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REC'D FOR DAVIS COUNTY

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Unit 2 Davis Co Conf Ctr Subd*

**DECLARATION OF CONDOMINIUM OF
THE DAVIS COUNTY CONFERENCE CENTER,
a Utah Condominium Project**

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**DECLARATION OF CONDOMINIUM OF
THE DAVIS COUNTY CONFERENCE CENTER,
a Utah Condominium Project**

THIS DECLARATION OF CONDOMINIUM OF THE DAVIS COUNTY CONFERENCE CENTER, a Utah condominium project ("Declaration") is made and executed by DAVIS COUNTY, UTAH, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, (the "Declarant"), pursuant to the provisions of Title 57, Chapter 8, Utah Code Annotated 1953, as amended.

1. RECITALS.

1.1 Declarant holds both legal and equitable title to the real property located in the County of Davis, State of Utah, hereinafter more particularly described, upon which Declarant desires to develop a mixed use condominium project.

1.2 Declarant intends to provide for the construction and operation a conference center and a hotel at the Project, all in accordance with the terms and conditions of this Declaration.

1.3 The covenants, conditions and restrictions contained in this Declaration and in the Exhibits hereto shall be enforceable equitable servitudes and shall run with the land.

1.4 Recorded simultaneously herewith is a condominium plat of the Project as required by the Act (as hereinafter defined).

1.5 All capitalized terms used in this Declaration shall have the definitions as set forth herein.

1.6 The Project shall be known as The Davis County Conference Center.

2. DEFINITIONS.

2.1 Defined Terms. Unless the context clearly indicates otherwise, certain terms as used in this Declaration and the foregoing Recitals shall have the meanings set forth in this Section 2.

2.2 Act shall mean the Utah Condominium Ownership Act, as amended (Title 57, Chapter 8, Utah Code).

2.3 Additional Land shall mean the land that may be added to the Project in accordance with the provisions of Section 11.

2.4 Amendment shall mean any amendment to this Declaration made in accordance with the Declaration and the Act.

2.5 Association shall mean the Davis County Conference Center Owners Association, an unincorporated association of Owners, organized for the purposes set forth in this Declaration.

2.6 Building shall mean the structure constructed, or to be constructed on the Property, containing conference facilities, a multi-story hotel, and related facilities and improvements, as shown on the Plat and as described in Section 3.

2.7 Bylaws shall mean the Bylaws of the Association, a copy of which is attached hereto as Exhibit "C", as amended from time to time.

2.8 Common Area Manager shall mean the person, firm or company designated by the Management Committee to manage, in whole or in part, the affairs of the Association and the Project.

2.9 Common Areas and Facilities shall mean those portions of the Project not included as part of a Unit, more particularly described in Section 6.1 hereof. The undivided interest in the Common Areas and Facilities appurtenant to each Unit is based upon the Par Value of such Unit as described in Section 6.2 hereof and is set forth in Exhibit "A" hereto.

2.10 Common Assessments shall mean those assessments described in Section 22 to fund the Common Expenses, and include Regular Common Assessments, Special Common Assessments and any other assessments levied by the Association.

2.11 Common Expenses shall mean all expenses of the administration, maintenance, repair, or replacement of the Common Areas and Facilities and all other expenses denominated as Common Expenses by this Declaration or by the Act.

2.12 Common Expense Fund shall mean one or more deposit or investment accounts of the Association into which are deposited the Common Assessments.

2.13 Conference Unit shall mean the Unit designated on the Plat as Unit 1.

2.14 Convertible Land shall mean those portions of the Project that may be converted into Units and Limited Common Areas and Facilities, as provided in Section 12 hereof, and as designated on the Plat.

2.15 Cost of Living Index shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers: U.S. City Average, All Items 1967 = 100 compiled by the Bureau of Labor Statistics, United States Department of Labor. The Index for December 1982-1984 is the reference base index. Declarant may select any other comparable index that measures changes in the cost of living.

2.16 Declarant shall mean Davis County, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, or any successor in interest as defined by the Act.

2.17 Declaration shall mean this Declaration of Condominium, and all amendments, modifications and supplements hereto.

2.18 Hotel Building shall mean that portion of the Building containing Units 2, 3 and 4, as shown on the Plat.

2.19 Hotel Unit shall mean the Unit designated on the Plat as Unit 2.

2.20 Limited Common Areas and Facilities shall mean a portion of the Common Areas and Facilities allocated by the Declaration or the Act, and as shown on the Plat, for the exclusive use of one or more, but fewer than all, of the Units.

2.21 Management Committee shall mean the Management Committee of the Association, elected in accordance with this Declaration and the Bylaws.

2.22 Mortgage shall mean any mortgage, deed of trust or other security instrument (including the seller's rights under a contract for deed) by which a Unit or any part thereof or interest therein is encumbered. A First Mortgage is a Mortgage having priority as to all other Mortgages encumbering a Unit or any part thereof or interest therein.

2.23 Mortgagee shall mean any person or entity named as the mortgagee, beneficiary or holder of the seller's interest under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A First Mortgagee shall mean any person or entity holding a First Mortgage including any insurer or guarantor of a First Mortgage. Any and all Mortgagee protections contained in the Declaration shall also protect the Declarant as the holder of a First Mortgage of a Unit or any interest therein.

2.24 Owner shall mean any person or entity, including Declarant, at any time owning a Unit or an interest in a Unit within the Project. The term "Owner" shall not refer to any Mortgagee, unless such Mortgagee has acquired title for other than security purposes.

