

**APPROVAL, BOND AND INDEMNITY AGREEMENT
Village at Sugarplum Unit 15**

THIS APPROVAL, BOND AND INDEMNITY AGREEMENT (this "Agreement") is made this 24th day of May, 2018, by and between SUGARPLUM PHASE II CONDOMINIUMS ASSOCIATION OF UNIT OWNERS (the "Association"); and Catherine Turnbull, Turnbull Properties, LLC (owner of VSP 15) (Village at Sugarplum Unit 15 (the "Owner")).

RECITALS

A. The Owner desires to install a new gas fireplace and direct vented flue (the "Improvements") which impact the Common Area adjacent to the Owner's Condominium Unit (the "Unit") more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, in the SUGARPLUM PHASE II CONDOMINIUMS, AN EXPANDABLE CONDOMINIUM, which Improvements consist of the following: the installation of a direct vented firebox and flue system supplied by Hearth and Home, as described and shown on the plans and specifications (the "Plans & Specifications") of the Improvements dated May 24, 2018, all attached hereto as Exhibit "B" and incorporated herein by reference.

B. In connection with the approval of such Improvements by the Association, the Association requires the Owner to construct the Improvements in compliance with the requirements of this Agreement, indemnify the Association from any liability arising from construction, and assume the responsibility to pay for the cost of maintaining, repairing and replacing the Improvements.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Association and the Owner agree as follows:

1. Approval & Construction of Improvements. The Association hereby approves the Owner's construction of the Improvements subject to the following requirements and conditions:

- a. The Owner shall attach all current, and any revised plans;
- b. The Owner shall obtain a building permit from the City of Alta, Utah, a copy of which shall be provided to the Association before construction of the Improvements begins;
- c. The Owner shall cause the construction of the Improvements to be completed by a contractor that (i) holds a current contractor's license with the Utah Division of Occupational and Professional Licensing, and (ii) carries workers compensation insurance, auto insurance and general liability insurance suitable in amount and coverage for the construction of the Improvements, evidence of which shall be provided to the Association prior to the commencement of the construction of the Improvements;
- d. The Owner shall be responsible for seeing that the construction of the Improvements shall be commenced no more than forty-five (45) days after the date hereof and completed (i) on or before November 15, 2018 (the "Completion

Date”), (ii) in accordance with the Plans & Specifications and within the construction footprint identified therein, (iii) in compliance with all applicable building code requirements and any building requirements of the Alta City, Utah, and (iv) in accordance with the Sugarplum Phase II Condominiums Rules & Regulations;

- e. After commencement of construction of the Improvements, the Owner shall diligently pursue the work thereon until completion, subject to reasonable delays for weather, fire, flood, strikes, acts of God and other causes beyond the Owner's control, and in the event the Owner fails to complete the construction of the Improvements on or before the Completion Date, the Association shall have the right to complete the Improvements and to charge the costs and expenses thereby incurred to the Owner; and
- f. The Owner shall promptly provide the Association following the completion of the Improvements with (i) a copy of the final building inspection report approving the completion of the construction of the Improvements in compliance with the requirements of Alta City, Utah (if necessary), and (ii) copies of lien waivers from all contractors, subcontractors and suppliers providing materials or services in connection with the construction of the Improvements.

2. **Indemnity.** In consideration of the Association permitting the Owner to construct the Improvements, the Owner and Owner's successors and assigns do hereby agree to indemnify the Association and hold the Association harmless from any and all debts, actions, causes of action, claims, demands, damages, costs, compensation, commissions, liens or other interests, liabilities and obligations of any kind whatsoever, now or hereafter existing, in any way arising from or in connection with the construction of the Improvements, including, without limitation: all construction defects, substandard construction, construction debris, construction not in accordance with the Association's requirements and conditions or those of Alta City, Utah, or any other damage caused by or related to construction of the Improvements; all claims by contractors, subcontractors and material men; and all claims for personal injury or property damage to Owner, the Association or any third person.

3. **Bond.** Prior to commencement of construction of the Improvements, the Owner shall provide to Association a Performance Bond or Cash Deposit in the amount of \$1,000.00 to be held in the name of the Association. The purpose of the cash bond is to ensure satisfactory completion of the Improvements, including, without limitation repair or replacement of all construction defects and substandard construction, removal of construction debris, repairing landscaping (including re-vegetation), repair or replacement of construction not in accordance with the Association's requirements and conditions, and repair of any damage caused by the construction of the Improvements. In the event the Improvements are not fully completed in a satisfactory manner within forty-five (45) days following the Completion Date, the Association, in its sole discretion, shall have the right to use all bond funds, including interest, to complete the Improvements. Upon satisfactory completion of the Improvements, the remaining amount of the bond funds shall be released or paid to Owner.

