, and other charges on each respective Quartershare Estate shall be separately levied against the Quartershare Owner thereof by the Association. No forfeiture or sale of any Unit for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Unit. In accordance with Section 57-8-10 of the Act, each Quartershare Owner is hereby notified that tax notices will be sent to the Association, not each Quartershare Owner.

ARTICLE 16

DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 16.1 Option to Convert Space. Declarant hereby reserves the option, pursuant to Section 57-8-13.4 of the Act, to create additional Units, Common Elements or Limited Common Elements within certain portions of the buildings in the Condominium Project (collectively the "Option to Convert Space") upon the terms and provisions set forth in this Section. Each Option to Convert Space must be exercised within seven (7) years after the recording of the Enabling Declaration or the recording of the Amendment and Supplemental Map effectuating the most recent exercise of the Option to Convert Space. The recording of the Amended Plat as a result of and pursuant to the Settlement Agreement is not the exercise of the Option to Convert Space as required in this Section 16.1. The terms and conditions of the Option to Convert Space shall be as follows:

Section 16.1.1 The real property subject to this Option to Convert Space consists of the property identified in Section 16.1.3 hereof ("Convertible Space"). The Declarant shall initially own all Units created pursuant to the exercise of the Option to Convert Space. All Units converted to Common Elements must be owned by the Declarant at the time of conversion.

Section 16.1.2 Declarant may convert from time to time and at different times all or any portion or portions of the Convertible Space into one or more Units, Common Elements and/or Limited Common Elements, so long as such conversion is made pursuant to the provisions of this Section 16. No assurance is made with regard to which portions of the Convertible Space, if any, will be so converted, or the order in which such portions may be converted. In the event the Option to Convert Space is exercised with respect to a portion of the Convertible Space, such option may subsequently be exercised by Declarant with respect to any other portion or portions of the Convertible Space.

Section 16.1.3 The Convertible Space includes all those portions of the Condominium Project that have been designated on the Map as Convertible Space, and consists of a portion of the ground floor of the Building. Any such space converted to Units shall be subject to the

provisions of this Declaration. The Convertible Space outside of the building may only be converted to Limited Common Elements. The Units to be created from the Convertible Space may be dissimilar to the Units. Declarant shall determine the percentage of undivided interest in the Common Elements for any Units created from the Convertible Space on the basis described in Section 5 hereof. Declarant reserves the right to exercise all other Developmental Rights with respect to any Units created from the Convertible Space.

Section 16.1.4 Declarant shall not be required to obtain the consent of any Owners or of any other person or entity having any right or interest in all or any portion of the Condominium Project prior or subsequent to converting all or portions of the Convertible Space into Commercial Units, Common Elements, or Limited Common Elements. However, Convertible Space may only be converted into Quartershare Units with the approval of the Owner's Association, including the vote of a majority of the voting power of the Association other than Declarant.

Section 16.1.5 In order to convert all or any portion of the Convertible Space, the Declarant shall:

Section 16.1.5.1 Record, with regard to the Convertible Space or any portion thereof that is being converted to Units, Common Elements or Limited Common Elements, a Supplemental Map ("Supplemental Map") showing the location and dimensions of the vertical and horizontal boundaries of each Unit, Common Elements or Limited Common Elements, if any, formed out of the Convertible Space or a portion thereof, and assigning or reassigning any Limited Common Elements that are to be appurtenant to any such Unit. Each such Supplemental Map shall be certified as to its accuracy and compliance with the requirements of the Act by the engineer or land surveyor who prepared or supervised the preparation of it; and

Section 16.1.5.2 Record simultaneously with each Supplemental Map an amendment to this Declaration ("Amendment") describing the conversion. Each such Amendment shall assign a Unit Number to each Unit, if any, formed out of the Convertible Space or a portion thereof and shall reallocate to each Unit, on the basis provided for in Section 5.3 of this Declaration, the percentage of undivided interest in the Common Elements appurtenant to all Units following such conversion. Each Amendment shall allocate voting rights to each Unit as described in Section 5.5 hereof. Except as otherwise provided by the Act, each such Amendment or Supplemental Map shall also describe the Limited Common Elements, if any, formed out of the Convertible Space or a portion thereof, showing or designating the Unit or Units to which each is assigned.

Section 16.1.6 Each Owner, by execution of a contract for deed or the acceptance of a deed to a Unit or a Quartershare Estate, shall be deemed to have consented to all provisions of this Section.

Section 16.1.7 In accordance with Section 57-8-13.4(3) of the Act, the Convertible Space not converted in accordance with the provisions of this Section 16 and the Act shall be treated for all purposes as a single Commercial Unit, until and unless it is so converted. The Act and this Declaration shall be deemed applicable to the Convertible Space as though the same were a

Unit. The Convertible Space shall be assessed its appropriate portion of the Common Expenses related to the Condominium Project, and Declarant shall pay its portion of the Common Expenses attributable to such Convertible Space. However, because the Convertible Space that lies outside of the Building can only be converted into Limited Common Elements (rather than Units), such Convertible Space shall be treated as part of the Common Elements prior to conversion, and shall not be subject to assessments, have voting rights, or in any other way be treated as a Unit.

Section 16.2 Easements. The Declarant and its successors and assigns shall have a transferable easement over and on the Common Elements, including roads providing ingress and egress to the Condominium Project, for the purpose of making improvements on the land within the Condominium Project or on any additional land under the Declaration or on lands owned or subsequently owned by the Declarant appurtenant to the Condominium Project for the purpose of doing all things reasonably necessary and proper for the construction, completion, and expansion of such lands. Such easement shall entitle Declarant to the use of all access roads within the Condominium Project and to tie into, and if necessary, to install and construct upon the land within the Condominium Project all utility lines, sewage and drainage systems, and any other similar public or quasi-public improvements or facilities within or transverseing the Condominium Project.

Section 16.3 Assignment of Declarant's Rights. The Declarant may assign any or all of its rights or privileges reserved or established by this Declaration or the Act in accordance with the provisions of the Act.

ARTICLE 17 AMENDMENT OF DECLARATION

Except as provided herein for amendments that may be executed by the Association or certain Owners, this Declaration may be amended only by vote or agreement of Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated. In addition, approval of amendments of a material nature must be obtained from Mortgagees representing at least fifty-one percent (51%) of the votes of Quartershare Estates and Units that are subject to mortgages or deeds of trust. A change to any of the following would be considered as material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair, and replacement of Common Elements;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the Common Elements or rights to their use;
- (f) boundaries of any Unit;
- (g) convertibility of Units into Common Elements or vice versa;

- (h) expansion or contraction of the Condominium Project or the addition, annexation, or withdrawal of property to or from the Condominium Project;
- (i) insurance or fidelity bonds;
- (j) leasing of Units;
- (k) imposition of any restrictions on an Owner's right to sell or transfer his or her Quartershare Estate or Unit;
- (l) a decision by the Association to establish self-management when professional management had been required previously by a Mortgagee;
- (m) restoration or repair of the Condominium Project (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- (n) any action to terminate the legal status of the Condominium Project after substantial destruction or condemnation occurs; or
- (o) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

If the amendment is not of such material nature, the approval of a Mortgagee may be assumed when that Mortgagee has failed to submit within thirty (30) days a response to any written proposal for an amendment.

ARTICLE 18 TERMINATION

The Condominium Project may be terminated only by agreement of Owners to which one hundred percent (100%) of the votes in the Association are allocated; provided, however, that if the Condominium Project is being terminated for reasons other than substantial destruction or condemnation of the Condominium Project, the termination of the Condominium Project must also be approved by Mortgagees representing one hundred percent (100%) of the votes of Quartershare Estates and Units that are subject to mortgages. Termination of the Condominium Project will be governed by the provisions of Section 57-8-22 of the Act.

ARTICLE 19 VILLAGE MANAGEMENT AGREEMENT

The Property, including all Quartershare Estates and Common Elements, is encumbered by, and is entitled to receive the benefits arising under, the Village Management Agreement. The Association shall have the right to grant easements, licenses and rights-of-way over the Common Elements and to approve signage for the Condominium Project and enter into contracts, deeds, leases, and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers including but not limited to entering into contracts with the

Resort Management Company and other entities for the maintenance, repair or replacement of the Common Elements and the Limited Common Elements. Such contracts may, among other things, obligate the Association to pay assessments and other costs associated with the ownership, operation and maintenance of resort facilities and amenities that benefit the Condominium Project. The Association may include such costs in the budgeting and assessment of Common Expenses, Residential Expenses or Commercial Expenses pursuant to Article XIV. In addition, the Association may grant or assign to the Resort Management Company the right to lien, and enforce liens against, Units and Quartershare Estates. Notwithstanding the foregoing, the obligations of each Owner arising under the Village Management Agreement shall constitute the personal liability and obligation of such Owner, and the Association has no independent, joint or several obligation to pay the costs, fees and other assessments arising under the Village Management Agreement.

ARTICLE 20
PAYMENT OF ASSESSMENTS

No Quartershare Owner shall be permitted to convey, hypothecate, sell, or lease his Quartershare Estate unless and until he shall have paid in full to the Executive Board all unpaid common charges theretofore assessed by the Executive Board against his Quartershare Estate and until he shall have satisfied all unpaid liens against such Quartershare Estate, except permitted mortgages or deeds of trust and mortgages or deeds of trust made by Declarant.

ARTICLE 21
HOTEL FUNCTIONS AND AMENITIES

Section 21.1 Provision of Hotel Services. The Association shall always have the right, in its sole discretion, to provide hotel functions, amenities and services (including check-in services, cleaning of the Quartershare Units, concierge services, bell services, valet parking services, etc.) for the Condominium Project. If the Association executes a contract for the provision of any such functions, amenities, or services, the contract shall be limited to a term not to exceed one year. Commercial Unit Board Members shall not vote in any Executive Board decision related to the Association providing hotel functions, amenities, or services (including entering into a contract to provide those services) if a Commercial Unit owner, the tenant of the Commercial Unit Owner or any party related to the Commercial Unit Owner or a tenant of the Commercial Unit Owner is bidding on services under consideration or providing competing services through a rental management agreement with Owners or otherwise.