2.25 Par Value shall mean the number of points assigned to each Unit as described herein and in the Act. In accordance with the provisions of the Act, the statement of Par Value should not be considered to reflect or control the sales price or fair market value of any Unit.

2.26 Plat shall mean the Condominium Plat of The Davis County Conference Center, recorded in the office of the County Recorder for Davis County, State of Utah, a reduced copy of which is attached hereto as Exhibit "B", as it may be amended from time to time pursuant to this Declaration and the Act.

2.27 Project shall mean the Property, the Units, the Common Areas and Facilities and all improvements submitted by this Declaration to the provisions of the Act.

2.28 Property shall mean that certain real property situated in the Davis County, State of Utah, more particularly described in Section 3 hereinafter, on which the Units and other improvements are or will be located.

2.29 Regular Common Assessments shall mean the annual assessments levied by the Association to pay the budgeted Common Expenses.

2.30 Shared Area shall mean the Hotel Building. The Hotel Building is comprised of Shared Area Units and the Shared Area Common Areas and Facilities.

2.31 Shared Area Common Areas and Facilities shall mean the Common Areas and Facilities located within the Shared Area.

2.32 Shared Area Costs shall mean that portion of the Common Expenses directly attributable to the Shared Area Common Areas and Facilities and borne solely by the Shared Area Unit Owners in accordance with the Shared Area Percentages, as more particularly described in Section 22. It is intended the Shared Area Costs shall constitute the majority of the Common Expenses for the Project, as more particularly described in Section 22.

2.33 Shared Area Percentage shall mean the square footage of the total floor area of each Shared Area Unit divided by the total square footage of the floor areas of all Shared Area Units.

2.34 Shared Area Units shall mean the Units designated on the Plat as Units 2, 3 and 4.

2.35 Special Common Assessments shall mean assessments which the Condominium Association may levy from time to time, in addition to the Regular Common Assessments, for unexpected Common Expenses or other purposes as provided herein.

2.36 Total Votes of the Association shall mean the total number of votes appertaining to all Units, as described in Section 9 hereof.

2.37 Unit shall mean a physical portion of the Project designed for separate ownership and occupancy as described in Section 5 hereof.

2.38 Unit Number shall mean the number, letter or combination of numbers and letters that identifies only one Unit in the Project.

3. DESCRIPTION OF THE PROPERTY AND THE IMPROVEMENTS.

3.1 The Property on which the Units and improvements are or will be located is situated in Davis County, Utah and more particularly described as follows:

All of Davis County Conference Center Condominiums, a re-subdivision of Lot1 Davis County Conference Center Subdivision.

3.2 The Building and other improvements constructed, or to be constructed, on the Property are described and shown on the Plat. The following information regarding the Building is also contained on the Plat: (i) the number of floors and basements in the Building, and (ii) the number of Units on each floor of the Building, and such other information as the Act shall require.

3.3 The section of the Building comprising the one-story conference center structure consists of steel, concrete and masonry construction. The roof is composed of a single-ply roofing membrane and standing seam metal roof, steel deck, steel joists and joist girders. The

footings below the concrete floor slab. The lateral loads are resisted by a combination of steel tube braced frames and concrete masonry shear walls. The interior non-bearing walls consist of gypsum board panels on metal studs.

3.4 The section of the Building comprising three-story Hotel Building consists of all wood construction with one-hour fire rated floors, walls and ceilings. The roof is constructed of wood sheathing and pre-engineered wood roof trusses. Exterior and interior stud bearing walls support the roof structure, resting on reinforced concrete foundation walls and footings. The floor system will consist of wood floor joists spanning between exterior walls and corridor walls. In some specific spaces, steel beams are used to clear span large areas without columns or bearing walls.

4. SUBMISSION TO ACT.

Declarant hereby submits the Property, the Building and all other improvements thereon to the provisions of the Act. All of the Project is and shall be held, conveyed, hypothecated, encumbered, leased, subleased, rented, used and improved as a condominium project. All of the Project is and shall be subject to the covenants, conditions, restrictions, uses, limitations and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of the Project and in furtherance of a plan for improvement of the Project and division thereof into Units; further, each and all of the provisions hereof shall be deemed to run with the land and shall be a burden and a benefit to the Declarant, the successors and assigns of the Declarant, and any person acquiring, leasing, subleasing or owning an interest in the real property and improvements comprising the Project, their assigns, lessees, sublessees, heirs, executors, administrators, devisees and successors.

5. DESCRIPTION OF UNITS.

5.1 The Plat contains the Unit number, boundary line, location and dimensions of each Unit in the Project and all other information necessary to identify each such Unit. The square footage of each Unit is set forth in Exhibit A to this Declaration.

5.2 The Conference Unit shall consist of a portion of the Building as shown on the Plat, bounded by the finished exterior surfaces of its perimeter walls and roof, as said boundaries are shown on the Plat, together with all fixtures and improvements therein contained. Without limitation, the Conference Unit shall include all finishing material applied or affixed to the exterior and interior surfaces, floors and ceilings; non-supporting and interior walls; and all utility outlets, fixtures or appliances found within the boundary lines of the Conference Unit and servicing only the Conference Unit. In addition, the following shall be considered part of the Conference Unit: bearing walls, floors, ceilings and roofs, foundations, ceiling equipment, elevators, hallways, HVAC, above roof service units and equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires and other utility installations.