4. **Lien.** In the event that the bond is insufficient to complete the Improvements, the Owner hereby consents to, and the Association shall have the right to, record a lien against the Unit for any remaining balance due for completion of the Improvements. Provided, however, that Association shall not record a lien against the Unit until written demand for payment is made to the Owner by certified mail, return receipt requested, and payment in full is not received from the Owner within fifteen (15) calendar days after the date of mailing of such written demand.

5. Obligation for Maintenance, Repair and Replacement of the Improvements. The Association shall maintain and repair the Improvements after their completion as required herein and the Owner shall be responsible for the payment of all costs and expenses associated with the maintenance and repair of the Improvements. If the Improvements shall need to be replaced, as determined by the Association, in its reasonable discretion, the Owner shall promptly cause the Improvements to be replaced and bear the cost thereof.

6. Binding Effect. The aforesaid obligations shall be binding upon and shall inure to the benefit of all successors, heirs and assigns of the parties.

7. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Utah.

8. Attorneys' Fees. If either party breaches this Agreement, the non-breaching party shall be entitled to recover from the breaching party its costs, including reasonable attorney's fees, incurred by the non-breaching party in pursuing any remedy available under this Agreement.

9. Entire Understanding. The making of this Agreement has been induced by no representations, warranties or agreements other than those herein expressed. This Agreement embodies the entire understanding of the parties, and there are no further or other understandings or agreements, written or oral, in effect between the parties relating to the subject matter hereof. This Agreement may be amended or modified only by an instrument of equal formality signed by the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first set forth above.

ASSOCIATION:

SUGARPLUM PHASE II CONDOMINIUMS
ASSOCIATION OF UNIT OWNERS

BY: Bruce Lottering
ITS: VSP HOA

OWNER:

Catherine Turnbull, Owner

CR Turnbull

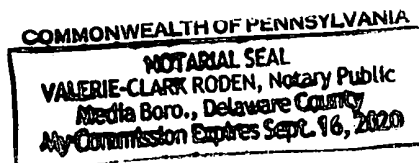
STATE OF Pennsylvania
COUNTY OF Delaware : ss.

On the 30 day of May, 2018, personally appeared before me
BRUCE T. HOTALING, the president of SUGARPLUM PHASE II
CONDOMINIUMS ASSOCIATION OF UNIT OWNERS, the signer of the foregoing instrument, who
duly acknowledged to me that he/she executed the same.

My Commission Expires: 9/16/2020

Residing At:


NOTARY PUBLIC




STATE OF Utah
COUNTY OF Salt Lake : ss.

On the 24 day of May, 2018, personally appeared before me
CATHERINE TURNBULL,
the signer(s) of the foregoing instrument, who duly acknowledged to me that he/she/they executed the
same.

My Commission Expires: 05/16/22

Residing At:


NOTARY PUBLIC

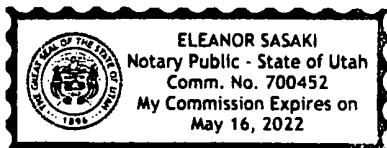


EXHIBIT "A"

OWNER'S CONDOMINIUM UNIT DESCRIPTION

Unit No. 15, Sugarplum Phase II Condominiums an Expandable Condominium, located in Salt Lake City, Utah, as more particularly described in the Declaration of Condominium of the Sugarplum Phase II Condominiums an Expandable Condominium dated January 4, 1984, as amended, and the Record of Survey Map of said condominium project, as amended, on file and of record in the Office of the County Recorder of Salt Lake County, Utah, together with the appurtenant undivided interest in the common areas and facilities of said condominium project.

Parcel Id: 30064300110000

EXHIBIT "B"

PLANS & SPECIFICATIONS

- 1) Dominion Energy: Run the gas line directly from Unit 16 where there is already a meter established. Install a gas meter on the Southeast side of Unit 15. Meter will be approximately 4' above grade and approximately 4' from the East corner of the structure.
- 2) Licensed HVAC installer Watkins Heating & Air, Inc. will receive permit from Town of Alta and will install gas pipe from the proposed new gas meter site. Gas pipe will enter unit from the Southeast side into the hot tub room. The pipe will be painted to match exterior colors and will be disguised as best possible.
- 3) Hearth and Home will install a gas fireplace that will have a directed flue. This flue will be installed in the existing chimney. New chimney cap will be installed if necessary.