Section 21.2 Commercial Unit Owner's or Lessee's Cessation of Hotel Related Services. If the Commercial Unit Owner or the Lessee of the Commercial Unit shall elect to cease providing a hotel related service that was provided as of the Effective Date of this Declaration from any portion of the Commercial Unit, such as room cleaning services, offering for use conference space, the operation of restaurants, laundry services or front-desk services, the Association shall have the option to lease the space previously used to provide such hotel related service within the Commercial Unit, at a commercially reasonable market lease rate. A qualified commercial leasing agent agreeable to a majority of the Quartershare Unit Board Members and

the Commercial Unit Board Members (the "Leasing Agent") shall determine the commercially reasonable market lease rate. In the event a majority of the Quartershare Unit Board Members and the Commercial Unit Board Members cannot agree on a Leasing Agent, the Association's manager shall appoint a Leasing Agent in accordance with the selection procedure set forth in Article 22 of this Declaration. The costs incurred related to the Leasing Agent pursuant to this Section 21.2 shall be a Common Expense of the Association.

ARTICLE 22
SELECTION OF INSURANCE EXPERT, UTILITY EXPERT, LEASING
AGENT AND ARBITRATOR

Section 22.1 Selection Process. As to the selection of the Insurance Expert contemplated in Section 14.5 of this Declaration, the Utility Expert contemplated in Section 14.6 of this Declaration, the Leasing Agent contemplated in Section 21.2 of this Declaration, and the Arbitrator contemplated in Section 23.1 of this Declaration (collectively the "Experts"), if a majority of the Quartershare Unit Board Members and the Commercial Unit Board Members cannot agree on the person to be selected to serve in these roles, the Association's manager shall appoint the Insurance Expert, the Utility Expert, the Leasing Agent, or the Arbitrator through the selection process outlined in this Article 22:

(a) No more than 14 days after receiving notice that the Quartershare Unit Board Members and the Commercial Unit Board Members have been unable to agree on an Expert, the Association's manager shall create a list of five qualified candidates (the "Candidate List") and shall provide the Candidate List to the Association's Executive Board members.

(b) No more than 14 days after receiving the Candidate List, the Commercial Unit Board Members shall independently rank as a group and the Quartershare Unit Board members shall independently rank as a group the candidates on the Candidate List sequentially in order of preference and provide their rankings to the Association's manager. The most highly desired candidate should be ranked "1," the second choice should be ranked "2," the third choice should be ranked "3," etc.

(c) No more than 7 days after receiving the Commercial Unit Board Members' and the Quartershare Unit Board Members' ranking of the Candidate List, the Association's manager shall appoint the person from the Candidate List with the lowest combined ranking from the Commercial Unit Board Members' ranking list and the Quartershare Unit Board Members' ranking list to perform the required task. For example, if the Commercial Unit Board Members rank Insurance Expert X "1" and the Quartershare Unit Board members' also rank Insurance Expert X "1," Insurance Expert X's combined ranking would be 2, and Insurance Expert X would be appointed the Insurance Expert. In case of a tie, the Association's Manager shall flip a coin to determine which Expert is appointed. If the appointed Expert cannot serve or refuses to serve, the Association's manager shall appoint the next highest ranked person on the Candidate List. If no one on the Candidate List agrees to serve, the selection process shall start over with the Association's manager creating a new Candidate List with new candidates.

ARTICLE 23
EXPEDITED ALTERNATIVE DISPUTE RESOLUTION PROCESS

Section 23.1 Alternative Dispute Resolution Process. The expedited alternative dispute resolution process contemplated in Section 6.2(h)(4), 6.2(i), and Section 14.11 to this Declaration (the "ADR Process") shall be as follows:

(a) To commence the ADR Process, the Association or a Unit Owner, as the case may be (the "Demanding Party"), must demand the ADR Process in writing to the other party (the "ADR Demand"). The ADR Demand shall notify the other party of the Demanding Party's request to commence the ADR Process and shall sufficiently describe the issue(s) to be decided through the ADR Process, including at a minimum a statement of the following: (1) the issue alleged to be in dispute; (2) the position of the Demanding Party; and (3) the Demanding Party's belief as to the position of the other party.

(b) No more than 7 days after the ADR Demand, the Quartershare Unit Board Members and the Commercial Unit Board Members shall attempt to agree to submit the dispute to a mutually agreeable independent attorney licensed to practice law in Utah and primarily practicing in the areas of real estate or community association law to serve as the arbitrator (the "Arbitrator") of the dispute. If the Quartershare Unit Board Members and the Commercial Unit Board Members cannot agree on an arbitrator within such period of 7 days, then the demanding party, within 10 days after the ADR Demand, shall notify the Association's manager of such failure to agree. The Association's manager shall then appoint a licensed attorney primarily practicing in the areas of real estate or community association law to serve as the dispute arbitrator pursuant to the process set forth in Section 22.1 of this Declaration. The Association shall pay all costs of the arbitrator subject to an award of those costs to the substantially prevailing party.

(c) No more than 7 days after selection of the Arbitrator, the demanding party shall submit a position statement to the Arbitrator and to the other party setting forth its requested resolution of the dispute and the grounds supporting its requested resolution. The demanding party's position statement shall not exceed four pages, excluding attachments. Attachments to the position statement shall be limited to those documents material to the Arbitrator's understanding of the dispute and the grounds for the demanding party's requested resolution of the dispute.

(d) No more than 7 days after receipt of the demanding party's position statement, the other party shall submit a response statement to the Arbitrator and to the demanding party setting forth its requested resolution of the dispute and the grounds supporting its requested resolution. The responding party's response statement shall not exceed four pages, excluding attachments. Attachments to the response statement shall be limited to those documents material to the Arbitrator's understanding of the dispute and the grounds for the responding party's preferred resolution of the dispute.

(e) No more than 7 days after receipt of the response statement, the selected Arbitrator shall issue a written decision resolving the dispute, which shall include an award of arbitration costs and reasonable attorneys' fees to the substantially prevailing party. The parties

shall abide by the arbitrator's decision and the Association may assess to any Owner the costs of arbitration and reasonable attorneys' fees incurred by the Association if such fees and/or costs are awarded to the Association by the Arbitrator, unless and until a subsequent order or judgment from a court relative to the dispute overturns the Arbitrator's decision either expressly or effectively as the result of such order of judgment.

Section 23.2 Court Action Following ADR Process. Within 30 days of an Arbitrator's decision, either party to the ADR Process may file an action in an appropriate court regarding the dispute. Any court order or judgment resolving the dispute in whole or in part shall supersede the Arbitrator's decision as provided in such order or judgment. If the party filing a court action relative to a dispute resolved by an Arbitrator pursuant to the ADR Process does not prevail in the court action, the filing party shall pay the other party's costs and attorneys' fees incurred in the court action.

ARTICLE 24 GENERAL PROVISIONS

Section 24.1 Headings. The headings used in this Declaration and the table of contents are inserted solely as a matter of convenience for the readers of this Declaration and shall not be relied upon or used in construing the effect or meaning of any of the provisions of this Declaration.

Section 24.2 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion hereof, unless such deletions shall destroy the uniform plan of development and operation of the Condominium Project that this Declaration is intended to create.

Section 24.3 Applicable Law. This Declaration shall be governed by and construed in accordance with the law of the State of Utah.

Section 24.4 Effective Date. This Declaration shall become effective when it and the Map have been recorded in the Office of the Recorder of Summit County, Utah.


Section 24.5 Notices. All notices and other communications required or permitted to be given under or in connection with this Declaration shall be in writing and shall be deemed given when delivered in person or on the second business day after the day on which mailed by certified mail, return receipt requested, addressed to the address maintained in the register of current addresses established by the Association.

Section 24.6 Exhibits. All exhibits attached to this Declaration are hereby made a part of this Declaration.

Section 24.7 Agent for Service. The agent for service of process on the Association shall be the registered agent listed with the Utah Division of Corporations and Commercial Code.

Dated this 17th day of July, 2017

THE CANYONS GRAND SUMMIT OWNERS
ASSOCIATION, INC.

By: 
Title: President

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

On this 17th day of June July, 2017, afk Jim Dullanty,
personally appeared before me, a notary public, and proved based on satisfactory evidence to be
the person whose name is subscribed to this instrument, and acknowledged that he executed the
same on behalf of The Canyons Grand Summit Owners Association, Inc. as its President.