5.3 Each Shared Area Unit shall consist of a portion of the Hotel Building as shown on the Plat consisting of enclosed areas occupying part of the Hotel Building and bounded by the undecorated and/or unfinished interior surfaces of its perimeter walls, bearing walls, lowermost floor, uppermost ceiling, and the interior surfaces of windows and doors, as said boundaries are

shown on the Plat, together with all the fixtures and improvements therein contained. The interior surfaces of the doors and windows mean the points at which such surfaces are located when such window or door is closed. Each Shared Area Unit shall include both the portions of the Hotel Building that are not Common Areas and Facilities within such boundary lines and the space so encompassed, excepting Common Areas and Facilities. Without limitation, a Shared Area Unit shall include any finishing material applied or affixed to the interior surfaces of the interior walls, floors and ceilings; non-supporting interior walls; and all utility outlets, fixtures or appliances found within the boundary lines of the Shared Area Unit and servicing only that Shared Area Unit. Notwithstanding the fact that they may be within the boundaries of the Shared Area Unit, the following are not part of a Shared Area Unit insofar as they are necessary for the support or for the use and enjoyment of another Unit: bearing walls, floors, ceilings and roofs (except the interior surfaces thereof), foundations, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires and other utility installations, except the outlets thereof when located within the Shared Area Unit.

5.4 Except as otherwise provided herein, the boundaries of the Units are vertical and horizontal planes as shown on the Plat.

6. DESCRIPTION AND OWNERSHIP OF COMMON AREAS AND FACILITIES.

6.1 The Common Areas and Facilities shall mean and include the Property on which all Units are located and all portions of the Project not included as part of any Unit; the grounds designated as part of the Common Areas and Facilities on the Plat; and all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as Common Areas and Facilities on the Plat or any amended Plat; and all repairs and replacements of any of the foregoing. The Shared Area Common Areas and Facilities shall include the foundation, columns, girders, beams, supports, exterior and bearing walls, roofs, halls, corridors, fire escapes and entrances and exits of the Shared Area Units, and all of the following elements and facilities serving more than one Unit, but only to the extent that they serve more than one Unit: power, light, gas, hot and cold water, heating, air conditioning and ventilating, garbage collection, tanks, pumps, motors, fans, ducts, utility pipes, ducts, flues, chutes, wires, conduits and other utility installations to the outlets used therewith. In the event of a conflict between this Declaration and the Plat, the provisions of the Declaration shall control.

6.2 The undivided interest in the Common Areas and Facilities appurtenant to each Unit in the Project is set forth in Exhibit "A" attached hereto and is based upon the Par Value of such Unit, which is determined by the number of points allocated to each Unit. There shall be one (1) point of Par Value allocated to each square foot of the area bounded by the footprint on the Property of each Unit. Where one or more Units are stacked vertically (e.g. Units 2, 3 and 4), the area of the footprint beneath such stacked area shall be equitably allocated to the Par Value of each such Unit based upon the relative floor area of the space constructed upon such footprint. The percentage of undivided interest in the Common Areas and Facilities appurtenant to each Unit shall be determined by dividing the number of points allocated to that Unit by the total number of points allocated to all Units in the Project. In accordance with the provisions of the Act, the statement of Par Value shall not be considered to reflect or control the sales price or fair market value of any Unit. Except as otherwise provided in this Declaration, the undivided

interest appurtenant to each Unit shall have a permanent character and shall not be altered. Provided, however, Declarant reserves the right to determine points with respect to Units created pursuant to Sections 11 and 12 hereof, and to adjust the undivided interest of each Unit in the Common Areas and Facilities following any addition of Units to the Project, in accordance with the formulas set forth in Sections 11 and 12. The sum of the undivided interests in the Common Areas and Facilities allocated to all Units shall at all times equal one hundred percent. Declarant is authorized to round the undivided interest of one or more Units in order to cause the total to equal one hundred percent. The undivided interest in the Common Areas and Facilities appurtenant to each Unit in the Project shall not be altered except with the unanimous written consent of all Owners expressed in an amendment to this Declaration duly recorded.

7. DESCRIPTION OF LIMITED COMMON AREAS AND FACILITIES.

7.1.1 Limited Common Areas and Facilities shall mean a portion of the Common Areas and Facilities reserved for the use of certain Owners to the exclusion of other Owners. The Limited Common Areas and Facilities shall be those areas designated as such on the Plat, in this Declaration or as provided for by the Act. The use and occupancy of designated Limited Common Areas and Facilities shall be reserved to the Units as shown on the Plat or as specified in this Declaration.

8. NATURE AND INCIDENTS OF UNIT OWNERSHIP.

8.1 Each Unit is and shall hereafter be a parcel of real property which may be separately held, conveyed, devised, mortgaged, encumbered, leased, rented, used, occupied, improved and otherwise affected in accordance with the provisions of this Declaration.

8.2 Subject to the limitations contained in this Declaration, each Owner shall have the non-exclusive right to use and enjoy the Common Areas and Facilities and the exclusive right to occupy and use their Unit and any Limited Common Areas and Facilities designated for exclusive use by such Owner.

8.3 Each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the surfaces of the walls, ceilings, floors and doors forming the boundaries of his Unit and surfaces of all walls, ceilings, floors and doors within such boundaries. Each Owner shall keep the interior of their Unit, including without limitation, interior walls, windows, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. The Owner of Unit 1 shall also be responsible for the care and maintenance of the exterior of such Unit, which shall at all times be kept in a state of good repair.

8.4 With the written consent of the Management Committee, two or more Units may be utilized by the Owner(s) thereof as if they were one Unit. To the extent permitted in the written consent of the Management Committee, any walls, floors or other structural separations between any two such Units, may, for as long as the two Units are utilized as one Unit, be utilized by the Owner(s) of the adjoining Units as Limited Common Areas and Facilities, except to the extent that any such structural separations are necessary or contain facilities necessary for the support, use or enjoyment of other parts of the Project. At any time, upon the 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 the structural separation, shall be closed, at the equal expense of the Owner(s) of each of the two Units and the structural separations between the two Units shall thereupon become Common Areas and Facilities.

8.5 Units may be subdivided or combined as set forth in the following paragraphs:

8.5.1 No Unit or Units shall be subdivided and/or combined either by agreement or legal proceedings, except as provided in this Section 8.5. An Owner or Owners may propose subdividing or combining Units by submitting the proposal in writing to the Management Committee, the Mortgagees of the Unit(s) to be subdivided or combined and, if required by applicable law, to Layton City. The proposal must include complete plans and specifications for accomplishing the subdivision or combination and proposed amendments of this Declaration and the Plat.

8.5.2 A proposal that contemplates subdivision of a Unit will be accepted only if approved in writing by the Management Committee, the Mortgagees of the Unit(s) to be subdivided and by Layton City, to the extent required by applicable law. The Management Committee may approve the proposal as to form and legal sufficiency. Layton City, if required, may approve the proposal as to applicable planning and zoning requirements. No proposal shall be approved unless the resulting Unit(s) provide adequate facilities and means of ingress and egress to comply with applicable building codes, zoning and condominium statutes and regulations.

8.5.3 A proposal to subdivide Units shall provide for reallocation of the percentage ownership in the Common Areas and Facilities among the resulting Units consistent with the provisions of Section 6.2, so that the combined percentages of ownership of the resulting Unit(s), are identical with the percentage ownerships of the subdivided Unit(s) prior to subdivision.

8.5.4 The Owner(s) of the Unit(s) to be subdivided or combined shall be responsible for all costs associated with the proposal and its implementation including but not limited to costs of amendment and recording of the Declaration and Plat to effect the proposal; review of the proposal, including reasonable attorneys' fees incurred by the Management Committee, the Mortgagees and Layton City; and the cost of any modifications to the Project to implement the proposal.

8.5.5 Upon approval of the proposal, the Owner(s) making the proposal may proceed according to the proposed plans and specifications; provided that the Management Committee may, in its discretion, require that the Management Committee administer the work, or that provisions for the protection of other Units or Common Areas and Facilities and/or reasonable deadlines for completion of the work be inserted in the contracts for the work. The changes in the Plat, if any, and the changes in the Declaration shall be placed of record, at the requesting Owner's expense, as amendments thereto.

8.6 Notwithstanding anything in this Declaration to the contrary, the Owner of the Hotel Unit shall have the right to make alterations and modifications to the exterior surfaces of the Hotel Building as the Owner of the Hotel Unit shall deem necessary, including alterations and modifications to the roof or any exterior walls, doors or windows without the prior written approval of the Management Committee or any Owner. No structural alterations or modifications to the exterior surfaces of the Hotel Unit shall be made without the prior written approval of the Conference Unit Owner. The Owner of the Conference Unit shall have the right to make exterior alterations and modifications to the Conference Unit, whether structural or cosmetic, without the consent of the Management Committee or any other Owner.

8.7 The persons or entities who are at the time of reference Owners shall be members of the Association, the characteristics and nature of which are determined by the Act, the Declaration, the Bylaws and other applicable Utah law.

9. VOTING.

9.1 At any meeting of the Association, each Owner of a Unit, including Declarant, either in person or by proxy, shall be entitled to vote, subject to Section 9.2 hereof, the number of votes appurtenant to each respective Unit as set forth in this Section 9.1 and in Exhibit "A". The voting rights appurtenant to each Unit shall vest upon execution and recording of this Declaration. The number of votes appurtenant to each respective Unit shall be based on the ratio of the respective points of each Unit to all other Units as set forth in Exhibit "A". The number of votes appurtenant to each Unit shall have a permanent character, and, except as otherwise permitted and provided for in this Declaration, shall not be altered without the unanimous consent of all Owners expressed in a duly recorded Amendment.

9.2 Notwithstanding anything herein or in the Bylaws to the contrary, all matters which call for a vote, consent or approval or determination by the Owners, shall also require the mutual agreement of both the Owner of the Conference Unit and the Owner of the Hotel Unit.

10. TITLE TO UNITS.

10.1 Title to a Unit within the Project may be held or owned by any person or entity and in any manner in which title to any other real property may be held or owned in the State of Utah.

10.2 Title to no part of a Unit within the Project may be separated from any other part thereof during the period of ownership, and each Unit and the undivided interest in the Common Areas and Facilities appurtenant to each shall always be conveyed, devised, encumbered and otherwise affected only as a complete Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Unit or any part thereof, shall be construed to be a gift, devise, bequest, transfer, encumbrance or conveyance, respectively, of the entire Unit together with all appurtenant rights created by law and by this Declaration, including appurtenant membership in the Association as herein set forth.

10.3 The Common Areas and Facilities shall be owned in common by all of the Owners, and no Owner may bring any action for partition thereof.