Karizza Y. Esquerre
Notary Public



EXHIBIT A

Attached to and forming a part of
Amended and Restated Declaration of Condominium,
Grand Summit Resort Hotel at The Canyons

THE REAL ESTATE

LEGAL DESCRIPTION:

The real property referenced in the foregoing instrument is located in Summit County, State of Utah, and is more particularly described as follows:

Beginning at the South Quarter Corner of Section 36, Township 1 South, Range 3 East, Salt Lake Base & Meridian; Thence North 1088.68 Feet; Thence East 646.20 Feet to the True Point of Beginning, (Basis of Bearing Being North 89°59'43" West Between the Southeast Corner of Section 36, Township 1 South, Range 3 East, Salt Lake Base & Meridian and the said South Quarter Corner of Section 36); Thence North 4°50'26" West 86.01 Feet; Thence North 40°09'34" East 59.12 Feet; Thence North 49°50'26" West 25.90 Feet; Thence North 40°09'34" East 39.00 Feet; Thence South 49°50'26" East 25.90 Feet; Thence North 40°09'34" East 45.50 Feet; Thence South 49°50'26" East 5.50 Feet; Thence North 40°09'34" East 2.88 Feet; Thence South 49°50'26" East 1.50 Feet; Thence North 40°10'23" East 7.84 Feet; Thence North 85°09'34" East 38.80 Feet; Thence North 04°50'26" West 1.50 Feet; Thence North 85°09'34" East 27.83 Feet; Thence South 04°50'26" East 1.50 Feet; Thence North 85°09'19" East 19.15 Feet; Thence North 04°50'45" West 1.50 Feet; Thence North 85°09'15" East 21.98 Feet; Thence North 04°50'26" West 2.78 Feet; Thence North 85°09'34" East 29.90 Feet; Thence South 04°50'26" East 2.78 Feet; Thence North 85°09'15" East 29.51 Feet; Thence North 35°06'09" East 10.67 Feet; Thence South 53°47'40" East 11.14 Feet; Thence North 35°06'09" East 17.80 Feet; Thence South 54°53'51" East 36.07 Feet; Thence South 35°06'09" West 12.93 Feet; Thence North 75°09'34" East 31.04 Feet; Thence South 14°50'26" East 22.17 Feet; Thence South 75°09'34" West 29.88 Feet; Thence South 14°50'26" East 88.53 Feet; Thence South 75°09'34" West 7.00 Feet; Thence South 14°50'33" East 8.58 Feet; Thence North 75°09'38" East 1.50 Feet; Thence South 14°50'26" East 20.58 Feet; Thence North 75°09'34" East 4.33 Feet; Thence South 14°50'26" East 32.67 Feet; Thence South 75°09'34" West 4.33 Feet; Thence South 14°50'26" East 20.58 Feet; Thence South 75°09'34" West 1.50 Feet; Thence South 14°50'26" East 19.17 Feet; Thence North 75°09'34" East 1.50 Feet; Thence South 14°50'26" East 20.58 Feet; Thence North 75°09'34" East 11.31 Feet; Thence South 14°50'26" East 32.67 Feet; Thence South 75°09'34" West 11.31 Feet; Thence South 14°50'26" East 20.58 Feet; Thence South 75°09'34" West 1.50 Feet; Thence South 14°50'26" East 14.58 Feet; Thence South 75°09'34" West 18.38 Feet; Thence South 14°50'26" East 10.46 Feet; Thence South 75°09'34" West 29.76 Feet; Thence South 14°50'26" East 6.58 Feet; Thence South 75°09'34" West 19.42 Feet; Thence South 14°50'26" East 6.54 Feet; Thence South 75°09'34" West 31.83 Feet; Thence North 14°50'26" West 6.54 Feet; Thence South 75°09'34" West 224.16 Feet; Thence South 14°50'26" East 0.82 Feet; Thence South 75°09'34" West 23.00 Feet; Thence North 14°50'26" West 41.75 Feet; Thence South 75°09'34" West 3.76 Feet; Thence North 14°50'26" West 126.50 Feet; Thence North 75°09'34" East 3.76 Feet; Thence North 14°50'26" West 36.64 Feet to the Point of Beginning.

Contains 2.81 Acres More or Less.

GSRHC - ALL UNITS

213 units

ALSO DESCRIBED AS : LOT 1, GRAND SUMMIT HOTEL FINAL PLAT, AS SHOWN ON THE RECORDS OF THE SUMMIT COUNTY RECORDERS OFFICE.

Excepting and reserving to the Declarant, Grand Summit Resort Properties, Inc., its successors or assigns, an easement and right for all construction of all Units and Common Elements contemplated by the Declaration, including but not limited to the exercise of any or all Expansion Rights as described in the Declaration of Condominium (the "Declaration"). This easement shall be construed to permit the Declarant to perform any and all acts on the property necessary or proper to complete the project as permitted by the Declaration, including but not limited to surveying, conducting tests of conditions, site preparation, landscaping, delivery and storage of materials and equipment, accommodation for workers, construction of buildings or other improvements, and movement of heavy equipment. Such reserved rights also include the right of Declarant and its successors or assigns to effect connection of future roads and utilities to be constructed to those existing roads and/or utility lines serving the premises, and when so connected Declarant and its successors or assigns shall have an easement and right of way over all such roads for the purpose of using such utility lines so connected.

Further excepting and reserving to Grand Summit Resort Properties, Inc. and its successors and assigns the right to locate walkways and passageways for the purpose of access to other property and recreational or commercial facilities of Grand Summit Resort Properties, Inc. and its successors or assigns by guests, customers, or invitees of Grand Summit Resort Properties, Inc., its successors and assigns.

Also subject to The Canyons Resort Village Management Agreement dated November 15, 1999, between ASC Utah, Inc., American Skiing Resort Properties, Inc., Wolf Mountain Resorts, L.C., The Canyons Resort Village Association, Inc., and certain other parties, and recorded on December 15, 1999, as Entry No. 555285, in Book 1300, beginning at Page 1 of the records of the Summit County Recorder's Office, as amended by: (i) the First Amendment to The Canyons Resort Village Management Agreement, dated December 17, 1999, and recorded on December 17, 1999, as Entry No. 555434, in Book 1300, beginning at Page 668 of the records of the Summit County Recorder's Office; (ii) the Second Amendment to The Canyons Resort Village Management Agreement, dated January 7, 2000, and recorded on January 11, 2000, as Entry No. 556961, in Book 1303, beginning at Page 296 of the records of the Summit County Recorder's Office; and (iii) the Third Amendment to The Canyons Resort Village Management Agreement, dated January 27, 2000, and recorded on January 31, 2000, as Entry No. 558232, in Book 1305, beginning at Page 717 of the records of the Summit County Recorder's Office.

EXHIBIT B

Attached to and forming a part of
Amended and Restated Declaration of Condominium of Condominium,
Grand Summit Resort Hotel at the Canyons

PERCENTAGE INTEREST IN COMMON ELEMENTS

**EXHIBIT B TO AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR GRAND SUMMIT RESORT HOTEL AT THE CANYONS
A UTAH CONDOMINIUM PROJECT IN SUMMIT COUNTY, UTAH**

Unit Number	Par Value	% Interest in Common Elements Per Unit	% Interest in Common Elements Per Quartershare Unit	% Interest in Total Residential Par Value Per Unit	% Interest in Total Residential Par Value Per Quartershare Unit	Deed Unit No.	Unit Type
G01	881	0.00315	0.00079	0.00415	0.00104	G01	1DB
G02/04	1,302	0.00465	0.00116	0.00613	0.00153	G02	2WB
G06/08/10	1,372	0.00490	0.00123	0.00646	0.00162	G08	3W
G12/14	925	0.00330	0.00083	0.00435	0.00109	G12	2L
G16/18	1,191	0.00425	0.00106	0.00560	0.00140	G16	2DA
G20	410	0.00146	0.00037	0.00193	0.00048	G20	1A
G22	766	0.00274	0.00069	0.00360	0.00090	G22	1D
G24/26/28	1,368	0.00488	0.00122	0.00644	0.00161	G26	3W
G30/32	1,082	0.00386	0.00097	0.00509	0.00127	G32	2LA
100/102	1,302	0.00465	0.00116	0.00613	0.00153	100	2WB
101/103	1,201	0.00429	0.00107	0.00565	0.00141	101	2DB
105	766	0.00274	0.00069	0.00360	0.00090	105	1D
104/106/108	1,360	0.00486	0.00122	0.00640	0.00160	106	3W-a
107	410	0.00146	0.00037	0.00193	0.00048	107	1A
109	368	0.00131	0.00033	0.00173	0.00043	109	1W
110/112	925	0.00330	0.00083	0.00435	0.00109	110	2L
111/113	964	0.00344	0.00086	0.00454	0.00114	111	2W
114	750	0.00268	0.00067	0.00353	0.00088	114	1D
116	404	0.00144	0.00036	0.00190	0.00048	116	1A
115/117/119	1,372	0.00490	0.00123	0.00646	0.00162	117	3W
118	410	0.00146	0.00037	0.00193	0.00048	118	1A
120	766	0.00274	0.00069	0.00360	0.00090	120	1D
121	374	0.00134	0.00034	0.00176	0.00044	121	1W
123/125	955	0.00341	0.00085	0.00449	0.00112	123	2W-a
122/124/126	1,351	0.00482	0.00121	0.00636	0.00159	124	3W-d
127/129/131	1,368	0.00488	0.00122	0.00644	0.00161	129	3W-b
128/130	1,082	0.00386	0.00097	0.00509	0.00127	130	2LA
132/134/136	1,351	0.00482	0.00121	0.00636	0.00159	134	3W-d
133/135/137	1,372	0.00490	0.00123	0.00646	0.00162	135	3W
138	766	0.00274	0.00069	0.00360	0.00090	138	1D
139	586	0.00209	0.00052	0.00276	0.00069	139	1B
140	410	0.00146	0.00037	0.00193	0.00048	140	1A
141	588	0.00210	0.00053	0.00277	0.00069	141	1B
142	404	0.00144	0.00036	0.00190	0.00048	142	1A
144	766	0.00274	0.00069	0.00360	0.00090	144	1D
143/145/147	1,370	0.00489	0.00122	0.00645	0.00161	145	3W-a
200/202	1,305	0.00466	0.00117	0.00614	0.00154	200	2WB
201/203	1,200	0.00428	0.00107	0.00565	0.00141	201	2DB
205	766	0.00274	0.00069	0.00360	0.00090	205	1D
204/206/208	1,360	0.00486	0.00122	0.00640	0.00160	206	3W-a
207	410	0.00146	0.00037	0.00193	0.00048	207	1A
210/212	925	0.00330	0.00083	0.00435	0.00109	210	2L
209/211/213	1,360	0.00486	0.00122	0.00640	0.00160	211	3W-a
214/216	1,182	0.00422	0.00106	0.00556	0.00139	214	2DA
215/217/219	1,370	0.00489	0.00122	0.00645	0.00161	217	3W
218	410	0.00146	0.00037	0.00193	0.00048	218	1A
220	766	0.00274	0.00069	0.00360	0.00090	220	1D
221	374	0.00134	0.00034	0.00176	0.00044	221	1W
222/224	954	0.00341	0.00085	0.00449	0.00112	222	2W-a
223/225	955	0.00341	0.00085	0.00449	0.00112	223	2W-a
226	368	0.00131	0.00033	0.00173	0.00043	226	1W-a
227/229/231	1,368	0.00488	0.00122	0.00644	0.00161	229	3W-b
228/230	1,082	0.00386	0.00097	0.00509	0.00127	230	2LA
232	365	0.00130	0.00033	0.00172	0.00043	232	1W-a
234/236	954	0.00341	0.00085	0.00449	0.00112	234	2W-a
233/235/237	1,372	0.00490	0.00123	0.00646	0.00162	235	3W
238/240	1,183	0.00422	0.00106	0.00557	0.00139	238	2DA
239/241/243	1,360	0.00486	0.00122	0.00640	0.00160	241	3W-a
242	404	0.00144	0.00036	0.00190	0.00048	242	1A
244	766	0.00274	0.00069	0.00360	0.00090	244	1D
246	693	0.00247	0.00062	0.00326	0.00082	246	1WA
245/247	1,191	0.00425	0.00106	0.00560	0.00140	247	2DA
249	766	0.00274	0.00069	0.00360	0.00090	249	1D