10.4 Each Owner shall have the right to encumber his interest in a Unit with a Mortgage. However, no Owner shall attempt to or shall have the right to encumber the Common Areas and Facilities or any part thereof except the undivided interest therein appurtenant to his interest in a Unit. Any Mortgage of any Unit within the Project 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.

10.5 No labor performed or services or materials furnished with the consent of or at the request of an Owner may be the basis for the filing of a lien against the Unit of any other Owner, or against any part thereof, or against any other property of any other Owner, unless the other Owner has expressly consented to or requested the performance of such labor or furnishing of such services. Express consent shall be deemed to have been given by the Owner in the case of emergency repairs thereto. Labor performed or services or materials furnished for the Project, if authorized by the Association and provided for in the Declaration, shall be deemed to be performed or furnished with the express consent of each Owner. The Owner may remove his Unit from a lien against two or more Units or any part thereof by payment to the holder of the lien of the fraction of the total sums secured by such lien which is attributable to his Unit.

10.6 Every contract for the sale of a Unit and every other instrument affecting title to a Unit within the Project may describe a Unit by the name of the Project, the recording date for this Declaration, the county wherein the Project is located and its Unit Number as indicated in this Declaration or as shown on the Plat. Such description will be construed to describe the Unit together with the appurtenant undivided interest in the Common Areas and Facilities, and to incorporate all the rights incident to ownership of a Unit within the Project and all of the limitations on such ownership as described in this Declaration.

10.7 Each Unit and appurtenant undivided interest in the Common Areas and Facilities, 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 or of any special improvement district or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Areas and Facilities shall be apportioned among the Units in proportion to the undivided interests in Common Areas and Facilities appurtenant to such Units. All such taxes, assessments and other charges on each respective Unit shall be separately levied against the Owner thereof. 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. Notice of assessment, delinquency, sale, or any other purpose required by law, will be considered sufficiently given to an Owner if such notice is given to the Management Committee.

10.8 This Declaration and the Plat shall be recorded prior to the completion of the construction of the Building and the conveyance of Units. Any conveyance of a Unit prior to the completion of construction shall grant to the Owner of such Unit the right to construct the Unit as shown on the Plat, and the Owner of the Unit shall be entitled, upon conveyance, to all other traditional property rights accruing to the owner of real property under Utah law, including the right to encumber the Unit in accordance with Section 10.4 above.

11. OPTION TO EXPAND.

11.1 Declarant hereby reserves, pursuant to Section 57-8-13.6 of the Act, the option to expand the Project (the "Option to Expand") upon the terms and provisions set forth in this Section 11 without the prior consent of the other Owners or the Association. The Option to Expand must be exercised no later than seven (7) years from the date of recording this Declaration. The terms and conditions of the option to expand shall be as follows:

11.1.1 The real property subject to the Option to Expand consists of the real property sometimes hereinafter referred to as "the Additional Land," being more particularly described as follows:

All of Lot 2, Davis County Conference Center Subdivision, Layton City, Davis County, Utah, according to the official plat thereof.

11.1.2 Subject to the provisions of paragraph 11.1.3 below, the Option to Expand may be exercised at different times as to portions of the Additional Land described in paragraph 11.1.1 and in any order elected by the Declarant. No assurance is made with regard to which portions of the Additional Land, if any, will be added to the Project or the order in which such portions will be so added. In the event the Option to Expand is exercised with respect to a portion of the Additional Land, the Option to Expand may subsequently be exercised with respect to any other portion of the Additional Land. There are no limitations as to which portions of the Additional Land may be added.

11.1.3 Declarant shall not be restricted in the location of improvements on the Additional Land or in the number of Units that may be created on the Additional Land, except as may be required by applicable zoning requirements, ordinances or regulations. The foregoing statement regarding the number of Units to be constructed in the Project is set forth herein for the purpose of satisfying Section 57-8-10(4)(a)(vii) of the Act.

11.1.4 The Units to be located on the Additional Land shall be subject to the same uses as provided in Section 13 hereof as applicable.

11.1.5 The Units to be built on the Additional Land shall be compatible to the Conference Unit. Future improvements shall be compatible with the initial improvements in structure, type, quality of construction, principal materials to be used and architectural style of the future Units. Structures other than buildings containing Units may be erected on the Additional Land. Additional improvements may include monuments and architectural features, parking areas, walkways and landscaping of the Common Areas and Facilities contained therein, but Declarant makes no assurances regarding such other improvements. Declarant reserves the right to add additional Limited Common Areas and Facilities to the Additional Land without limitation.

11.1.6 The ownership interest in the Common Areas and Facilities, the corresponding responsibility for Common Assessments and the votes for all Units in the Project shall be changed at the time Declarant records an Amendment and amended Plat reflecting Declarant's exercise of the Option to Expand in accordance with the provisions

set forth in paragraph 10.1.7 below. Said changes in ownership interest and votes shall be reflected in an amended Exhibit "A" to this Declaration to be filed with the Davis County Recorder as part of the Amendment; provided, however, such changes shall not modify the requirements of Section 9.2. It is contemplated that there may be multiple Amendments filed by Declarant and such Amendments are hereby expressly authorized.