Unit Number	Par Value	% Interest in Common Elements Per Unit	% Interest in Common Elements Per Quartershare Unit	% Interest in Total Residential Par Value Per Unit	% Interest in Total Residential Par Value Per Quartershare Unit	Deed Unit No.	Unit Type
251	410	0.00146	0.00037	0.00193	0.00048	251	1A
253	410	0.00146	0.00037	0.00193	0.00048	253	1A
255	750	0.00268	0.00067	0.00353	0.00088	255	1D
257/259	1,200	0.00428	0.00107	0.00565	0.00141	259	2DB
300/302	1,305	0.00466	0.00117	0.00614	0.00154	300	2WB
301/303	1,200	0.00428	0.00107	0.00565	0.00141	301	2DB
305	766	0.00274	0.00069	0.00360	0.00090	305	1D
304/306	964	0.00344	0.00086	0.00454	0.00114	306	2W
307	410	0.00146	0.00037	0.00193	0.00048	307	1A
308	368	0.00131	0.00033	0.00173	0.00043	308	1W-a
310/312	925	0.00330	0.00083	0.00435	0.00109	310	2L
309/311/313	1,360	0.00486	0.00122	0.00640	0.00160	311	3W-a
314/316	1,182	0.00422	0.00106	0.00556	0.00139	314	2DA
315/317/319	1,370	0.00489	0.00122	0.00645	0.00161	317	3W
318	410	0.00146	0.00037	0.00193	0.00048	318	1A
320	766	0.00274	0.00069	0.00360	0.00090	320	1D
321	377	0.00135	0.00034	0.00177	0.00044	321	1W
323/325	955	0.00341	0.00085	0.00449	0.00112	323	2W-a
322/324/326	1,351	0.00482	0.00121	0.00636	0.00159	324	3W-d
327/329/331	1,368	0.00488	0.00122	0.00644	0.00161	329	3W-b
328/330	1,082	0.00386	0.00097	0.00509	0.00127	330	2LA
332	367	0.00131	0.00033	0.00173	0.00043	332	1W-a
334/336	955	0.00341	0.00085	0.00449	0.00112	334	2W-a
333/335/337	1,372	0.00490	0.00123	0.00646	0.00162	335	3W
338	766	0.00274	0.00069	0.00360	0.00090	338	1D
339	586	0.00209	0.00052	0.00276	0.00069	339	1B
340	410	0.00146	0.00037	0.00193	0.00048	340	1A
341	758	0.00271	0.00068	0.00357	0.00089	341	1DA
342	404	0.00144	0.00036	0.00190	0.00048	342	1A
343	758	0.00271	0.00068	0.00357	0.00089	343	1DA
344	766	0.00274	0.00069	0.00360	0.00090	344	1D
345	589	0.00210	0.00053	0.00277	0.00069	345	1B
346	698	0.00249	0.00062	0.00328	0.00082	346	1WA
348/350	903	0.00322	0.00081	0.00425	0.00106	348	2WA
347/349/351	1,360	0.00486	0.00122	0.00640	0.00160	349	3W-b
352/354	903	0.00322	0.00081	0.00425	0.00106	354	2WA
353/355	1,206	0.00431	0.00108	0.00568	0.00142	355	2DA
356/358	903	0.00322	0.00081	0.00425	0.00106	356	2WA
357/359	1,206	0.00431	0.00108	0.00568	0.00142	357	2DA
360	706	0.00252	0.00063	0.00332	0.00083	360	1WB
361	410	0.00146	0.00037	0.00193	0.00048	361	1A
362	698	0.00249	0.00062	0.00328	0.00082	362	1WA
363	773	0.00276	0.00069	0.00364	0.00091	363	1D
364/366	925	0.00330	0.00083	0.00435	0.00109	366	2L
367/369	1,200	0.00428	0.00107	0.00565	0.00141	367	2DB
368/370/372	1,372	0.00490	0.00123	0.00646	0.00162	370	3W
374/376	958	0.00342	0.00086	0.00451	0.00113	376	2W
378	379	0.00135	0.00034	0.00178	0.00045	378	1W
380/382/384	1,372	0.00490	0.00123	0.00646	0.00162	382	3W
386/388	1,303	0.00465	0.00116	0.00613	0.00153	388	2WB
400/402	1,304	0.00466	0.00117	0.00614	0.00154	400	2WB-a
401/403	1,200	0.00428	0.00107	0.00565	0.00141	401	2DB
405	766	0.00274	0.00069	0.00360	0.00090	405	1D
404/406	964	0.00344	0.00086	0.00454	0.00114	406	2W-b
407	410	0.00146	0.00037	0.00193	0.00048	407	1A
408	368	0.00131	0.00033	0.00173	0.00043	408	1W-a
409	368	0.00131	0.00033	0.00173	0.00043	409	1W-a
410/412	925	0.00330	0.00083	0.00435	0.00109	410	2L
411/413	964	0.00344	0.00086	0.00454	0.00114	411	2W
414/416	1,188	0.00424	0.00106	0.00559	0.00140	414	2DA
415/417/419	1,370	0.00489	0.00122	0.00645	0.00161	417	3W
418	410	0.00146	0.00037	0.00193	0.00048	418	1A
420	766	0.00274	0.00069	0.00360	0.00090	420	1D

Unit Number	Par Value	% Interest in Common Elements Per Unit	% Interest in Common Elements Per Quartershare Unit	% Interest in Total Residential Par Value Per Unit	% Interest in Total Residential Par Value Per Quartershare Unit	Decd Unit No.	Unit Type
421/423/425	1,358	0.00485	0.00121	0.00639	0.00160	423	3W-b
422/424/426	1,351	0.00482	0.00121	0.00636	0.00159	424	3W-d
427/429	954	0.00341	0.00085	0.00449	0.00112	429	2W-a
428/430	1,082	0.00386	0.00097	0.00509	0.00127	430	2LA
431	375	0.00134	0.00034	0.00176	0.00044	431	1W
432/434/436	1,351	0.00482	0.00121	0.00636	0.00159	434	3W-d
433/435/437	1,369	0.00489	0.00122	0.00644	0.00161	435	3W-c
438/440	1,191	0.00425	0.00106	0.00560	0.00140	438	2DA
439	586	0.00209	0.00052	0.00276	0.00069	439	1B
441	758	0.00271	0.00068	0.00357	0.00089	441	1DA-a
442	408	0.00146	0.00037	0.00192	0.00048	442	1A
443	758	0.00271	0.00068	0.00357	0.00089	443	1DA-a
444	766	0.00274	0.00069	0.00360	0.00090	444	1D
445	589	0.00210	0.00053	0.00277	0.00069	445	1B
446	698	0.00249	0.00062	0.00328	0.00082	446	1WA
448/450	903	0.00322	0.00081	0.00425	0.00106	448	2WA
447/449/451	1,375	0.00491	0.00123	0.00647	0.00162	449	3W-f
452/454	903	0.00322	0.00081	0.00425	0.00106	454	2WA
453/455	1,206	0.00431	0.00108	0.00568	0.00142	455	2DA-a
456/458	903	0.00322	0.00081	0.00425	0.00106	456	2WA
457	781	0.00279	0.00070	0.00368	0.00092	457	1D
459	410	0.00146	0.00037	0.00193	0.00048	459	1A
460	706	0.00252	0.00063	0.00332	0.00083	460	1WB
461	410	0.00146	0.00037	0.00193	0.00048	461	1A
462	698	0.00249	0.00062	0.00328	0.00082	462	1WA
463	781	0.00279	0.00070	0.00368	0.00092	463	1D
464/466	941	0.00336	0.00084	0.00443	0.00111	466	2L-a
465/467	1,200	0.00428	0.00107	0.00565	0.00141	467	2DB-a
468	375	0.00134	0.00034	0.00176	0.00044	468	1W
470	1,626	0.00581	0.00145	0.00765	0.00191	470	1WLF
472/474	2,041	0.00729	0.00182	0.00960	0.00240	472	2WLF
476/478	2,019	0.00721	0.00180	0.00950	0.00238	478	2WLF
480/482	1,869	0.00667	0.00167	0.00880	0.00220	482	2WBFLF
500/502	1,866	0.00666	0.00167	0.00878	0.00220	500	2WBFLF
501/503	1,200	0.00428	0.00107	0.00565	0.00141	501	2DB-a
504	1,606	0.00573	0.00143	0.00756	0.00189	504	1WLF
505	766	0.00274	0.00069	0.00360	0.00090	505	1D-a
506	366	0.00131	0.00033	0.00172	0.00043	506	1W-a
507	410	0.00146	0.00037	0.00193	0.00048	507	1A
508/510	925	0.00330	0.00083	0.00435	0.00109	508	2L-a
509/511/513	1,360	0.00486	0.00122	0.00640	0.00160	511	3W-f
512	765	0.00273	0.00068	0.00360	0.00090	512	1D-a
514	408	0.00146	0.00037	0.00192	0.00048	514	1A
516	410	0.00146	0.00037	0.00193	0.00048	516	1A
515/517/519	1,370	0.00489	0.00122	0.00645	0.00161	517	3W-c
518	766	0.00274	0.00069	0.00360	0.00090	518	1D
520/522/524	1,351	0.00482	0.00121	0.00636	0.00159	522	3W-d
521/523/525	1,363	0.00487	0.00122	0.00641	0.00160	523	3W-b
526/528	1,201	0.00429	0.00107	0.00565	0.00141	528	2LA-a
527/529	955	0.00341	0.00085	0.00449	0.00112	529	2W-a
531	375	0.00134	0.00034	0.00176	0.00044	531	1W
530/532/534	1,351	0.00482	0.00121	0.00636	0.00159	532	3W-d
533	372	0.00133	0.00033	0.00175	0.00044	533	1W
535	1,510	0.00539	0.00135	0.00711	0.00178	535	1WLF
536/538	1,191	0.00425	0.00106	0.00560	0.00140	536	2DA
537	586	0.00209	0.00052	0.00276	0.00069	537	1B
539	1,386	0.00495	0.00124	0.00652	0.00163	539	1DLF
540	408	0.00146	0.00037	0.00192	0.00048	540	1A
541	1,386	0.00495	0.00124	0.00652	0.00163	541	1DLF
542	766	0.00274	0.00069	0.00360	0.00090	542	1D-a
543	589	0.00210	0.00053	0.00277	0.00069	543	1B
544	698	0.00249	0.00062	0.00328	0.00082	544	1WA
545/547/549	1,925	0.00687	0.00172	0.00906	0.00227	545	2WLF

Unit Number	Par Value	% Interest in Common Elements Per Unit	% Interest in Common Elements Per Quartershare Unit	% Interest in Total Residential Par Value Per Unit	% Interest in Total Residential Par Value Per Quartershare Unit	Deed Unit No.	Unit Type
546/548	906	0.00324	0.00081	0.00426	0.00107	546	2WA-a
550/552	1,427	0.00510	0.00128	0.00672	0.00168	552	2WALF
554/556	1,427	0.00510	0.00128	0.00672	0.00168	554	2WALF
558	720	0.00257	0.00064	0.00339	0.00085	558	1WB-a
560	698	0.00249	0.00062	0.00328	0.00082	560	1WA
562/564	941	0.00336	0.00084	0.00443	0.00111	564	2L-a
600/602	925	0.00330	0.00083	0.00435	0.00109	600	2L-a
601/603	2,041	0.00729	0.00182	0.00960	0.00240	603	2WLF
604/606	1,188	0.00424	0.00106	0.00559	0.00140	604	2DA-a
605/607	2,030	0.00725	0.00181	0.00955	0.00239	605	2WLF
608	410	0.00146	0.00037	0.00193	0.00048	608	1A
609	375	0.00134	0.00034	0.00176	0.00044	609	1W
610	766	0.00275	0.00069	0.00360	0.00090	610	1D-a
611/613	954	0.00342	0.00086	0.00450	0.00113	611	2W-a
612/614/616	1,351	0.00483	0.00121	0.00637	0.00159	614	3W-c
618/620	1,201	0.00430	0.00108	0.00566	0.00142	620	2LA-a
622/624/626	1,366	0.00489	0.00122	0.00644	0.00161	624	3W-e
628/629	2,880	0.01029	0.00257	0.01356	0.00339	628	Suite
700	3,693	0.01320	0.00330	0.01739	0.00435	700	PNTA
701	2,470	0.00883	0.00221	0.01163	0.00291	701	PNTB
702	2,994	0.01070	0.00268	0.01410	0.00353	702	PNTC
703	2,474	0.00884	0.00221	0.01165	0.00291	703	PNTB
704	3,701	0.01323	0.00331	0.01743	0.00436	704	PNTA
Residential Total	212,495	0.75876					
	Par Value	% Interest in Common Elements					
Commercial Unit Total	67,562	0.24124					
	Par Value	% Interest in Common Elements					
TOTAL (Residential and Commercial Unit)	280,057	1.00000					

EXHIBIT C

Attached to and forming part of
Amended and Restated Declaration of Condominium,
Grand Summit Resort Hotel at The Canyons

USE PERIODS

**1/4 INTERVAL
CALENDAR
GROUP "I"**

	1999	2000	2001	2002
Week No.	Friday to Friday	Friday to Friday	Friday to Friday	Friday to Friday
1	Jan 8-Jan 15	Jan 21-Jan 28	Jan 28-Feb 2	Jan 4-Jan 11
2	Feb 5-Feb 12	Feb 18-Feb 25	Feb 23-Mar 2	Feb 1-Feb 8
3	Mar 5-Mar 12	Mar 17-Mar 24	Mar 23-Mar 30	Mar 1-Mar 8
4	Apr 2 -Apr 9	Apr 14-Apr 21	Apr 20-Apr 27	Mar 29-Apr 5
5	Apr 30-May 7	May 12-May 19	May 18-May 25	Apr 26-May 3
6	May 26-Jun 4	Jun 9-Jun 16	Jun 15-Jun 22	May 24-May 31
7	Jun 25-Jul 2	Jul 7-Jul 14	Jul 13-Jul 20	Jun 21-Jun 28
8	Jul 23-Jul 30	Aug 4-Aug 11	Aug 10-Aug 17	Jul 19-Jul 26
9	Aug 20-Aug 27	Sep 1-Sep 8	Sep 7-Sep 14	Aug 16-Aug 23
10	Sep 17-Sep 24	Sep 29-Oct 6	Oct 5-Oct 12	Sep 13-Sep 20
11	Oct 15-Oct 22	Oct 27-Nov 3	Nov 2-Nov 9	Oct 11-Oct 18
12	Nov 12-Nov 19	Nov 24-Dec 1	Nov 30-Dec 7	Nov 8-Nov 15
13	Dec 10-Dec 17	Dec 22-Dec 29		Dec 6-Dec 13
14		Dec 29-Jan 5		

**1/4 INTERVAL
CALENDAR
GROUP "I"**

	1999	2000	2001	2002
Week No.	Friday to Friday	Friday to Friday	Friday to Friday	Friday to Friday
1	Jan 15-Jan 22	Jan 28-Feb 4	Jan 5-Jan 12	Jan 11-Jan 18
2	Feb 12-Feb 19	Feb 25-Mar 3	Feb 2-Feb 9	Feb 8-Feb 15
3	Mar 12-Mar 19	Mar 24-Mar 31	Mar 2-Mar 9	Mar 8-Mar 15
4	Apr 9-Apr 16	Apr 21-Apr 28	Mar 30-Apr 6	Apr 5-Apr 12
5	May 7-May 14	May 19-May 26	Apr 27-May 4	May 3-May 10
6	Jun 4-Jun 11	Jun 16-Jun 23	May 25-Jun 1	May 31-Jun 7
7	Jul 2-Jul 9	Jul 14-Jul 21	Jun 22-Jun 29	Jun 28-Jul 5
8	Jul 30-Aug 6	Aug 11-Aug 18	Jul 20-Jul 27	Jul 28-Aug 2
9	Aug 27-Sep 3	Sep 8-Sep 15	Aug 17-Aug 24	Aug 23-Aug 30
10	Sep 24-Oct 1	Oct 6-Oct 13	Sep 14-Sep 21	Sep 20-Sep 27
11	Oct 22-Oct 29	Nov 3-Nov 10	Oct 12-Oct 19	Oct 18-Oct 25
12	Nov 19-Nov 26	Dec 1-Dec 8	Nov 9-Nov 16	Nov 15-Nov 22
13	Dec 24-Dec 31		Dec 7-Dec 14	Dec 13-Dec 20
14	Dec 31-Jan 7			

**1/4 INTERVAL
CALENDAR
GROUP "B"**

	1999	2000	2001	2002
Week No.	Friday to Friday	Friday to Friday	Friday to Friday	Friday to Friday
1	Jan 22-Jan 29	Jan 7-Jan 14	Jan 12-Jan 19	Jan 18-Jan 25
2	Feb 19-Feb 26	Feb 4-Feb 11	Feb 9-Feb 16	Feb 15-Feb 22
3	Mar 19-Mar 26	Mar 3-Mar 10	Mar 9-Mar 16	Mar 15-Mar 22
4	Apr 16-Apr 23	Mar 31-Apr 7	Apr 6-Apr 13	Apr 12-Apr 19
5	May 14-May 21	Apr 28-May 5	May 4-May 11	May 10-May 17
6	Jun 11-Jun 18	May 26-Jun 2	Jun 1-Jun 8	Jun 7-Jun 14
7	Jul 9-Jul 16	Jun 23-Jun 30	Jun 29-Jul 6	Jul 5-Jul 12
8	Aug 6-Aug 13	Jul 21-Jul 28	Jul 27-Aug 3	Aug 2-Aug 9
9	Sep 3-Sep 10	Aug 18-Aug 25	Aug 24-Aug 31	Aug 30-Sep 6
10	Oct 1-Oct 8	Sep 15-Sep 22	Sep 21-Sep 28	Sep 27-Oct 4
11	Oct 29-Nov 5	Oct 13-Oct 20	Oct 19-Oct 26	Oct 25-Nov 1
12	Nov 26-Dec 3	Nov 10-Nov 17	Nov 16-Nov 23	Nov 22-Nov 29
13	Dec 17-Dec 24	Dec 8-Dec 15	Dec 14-Dec 21	Dec 20-Dec 27
14				Dec 27-Jan 3