11.1.7 Declarant shall calculate and revise the undivided interest for each Unit in the Project based upon the following formula:

$$\frac{\text{Number of points assigned to a Unit}}{\text{Number of points assigned to all Units}} = \text{Ownership Interest in the Common Areas and Facilities of the Project}$$

Declarant shall have the right to adjust the resulting ownership interests of all Units in the Common Areas and Facilities of the Project as may be necessary to assure that the total ownership interest equals 100% (or one) as required by the Act.

11.1.8 Each Owner, by execution of a contract for deed or the acceptance of a deed to a Unit in the Project, shall be deemed to have consented to all provisions of this Section, including the procedure for adjustment of Unit ownership interests pursuant to paragraph 11.1.7 hereof. After the filing for record of any amended Exhibit "A" to this Declaration and the amended Plat reflecting Declarant's exercise of the option to expand, or any part thereof, legal and equitable title to each Unit thereby created within the Additional Land including its appurtenant ownership interest in the Common Areas and Facilities shall be vested in and held by Declarant and none of the other Owners shall have any claim or title to or interest in such Unit or its appurtenant ownership interest in the Common Areas and Facilities.

11.1.9 Declarant reserves the right to create Limited Common Areas and Facilities within the Additional Land including porches, balconies, parking stalls or other improvements intended to serve a single Unit. In addition, Declarant reserves the right to designate hallways and other portions of the improvements constructed on the Additional Land as Limited Common Areas and Facilities in accordance with the other terms and provisions of this Declaration. The size, type and total number of such Limited Common Areas and Facilities shall be reasonable and shall be appropriate to the Units involved in light of the number and nature of Units created within the Additional Land.

11.1.10 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 Project prior to or subsequent to adding all or portions of the Additional Land.

11.1.11 No provision of this Section 11 shall be amended without the prior written consent of Declarant, so long as Declarant owns or has the right to acquire any Units in the Project.

12. OPTION TO CONVERT LAND.

12.1 Declarant hereby reserves the option, pursuant to Section 57-8-13(2) of the Act, to commence construction of Buildings, create additional Units or Limited Common Areas and Facilities within portions of the Property (collectively "the Option to Convert Land") upon the terms and provisions set forth in this Section without the prior consent of the Owners or the Association at any time prior to the expiration of five (5) years from the date of recording of this Declaration. Any portion of the Property which is so utilized is or may be referred to as land "Converted" under the option or "Convertible Land." The terms and conditions of the Option to Convert Land shall be as follows:

12.1.1 The real property subject to the Option to Convert Land consists of the real property more particularly described as follows:

Convertible Land

[See Exhibit D attached hereto]

12.1.2 Subject to the provisions of Section 12.1.3 below, the Option to Convert Land may be exercised at different times as to portions of the parcels described in Section 12.1.1 and in any order elected by the Declarant. No assurance is made with regard to which portions of the Convertible Land if any, will be converted to Units or Limited Common Areas and Facilities or the order in which such portions will be so converted. In the event the Option to Convert Land is exercised with respect to a portion of the Convertible Land, the Option to Convert Land may or may not, at Declarant's sole discretion, be exercised with respect to any other portion of the Convertible Land.

12.1.3 Declarant shall not be restricted in the location of improvements on the Convertible Land or in the number of Units that may be created on the Convertible Land, except as may be required by applicable zoning requirements, ordinances or regulations.

12.1.4 The Units to be located on the Convertible Land shall be subject to the same uses as provided in Section 13 hereof as applicable. None of the improvements to the Convertible Land may be used for residential or hotel purposes.

12.1.5 The Units to be built on the Convertible Land shall be compatible with the Conference Unit. Future improvements shall be compatible with the initial improvements in structure type, quality of construction, principal materials to be used and architectural style of the future Units. Structures other than buildings containing Units may be erected on the Convertible Land. Further improvements may include monuments and architectural features, parking areas, walkways and landscaping of the Common Areas and Facilities contained therein. Declarant reserves the right to add additional Limited Common Areas and Facilities to the Convertible Land without limitation.

12.1.6 To the extent Declarant adds Units to the Project, the ownership interest in the Common Areas and Facilities and the corresponding responsibility for Common Assessments and votes for all Units in the Project shall be changed at the time Declarant records an Amendment and amended Plat reflecting Declarant's exercise of the

Option to Convert Land in accordance with the provisions set forth in Section 12.1.7 below. Said changes in ownership interest and votes shall be reflected in an amended Exhibit "A" to this Declaration to be filed with the Davis County Recorder simultaneously with the filing of the amended Plat; provided, however, such changes shall not modify the requirements of Section 9.2. It is contemplated that there may be multiple amendments filed by Declarant and such amendments are hereby expressly authorized.

12.1.7 Declarant shall calculate and revise the undivided interest for each Unit in the Project based upon the following formula:

$$\frac{\text{Number of points assigned to a Unit}}{\text{Number of points assigned to all the Units}} = \frac{\text{Ownership Interest in the Common Areas and Facilities of the Project}}{\text{Ownership Interest in the Common Areas and Facilities of the Project}}$$

12.1.8 Each Owner, by execution of a contract for deed or the acceptance of a deed to a Unit in the Project, shall be deemed to have consented to all provisions of this section, including the procedure for adjustment of Unit ownership interests pursuant to paragraph 12.1.7 hereof. After the filing for record of any amended Exhibit "A" to this Declaration and the amended Plat reflecting Declarant's exercise of the Option to Convert Land, or any part thereof, title to each Unit thereby created within the Convertible Land including its appurtenant ownership interest in the Common Areas and Facilities shall be vested in and held by Declarant and none of the other Owners shall have any claim or title to or interest in such Unit or its appurtenant ownership interest in the Common Areas and Facilities.