**1/4 INTERVAL
CALENDAR
GROUP "TV"**

	1999	2000	2001	2002
Week No.	Friday to Friday	Friday to Friday	Friday to Friday	Friday to Friday
1	Jan 01-Jan 08	Jan 14-Jan 21	Jan 19-Jan 26	Jan 25-Feb 1
2	Jan 29-Feb 05	Feb 11-Feb 18	Feb 16-Feb 23	Feb 22-Mar 1
3	Feb 26-Mar 05	Mar 10-Mar 17	Mar 16-Mar 23	Mar 22-Mar 29
4	Mar 26-Apr 02	Apr 07-Apr 14	Apr 13-Apr 20	Apr 19-Apr 26
5	Apr 23-Apr 30	May 05-May 12	May 11-May 18	May 17-May 24
6	May 21-May 28	Jun 02-Jun 09	Jun 08-Jun 15	Jun 14-Jun 21
7	Jun 18-Jun 25	Jun 30-Jul 07	Jul 06-Jul 13	Jul 12-Jul 19
8	Jul 16-Jul 23	Jul 28-Aug 04	Aug 03-Aug 10	Aug 09-Aug 16
9	Aug 13-Aug 20	Aug 25-Sep 01	Aug 31-Sep 7	Sep 06-Sep 13
10	Sep 10-Sep 17	Sep 22-Sep 29	Sep 28-Oct 5	Oct 04-Oct 11
11	Oct 08-Oct 15	Oct 20-Oct 27	Oct 26-Nov 2	Nov 01-Nov 08
12	Nov 05-Nov 12	Nov 17-Nov 24	Nov 23-Nov 30	Nov 29-Dec 06
13	Dec 03-Dec 10	Dec 15-Dec 22	Dec 21-Dec 28	
14			Dec 28-Jan 4	

EXHIBIT D

Attached to and forming a part of
Amended and Restated Declaration of Condominium,
Grand Summit Resort Hotel at The Canyons

BYLAWS

D-1

AMENDED AND RESTATED BYLAWS

**THE CANYONS GRAND SUMMIT RESORT HOTEL
OWNERS ASSOCIATION, INC.**

These Amended and Restated Bylaws are hereby adopted and established as the Bylaws of The Canyons Grand Summit Resort Hotel Owners Association, Inc. (the "Association"), replacing any prior bylaws and any amendments thereto up through the date these Bylaws are recorded. These Bylaws and any amendments thereto shall apply to the Association upon their recording and shall bind all present and/or future Owners and Occupants.

**ARTICLE 1
INTRODUCTORY PROVISIONS**

Section 1.1 Applicability. These Bylaws ("Bylaws") shall relate solely to the property called Grand Summit Resort Hotel located at The Canyons, Summit County, Utah (the "Property"), more fully described in the Declaration recorded in the Office of the Recorder for Summit County, Utah, as the same may be amended from time to time.

Section 1.2 Definitions. The Capitalized terms used herein without definition shall have the same definitions as such terms have in the Declaration and the Utah Condominium Ownership Act, Utah Code Annotated Section 57-8-1 et seq. (the "Act"). Unless otherwise provided in the Act, in the event of inconsistencies in definitions between the Act and the Declaration, the Declaration shall control.

Section 1.3 Compliance. Pursuant to the provisions of the Act, every Owner and Quartershare Owner and all persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4 Office. The office of the Condominium Project, the Association, and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

Section 1.5 Incorporation of Statutory Law. Except as expressly provided herein or in the Declaration or the Act, the Association shall be governed by the provisions of any applicable statute of the State of Utah.

**ARTICLE 2
THE ASSOCIATION**

Section 2.1 Membership. The Association is a Utah non-profit corporation, all the members of which are the Quartershare Owners and the Commercial Unit Owner in the Property (the "Unit Owners"). A person shall automatically become a member of the Association at the time he or she acquires legal title to a Unit or Quartershare Unit, and shall continue to be a member so long as he or she continues to hold title to such Unit or Quartershare Unit. No Unit Owner shall be permitted to resign from membership in the Association prior to the time when that Owner transfers title to his or her Unit to another. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title, but the

Association may treat the prior Unit Owner as the member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the Office of the Recorder for Summit County shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. A mortgage conveyance of a Unit, however, shall not operate to transfer membership until the mortgage is foreclosed or the Unit sold in lieu of foreclosure.

Section 2.2 Meetings. Meetings of the Association shall be conducted in accordance with the following:

(a) Annual Meetings.

(i) Unit Owners shall hold Annual Meetings for the purposes stated in Section 2.2(a)(ii) hereof (the "Annual Meetings"). The Annual Meeting shall be held at a reasonable place in the Condominium Project or at a meeting place as close thereto as reasonably possible, and at a reasonable time as may be designated by written notice by the Executive Board.

(ii) The purpose of the Annual Meetings of the Association shall be to elect the members of the Executive Board unless such action is being taken pursuant to the provisions of Section 2.2(g) hereof or Section 3.5 hereof, and to conduct such other business as may be required or permitted by law, the Declaration, or these Bylaws to be done by a vote of Unit Owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial report of the receipts and Common Expenses for the immediately preceding fiscal year of the Association, itemized receipts and expenditures, and any changes expected for the present fiscal year. A copy of such financial report shall be sent to each Unit Owner not less than five (5) days prior to the Annual Meeting.

(b) Special Meetings.

(i) The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty percent (20%) of the votes in the Association. The notice of any special meeting shall state the time, place, and purpose thereof. Such meetings shall be held within forty-five (45) days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a capital expenditure pursuant to Section 5.3 hereof, such meeting shall be held within fifteen (15) days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(c) Notice. Notices of meetings of the Unit Owners shall be delivered to all Unit Owners (and Eligible Mortgage Holders, if applicable) not less than ten (10) nor more than fifty (50) days in advance of the date of the meeting to which the notice relates and shall state the date, time, and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid and in accordance with Section 10.3. No

subject may be dealt with at any Annual Meeting or Special Meeting of the Association unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Except as set forth below, at all meetings of the Association, the presence in person or by proxy of Unit Owners entitled to cast twenty percent (20%) or more of the votes in the Association at the commencement of a meeting shall constitute a quorum. If a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48) hours after the time for which the original meeting was called. If a meeting is adjourned, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if Unit Owners entitled to cast twenty percent (20%) or more of the votes in the Association are present in person or by proxy at the beginning of the meeting.

(e) Voting. Voting at all meetings of the Association shall be on the basis provided in Exhibit B attached to the Declaration. Votes shall be cast in accordance with Section 5.6 of the Declaration. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration, or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except with respect to the election of members of the Executive Board and except where a greater number is required by the Act, the Declaration, or these Bylaws, the vote of more than fifty percent (50%) of the aggregate votes in the Association that are entitled to be cast by the Unit Owners present and voting in person or by proxy at a duly convened meeting at which a quorum is present is required to adopt decisions at such meeting of the Association. In all elections for Executive Board members, each Unit Owner, by class, shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Quartershare Units owned by such Unit Owner as provided in Exhibit B of the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. If the Commercial Unit Owner owns or holds title to one or more Quartershare Units, the Commercial Unit Owner shall have the right at any meeting of the Association to cast the votes to which such Quartershare Units are entitled. No votes allocated to a Unit or Quartershare Unit owned by the Association may be cast. There shall be no cumulative voting or splitting of votes.

(f) Proxies. A vote may be cast in person or by proxy by the person entitled to cast votes with respect to a Unit pursuant to Section 5.6 of the Declaration. Such proxy may be granted by an Owner only in favor of another Owner or the holder of a mortgage on a Unit. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein, and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only by actual receipt by the person presiding over the meeting of written notice of revocation from the grantor of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

(g) Actions of Association without a Meeting. Any action required or permitted to be taken by a vote of the Association may be taken without a meeting if all Unit Owners shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the proceedings of the Association.

(h) Conduct of Meetings. The President (or in the President's absence, the Vice President) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as keep a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws, or the Act. All votes shall be tallied by tellers appointed by the President.

Section 2.3 Copies of Condominium Documents. The Association shall have current copies of the Declaration, these Bylaws, the Rules and Regulations, and any other rules concerning the condominium as well as its own books, records, and financial statements available for inspection by Unit Owners or by holders, insurers, and guarantors of first mortgages secured by Units. These Condominium Documents shall be available during normal business hours.

ARTICLE 3 EXECUTIVE BOARD

Section 3.1 Composition. The Executive Board shall be composed of members as provided for in the Declaration.

Section 3.2 Election and Term of Office.

(a) At the Annual Meeting of the Association, the election of Quartershare Unit Board Members shall be held. The Commercial Unit Board Members shall be appointed as provided for in the Declaration. The members of the Executive Board shall hold office until the earlier to occur of the election or appointment of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an unlimited number of terms, whether or not consecutive.

(b) Persons qualified to be Quartershare Unit Board Members may be nominated for election only as follows:

(i) Any Quartershare Unit Owner may submit to the Secretary at least 30 days before the meeting at which the election is to be held a nominating petition signed by Quartershare Unit Owners representing the ownership of at least eight Quartershare Units, together with the statement that the person nominated is willing to serve on the Executive Board and a short biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit Owner together with the notice of such meeting; and

(ii) Nominations for a Quartershare Unit Board Member position may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

Section 3.3 Meetings. Meetings of the Executive Board shall be conducted in accordance with the following:

(a) Time and Location. The Executive Board shall hold an annual meeting within ten days following the Annual meeting of the Association for the purpose of electing officers, as more fully set forth in Article 4 hereof, and for any other purpose which may be required or permitted by law, the Declaration, or these Bylaws to be done by a vote of the Executive Board. The Executive Board shall hold meetings at the call of the President or upon request to the President of the Executive Board by at least one-third (1/3) of the members of the Executive Board; provided, however, that:

(i) In any event, the Executive Board shall meet at least three (3) times each fiscal year (in addition to the annual meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings;

(ii) There shall be a meeting of the Executive Board no later than the second full calendar week of the eleventh month of each fiscal year for the purpose of adopting the budget of the Association for the next following fiscal year of the Association;

(iii) The President shall call any Executive Board meeting requests by one-third (1/3) of the members of the Executive Board for a date occurring not less than five (5) nor more than twenty (20) days after receipt of such request; and

(iv) The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than as specified in the notice thereof.

(b) Notice. Not less than forty-eight (48) hours prior to the time of any Executive Board meeting, a written notice stating the date, time, and place of such meeting shall be delivered, either by hand or email, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting.

(c) Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meetings by means of conference telephone or similar communications equipment so long as such equipment allows all persons participating in the meeting to hear each other.

(d) Voting. Each Executive Board member shall be entitled to cast one vote. A vote of the majority of the members of the Executive Board present at any meeting at which a quorum is present shall bind the Executive Board for all purposes unless otherwise provided in the Declaration or these Bylaws.

(e) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. To the extent permitted by law, all Unit Owners shall have the right to attend and be heard, but not the right to vote, at Executive Board meetings. The Secretary of the Executive Board shall give Unit Owners notice of such meetings as required by law and as otherwise directed by the Executive Board.

(f) Conduct of Meetings. The President, or in the President's absence the Vice President, shall preside over all meetings of the Executive Board and the Secretary shall keep a Minute Book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Executive Board if and to the extent such Rules are not in conflict with the Declaration, these Bylaws, or the Act.

(g) Action without a Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 3.4 Resignation and Removal. At any regular or special meeting of the Association duly called, any one or more of the Quartershare Unit Board Members may be removed with or without cause by Quartershare Unit Owners entitled to cast a majority of all votes of Quartershare Unit Owners in the Association, and a successor may then and there be elected to fill the vacancy thus created. Any Quartershare Unit Owner proposing removal of a Quartershare Unit Board Member shall give notice thereof to the Secretary at least fifteen (15) days before any meeting at which such a removal is contemplated. Any member whose removal has been proposed by a Unit Owner shall be given at least ten (10) days' notice by the Secretary of the time, place, and purpose of the meeting. A member of the Executive Board may resign at any time, and a Quartershare Unit Board Member shall be deemed to have resigned upon transfer of his title to his or her only or last remaining Unit.

Section 3.5 Vacancies. Any vacancy or vacancies on the Executive Board of a Quartershare Unit Board Member, whether caused by resignation, removal, death or adjudication of incompetency, shall be filled by the remaining Quartershare Unit Board Members, with an interim appointee who shall serve for the unexpired term of the member such appointee is replacing. If the vacancy of a Quartershare Unit Board Member results from removal by the Quartershare Unit Owners, the election of a new member or members may be held at the same meeting where such removal takes place, with such person(s) elected serving for the unexpired term(s) of the member(s) replaced. The vote of more than fifty (50%) percent of the votes of the Unit Owners present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

Section 3.6 Compensation. No member of the Executive Board shall receive compensation for performing his duties as a member of the Executive Board unless such

compensation is expressly authorized or approved at any Annual or Special Meeting of the Association.

Section 3.7 Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm, or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved, or ratified.

Section 3.8 Inclusion of Interested Executive Board Members in a Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm, or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves, or ratifies a contract or transaction of the type described in Section 3.7 hereof.

Section 3.9 Powers of the Executive Board.

(a) Enumeration. The Executive Board shall have all of the powers and duties granted by the Act and the laws governing unincorporated associations or both.

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Unit Owners. Unless otherwise provided herein or in the Declaration, the Executive Board shall comply with the instructions of the Unit Owners as expressed in a resolution duly adopted at any Annual or Special Meeting of the Association.

(c) Delegation of Powers: Managing Agent. The Executive Board may employ for the Condominium Project a managing agent at a compensation established by the Executive Board. The managing agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration, and these Bylaws; provided, however, where a managing agent does not have the power to act under the Act, the Declaration, or these Bylaws, the managing agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the managing agent all of the powers granted to the Executive Board by the Act, the Declaration, and these Bylaws other than the following powers: (i) to adopt an annual budget and any amendment thereto or to assess Common Expenses; (ii) to adopt, repeal, or amend rules and regulations; (iii)

to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements. Any contract with the managing agent must provide that it shall be cancellable by either party without cause and without a termination fee upon not less than sixty (60) days written notice and shall be cancellable by the Executive Board with cause upon not less than thirty (30) days written notice.

ARTICLE 4 OFFICERS

Section 4.1 Election. At every annual meeting of the Executive Board, the Executive Board members, if a quorum is present, shall elect officers of the Association for the following year, such officers to serve for a one-year term and until their respective successors are elected. The officers to be elected are: President, Vice President, Secretary, Treasurer, and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continues to be re-elected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.2 Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate, and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the State of Utah, the Condominium Documents, and the actions of the Executive Board. The President shall have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with or without the signatures of any other officers as may be determined by the Executive Board. The President shall preside at all meetings of either body at which he or she is in attendance and shall be a member of all committees. If the President and the Vice President are absent from such meetings the senior officer of the Association present at such meetings shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Executive Board so provides, the President also shall have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Utah.

(b) Vice President. Unless otherwise determined by a resolution of the Executive Board, the Vice President shall, in the absence of the President, exercise the powers and perform the duties of the President. The Vice President shall perform such other duties and have such other powers as the Executive Board may designate from time to time.

(c) Secretary. Unless otherwise determined by the Executive Board, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Executive Board and shall have the authority to affix the seal of the Association to any documents requiring such seal. The Secretary shall give or cause to be given all notices as required by law, the Declaration, or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the

Executive Board, and all committees, and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Unit Owners as well as copies of the Declaration, the Record of Survey Map, these Bylaws, and the Rules and Regulations, all of which shall be available at the office of the Association for inspection by Unit Owners or prospective Unit Owners during normal business hours and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Executive Board. The Secretary shall keep or cause to be kept the register of Eligible Mortgage Holders. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the secretary of a corporation domiciled in Utah.

(d) Treasurer. Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in such depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transactions of the Association and the Executive Board, and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the Act, the Declaration, the Executive Board, or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements, and each Unit, the amount of each assessment for Common Expense and expenses assessable to individual Units, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair, and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expense incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Unit Owners or prospective Unit Owners during normal business hours. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the treasurer of a corporation domiciled in Utah.

Section 4.3 Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved at any Annual or Special Meeting of the Association.

Section 4.4 Resignation and Removal. Any officer may resign at any time by written notice to the Executive Board, such resignation to become effective at the next Executive Board meeting. Any officer who ceases to be a member of the Executive Board for any reason also shall be deemed to have resigned or been removed, ipso facto, from any Executive Board office such officer may have held. Any officer may be removed from his office at any time by a majority vote of the Executive Board whenever in the judgment of the Executive Board members the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of Executive Board members in Section 3.4 hereof.

Section 4.5 Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members, if the vacancy resulted from action of the Executive Board. If, however, the vacancy resulted from action by the Association, such vacancy shall be filled in the same manner as set forth in Section 3.5 hereof for filling Executive Board vacancies.

ARTICLE 5
COMMON EXPENSES: BUDGETS

Section 5.1 Fiscal Year. The fiscal year of the Association shall be the twelve-month period beginning on May 1 and ending on April 30 of the following year. Unless otherwise determined by the Executive Board.

Section 5.2 Preparation and Approval of Budget.

(a) Adoption. On or before the first day of April of each year (or thirty days before the beginning of the fiscal year if the fiscal year is other than the twelve month period beginning on May 1), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair, and replace, and the cost of wages, materials, insurance premiums, services, supplies, and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws, or a resolution of the Association, and which will be required during the ensuing fiscal year for management and administration expenses; the estimated cost of repairs, maintenance, and replacement of Common Elements and Limited Common Elements; the cost of such insurance and utilities as may be furnished by the Association; the amount of such reserves as shall be reasonably established by the Executive Board, including operating contingency reserves for expenses both unanticipated and extraordinary and reserves for periodic maintenance, repair, and replacement of the Common Elements and Limited Common Elements; and such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods. The Common Facilities Budget, the Quartershare Unit Budget, and the Commercial Unit Budget (collectively the "Budget") shall be prepared and adopted consistent with the requirements in Article 14 of the Declaration.

(b) Available for Inspection. On or before the next succeeding first day of April (or thirty (30) days before the beginning of the fiscal year if the fiscal year is other than the twelve month period beginning on May 1 or thirty (30) days after the mailing of the Budget summary as provided for in Section 5.2(c) herein, at the option of the Executive Board), the Executive Board shall make the Budget available for inspection at the Association office and shall mail to each Unit Owner a summary of the Budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such Budget shall constitute the basis for determining each Unit Owner's assessments for Common Expenses of the Association.

(c) Ratification of Budget. The Executive Board shall set a date for a meeting of the Unit Owners to consider ratification of the Common Facilities Budget, Quartershare Unit Budget, and the Commercial Unit Budget. (the "Budget Ratification Meeting") not less than fourteen (14) days nor more than thirty (30) days after the mailing of a summary of the Budget. No Quorum of Owners shall be required for the Budget Ratification Meeting. The Budget shall be ratified or not as provided for in Section 14.10 of the Declaration. In the event the proposed Common Facilities Budget, Quartershare Unit Budget, or Commercial Unit Budget is rejected, the Common Facilities Budget, Quartershare Unit Budget, or Commercial Unit Budget, as the case may be, last ratified by the requisite Owners as provided in the Declaration shall be

continued until such time as a subsequent Common Facilities Budget, Quartershare Unit Budget or Commercial Unit Budget, as the case may be, proposed by the Executive Board is ratified by the requisite Owners as provided for in the Declaration and these Bylaws.