12.1.9 Declarant reserves the right to create Limited Common Areas and Facilities within the Convertible Land including porches, balconies, parking stalls or other apparatus or air space intended to serve a single Unit or multiple units. In addition, Declarant reserves the right to designate hallways and other portions of the improvements to the Convertible Land as Limited Common Areas and Facilities in accordance with the other terms and provisions of this Declaration. The size, type and total number of such Limited Common Areas and Facilities shall be reasonable and shall be appropriate to the Units involved in light of the number and nature of Units created within the Convertible Land.

12.1.10 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 Project prior to or subsequent to converting all or portions of the Convertible Land.

12.1.11 No provision of this Section 12 shall be amended without the prior written consent of Declarant, so long as the Declarant owns any Units in the Project.

13. RESTRICTIONS ON USE.

The Units and Common Areas and Facilities, including but not limited to the Limited Common Areas and Facilities, except as otherwise permitted in writing by the Management Committee as applicable, shall be used in accordance with the following restrictions:

13.1 The Units within the Project may be used only for commercial and retail uses permitted by Layton City, including but not limited to conference and convention facilities, hotels, restaurants, retail businesses, business offices, professional offices, government offices, health and fitness facilities, and for such other uses as may be allowed under applicable law; provided, however, that if the particular use of any Unit increases the rate of insurance on the Project or any part thereof over what the Association, but for such activity, would pay, the Owner of such Unit shall be assessed for and shall pay the amount of such increase.

13.2 All customers, clients, patrons, and licensees of Owners of Units shall be permitted to enter upon the Project and shall have a non-exclusive easement across the Common Areas and Facilities to the extent reasonably necessary for access to such Units.

13.3 No noxious, offensive or illegal activity shall be carried on in or upon any part of the Project nor shall anything be done on or placed in or upon any part of the Project which is or may become a nuisance or may cause embarrassment, disturbance or annoyance to Owners.

13.4 No activities shall be conducted, or improvements constructed, in or upon any part of the Project which are or may become unsafe or hazardous to any person or property.

13.5 Except for those signs erected at or on the Hotel Unit and Conference Unit or the Common Areas and Facilities adjacent to the same, consistent with the operations thereon and approved by Layton City, no signs, flags or advertising devices of any nature, including, without limitation, political, informational or directional signs or devices, shall be erected or maintained on any part of the Project, except as may be necessary temporarily to caution or warn of danger or as approved by the Management Committee and Layton City (if required by law) with respect to the Units.

13.6 No Owner shall, without the prior written consent of the Management Committee, do any act that would impair the structural soundness or integrity of the Buildings or the safety of property, impair any easement or hereditament appurtenant to the Project, or make or permit to be made any alteration, improvement or addition to the Common Areas and Facilities.

13.7 There shall be no obstruction of the Common Areas and Facilities by any Owner. Owners shall neither store nor leave any of their property in the Common Areas and Facilities, other than Limited Common Areas and Facilities appurtenant to their Unit, except with the prior consent of the Management Committee. The foregoing shall not preclude the placement, maintenance and service of delivery or courier service receptacles in the Common Areas at the discretion of the Management Committee.

13.8 Nothing shall be done or kept in any Unit or in the Common Areas and Facilities or any part thereof which would result in cancellation of the insurance on the Project or any part thereof, nor shall anything be done or kept in any Unit which would increase the rate of

insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas and Facilities or any part thereof which would be in violation of any statute or rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas and Facilities or any part thereof shall be committed by any Owner or guest, lessee, licensee or invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his guests, lessees, licensees or invitees.

13.9 Each Owner shall comply strictly with all rules and regulations adopted by the Association for the governance of the Units, the Common Areas and the Project, as such rules and regulations may be modified, amended and construed by the Association in the reasonable discretion of the Management Committee, so long as they do not conflict with this Declaration and the Bylaws.

14. ASSOCIATION AND MANAGEMENT COMMITTEE

14.1 The persons or entities who are at the time of reference the Owners constitute an unincorporated association and not a legal entity, the characteristics and nature of which are determined by the Act, the Declaration and the Bylaws. The name in which contracts shall be entered into, title to property shall be acquired, held, dealt in and disposed of, bank accounts shall be opened and suits shall be brought and defended by the Management Committee or officers thereof on behalf of, or as agent for the Owners in the manner specified by the Act, this Declaration and/or the Bylaws, is: Davis County Conference Center Owners Association.

14.2 The management and maintenance of the Project and the administration of the affairs of the Association shall be conducted by a Management Committee consisting of not less than (2) nor more than (5) natural persons who need not be Owners. The Management Committee shall be elected as provided in the Bylaws. Unless and until the Owners of the Conference Unit and the Hotel Unit agree otherwise, the Management Committee shall consist of one (1) member selected by the Owner of the Conference Unit and one (1) member selected by the Owner of the Hotel Unit.

14.3 The Management Committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration and the Bylaws, including but not limited to the following:

14.3.1 To make and enforce all rules and regulations covering the operation and maintenance of the Project and the Units.

14.3.2 To engage the services of a manager or managing company, accountants, attorneys or other employees or agents and to pay to said persons a reasonable compensation therefor.

14.3.3 To operate, maintain, repair, improve and replace the Common Areas and Facilities.

14.3.4 To determine and pay the Common Expenses including expenses of maintenance, repair and replacement of the Common Areas and Facilities.