Section 5.3 Assessment and Payment of Common Expenses.

(a) Common Expenses, Residential Expenses and Commercial Expenses. The Executive Board shall calculate the Annual Assessments for Common Expenses against each Unit by multiplying (i) the total amount of the estimated funds required for the operation of the Property set forth in the Common Facilities Budget adopted by the Executive Board for the fiscal year in question by (ii) the Percentage Interest in the Common Elements of the Commercial Unit and each Quartershare Unit in the Condominium Project, as provided in Exhibit B to the Declaration. The Executive Board shall calculate the Annual Assessments for Residential Expenses by multiplying (i) the total amount of the estimated funds required in the Quartershare Unit Budget adopted by the Executive Board for the fiscal year in question by (ii) each Quartershare Unit's respective percentage interest in the total residential par value, as provided in Exhibit B to the Declaration (the percentages in the column entitled "% Interest in Total Residential Par Value Per Quartershare Unit"). The Annual Assessment for Commercial Unit Expenses required by the Commercial Unit Budget adopted by the Executive Board shall be assessed in full to the Commercial Unit Owner. In the Budget, certain expenses are applicable to Quartershare Units, certain expenses are applicable to the Commercial Unit, and certain expenses are applicable to Common Elements. How those expenses will be allocated to a particular Unit can only be determined by reviewing the actual Budget(s) prepared by the Executive Board. Such assessments shall be due and payable on the first day of the fiscal year and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. The Association may, at its option, collect such assessments quarterly. Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a first mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Common Expenses, Residential Expenses and Commercial Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to Common Expenses, Residential Expenses or Commercial Expenses after application of such reserves as the Executive Board may determine, shall be assessed promptly against the respective Unit Owners in accordance with the assessment calculations set forth above in this paragraph and shall be payable as a Special Assessment, in such manner as the Executive Board may determine that is consistent with the Declaration.

(b) Reserves. The Executive Board may establish and assess as part of the Common Expenses, Residential Expenses and Commercial Expenses, reserves for working capital, operations, and contingencies. Extraordinary expenditures not originally included in the annual Budget which may become necessary during the fiscal year may be charged first against reserves for working capital, operations, and contingencies. Extraordinary expenditures may also be the subject of a special assessment. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owner's assessments, or in the event the Executive Board chooses to assess a special assessment, the Executive Board may at any time levy further assessments for Common Expenses, Residential Expenses or Commercial Expenses which shall be assessed against the respective Unit Owners in accordance with the assessment calculation set

forth in Section 5.3(a) above and shall be payable as a Special Assessment in such manner as the Executive Board may determine.

Section 5.4 Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Sections 5.3(a) or 5.3(b) or otherwise as permitted or required by the Act, the Declaration, and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective with the next annual assessment that is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such annual assessments. Such assessments shall be a lien as of the effective date as set forth in Section 5.3 above.

Section 5.5 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a Budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay such Unit Owner's allocable share of the Common Expense, Residential Expenses or Commercial Expenses as herein provided whenever the same shall be determined, and in the absence of any annual Budget or adjusted Budget, each Unit Owner shall continue to pay such Unit Owner's annual assessment at the rate established for the previous fiscal year until the new annual or adjusted Budget shall have been adopted.

Section 5.6 Accounts. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be co-mingled in a single fund or account, but shall be accounted for separately as provided in the Common Facilities Budget, the Quartershare Unit Budget and the Commercial Unit Budget. All books and records of the Association shall be kept in accordance with good and accepted accounting practices. The Association shall make a statement of those accounts for the preceding fiscal year available to any holder, insurer, or guarantor of a first Mortgage secured by a Unit who submits a written request therefor to the Association.

Section 5.7 Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association, by a vote of more than fifty percent (50%) of all votes in the Association, may reject any capital expenditure or borrowing approved by the Executive Board, within thirty (30) days after approval of the Executive Board.

Section 5.8 Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner, contract purchaser, or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses, Residential Expenses or Commercial Expenses, if any, due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

ARTICLE 6 REPAIR OR RECONSTRUCTION

Section 6.1 Restoration of Property. Damage to or destruction of the Building shall be promptly repaired and restored by the Association in accordance with the provisions of Article 9

of the Declaration. The Executive Board shall be responsible for accomplishing the full repair or reconstruction, which shall be paid out of the out of the insurance proceeds received by the Association and out of such funds maintained by the Association as the Executive Board deems appropriate. The disbursements of funds for such repair or reconstruction shall, at the option of the Executive Board, be made only as the work progresses upon approval of a qualified architect who shall have furnished a description satisfactory to the Executive Board of the costs involved and the services and materials to be furnished by the contractors, subcontractors, and materialmen. Unit Owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expense, Residential Expenses or Commercial Expenses as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition as it was in immediately prior to the damage, and each Unit Owner shall personally assume the additional expense of any improvements to his Unit which such Unit Owner desires to restore it beyond such condition. If any physical changes are made to any restored Unit or the Common Elements, or any combination of them, which renders inaccurate the Record of Survey Map then of record, the Executive Board shall record an amended Record of Survey Map showing such changes.

ARTICLE 7 SEPARATE REAL ESTATE TAXES

Section 7.1 Assessments Against Individual Units and Quartershare Units. In the event that, commencing with the taxable period during which occurs the first conveyance of a Quartershare Unit or Unit to a person other than the Declarant, real estate taxes are not separately assessed against each Quartershare Owner or Quartershare Estate, but rather are assessed against each Unit as a whole, then each Quartershare Owner or Unit Owner (including the Declarant, as to the Quartershare Units and Units then owned by it) shall pay such Owner's proportionate share thereof in accordance with that Unit's respective Percentage Interest in the Common Elements.

ARTICLE 8 PAYMENT OF ASSESSMENTS

No Unit Owner shall be permitted to convey, hypothecate, sell, or lease his or her Unit unless and until such Unit Owner shall have paid in full to the Executive Board all unpaid common charges theretofore assessed by the Executive Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit, except permitted mortgages and mortgages made by Declarant.

ARTICLE 9 AMENDMENTS

Section 9.1 General Requirements: Consent of Declarant or Holders of Mortgages: Curative Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration, or the Act, these Bylaws may be amended by the vote of the Unit Owners entitled to cast a majority of the votes in the Association which are cast, in person or by proxy, at a meeting duly held in accordance with the provisions of these Bylaws; provided that no amendment seeking (i) to abandon, partition, subdivide, encumber, sell, or transfer any

portion of the Common Elements, or (ii) to abandon or terminate the condominium form of ownership of the Property, except as otherwise provided in the Declaration, shall be effective without the prior written approval of Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders. Notwithstanding the foregoing, amendments of a material nature must be approved by Unit Owners entitled to cast at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes of Units subject to Mortgages held by Eligible Mortgage Holders. A change to any of the following would be considered material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair, and replacement of Common Elements;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use;
- (f) boundaries of any Unit;
- (g) convertibility of Units into Common Elements or vice versa;
- (h) expansion or contraction of the Condominium Project, or the addition, annexation or withdrawal of property to or from the Condominium Project;
- (i) insurance or fidelity bonds;
- (j) imposition of any restriction on a Unit Owner's right to sell or transfer his or her unit;
- (k) decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgage Holder which had the right under the Condominium Documents to so require;
- (l) restoration or repair of the Condominium Project (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- (m) any action to terminate the legal status of the Condominium Project after substantial destruction or condemnation occurs; or
- (n) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

In addition, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing, or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such

amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board, acting through the President or any Vice President, may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Section 9.2 Amendments to the Declaration. The Declaration may be amended pursuant to the provisions of the Act and the Declaration. The President or any Vice President is empowered to prepare and execute any amendments to the Declaration on behalf of the Association, and the Secretary or any Assistant Secretary is empowered to attest, seal with the Association's corporate seal, and record any such amendments on behalf of the Association.

ARTICLE 10 GENERAL PROVISIONS

Section 10.1 Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity, or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion hereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the condominium project which the Declaration (including the Record of Survey Map and these Bylaws) is intended to create.

Section 10.2 Conflicts. The Act and the Declaration shall control in the event of any conflict between the provisions thereof and the provisions of these Bylaws. The Act, the Declaration, and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 10.3 Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when personally delivered or on the second business day after the day on which it was: (1) sent by email to an email address provided by or used by the Owner in communications with the Association or for notice to the Association if sent to the Association's designated email address for communications to the Association, or (2) mailed by first class mail, or certified mail return receipt requested, postage prepaid (or otherwise as the Act may permit), (a) if to a Unit Owner, at the single address that the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (b) if to the Association, the Executive Board, or the managing agent, at the principal office of the Association and the managing agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 10.4 Headings. The headings preceding the various Sections of these Bylaws and the Table of Contents are intended solely for the convenience of readers of the Bylaws and

in no way define, limit, or describe the scope of these Bylaws or the intent of any provision thereof.

Section 10.5 Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ARTICLE 11
CORPORATE SEAL

Section 11.1 Seal. The form of the seal of the Association shall contain the name of the Association and the State of Utah.

IN WITNESS WHEREOF, the undersigned, hereby affirming that the vote and consent necessary to amend the Bylaws has been met and obtained, hereby executes these Bylaws the

17th day of July, 2017

THE CANYONS GRAND SUMMIT OWNERS
ASSOCIATION, INC.

By: 
Title: President

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

On this 17th day of June July^{all}, 2017, Jim Dullank.

personally appeared before me, a notary public, and proved based on satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he executed the same on behalf of The Canyons Grand Summit Owners Association, Inc. as its President.



Karizza G. Esguerra

Notary Public