14.3.5 To assess and collect the proportionate share of Common Expenses from the Owners, as provided in Section 22 hereinafter.

14.3.6 To enter into contracts, deeds, leases and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers.

14.3.7 To open bank accounts on behalf of the Association and to designate the signatures therefor.

14.3.8 To purchase, hold, sell, convey, mortgage or lease any one or more Units in the name of the Association or its designee.

14.3.9 To bring, prosecute and settle litigation for itself, the Association and the Project.

14.3.10 To obtain insurance for the Association with respect to the Shared Area Units and the Common Areas and Facilities, as well as worker's compensation insurance.

14.3.11 To repair or restore the Project following damage or destruction or a permanent taking by the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation not resulting in the removal of the Project from the provisions of the Act.

14.3.12 To own, purchase or lease, hold and sell or otherwise dispose of, on behalf of the Owners, items of personal property necessary to or convenient to the management of the business and affairs of the Association and the Management Committee and in the operation of the Project, including without limitation furniture, furnishings, fixtures, maintenance equipment, appliances and office supplies.

14.3.13 To keep adequate books and records.

14.3.14 To do all other acts necessary for the operation and maintenance of the Project, including the maintenance and repairing of any Unit if the same is necessary to protect or preserve the Project.

14.4 Members of the Management Committee, the officers and any assistant officers, agents and employees of the Association (i) shall not be liable to the Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; (ii) shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such; (iii) shall have no personal liability in tort to any Owner or any person or entity, direct or imputed, by virtue of acts performed by them, except for their own willful misconduct or bad faith, nor for acts performed for them in their capacity as such; and (iv) shall have no personal liability arising out of the use, misuse or

condition of the Property, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

14.5 The Owners shall indemnify and hold harmless any person, his heirs and personal representatives, from and against all personal liability and all expenses, including attorneys' fees, incurred or imposed, or arising out of or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, instituted by any one or more Owners, or any other persons or entities, to which he shall be or shall be threatened to be made a party by reason of the fact that he is or was a member of the Management Committee or an officer or assistant officer, agent or employee of the Association, other than to the extent, if any, that such liability or expense shall be attributable to his willful misconduct or bad faith, provided that in the case of any settlement, the Management Committee shall have approved the settlement, which approval is not to be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement, vote of Owners or the Management Committee or otherwise. The indemnification by the Owners as contained herein shall be paid by the Management Committee on behalf of the Owners and shall constitute a Common Expense and shall be assessed and collected as such.

15. MAINTENANCE, ALTERATION AND IMPROVEMENT.

15.1 The Association, subject to the obligations and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive maintenance, replacement, repair and management of the Common Areas and Facilities and all improvements thereon and shall keep the same in a good, clean, attractive, safe and sanitary condition, order and repair. The Association shall also be responsible for maintenance, repair and replacement of Common Areas and Facilities within the Buildings, except as otherwise provided in this Declaration. All goods and services procured by the Association in performing its responsibilities under this Section shall be paid for with funds from the Common Expense Fund. All incidental damages caused to a Unit by the maintenance, replacement and repairs of the Common Areas and Facilities shall be repaired promptly and the cost thereof charged as a Common Expense.

15.2 Some of the Common Areas and Facilities are or may be located within the Units or may be conveniently accessible only through the Units. The Association shall have the irrevocable right to have access to each Unit and to all Common Areas and Facilities from time to time during such reasonable hours as may be necessary for the cleaning, repair or replacement of any Common Areas and Facilities or for making any emergency repairs at any time and when necessary to prevent damage to the Common Areas and Facilities or to any Unit. The Association shall also have the irrevocable right to have access to any Unit when necessary in connection with any cleaning, maintenance, repair, replacement, painting, landscaping, construction or reconstruction for which the Association is responsible or for the purpose of abating a nuisance or a known or suspected dangerous or unlawful condition. Such entry shall be made with as little inconvenience to the Owners as is practicable under the circumstances and any damage caused thereby shall be repaired by the Association.

16. INSURANCE.

16.1 The Association shall maintain, to the extent reasonably available, insurance as follows:

16.1.1 The Association shall maintain property insurance on the Shared Area Units and all other Common Areas and Facilities insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of insurance, without regard to any deductibles, shall be not less than one hundred percent of the replacement value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies.

16.1.2 The Association shall maintain liability insurance in an amount determined by the Management Committee covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Shared Area Units and the Common Areas and Facilities.

16.2 The insurance maintained under Section 16.1 shall include the Shared Area Units but does not include the Conference Unit or any improvements and betterments installed by Owners or the personal property of Owners. Each Owner shall be responsible for insuring such items owned by it. The Association may carry any other insurance it deems appropriate to protect the Association or the Owners.

16.3 Where applicable, insurance policies carried by the Association shall provide the following:

16.3.1 Each Owner, or the Association, as applicable, as agent for each of the Owners, shall be an insured person under the policy with respect to liability or loss arising out of his interest in the Common Areas and Facilities or membership in the Association.

16.3.2 The insurer waives its right to subrogation under the policy against any Owner.

16.3.3 No act or omission by any Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or operate as a condition to recovery under the policy by another person.

16.3.4 If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy provides secondary insurance.

16.3.5 All Owners as a class shall be named as additional insureds in any policy issued to the Association.

16.4 An insurance policy issued to the Association shall not prevent an Owner from obtaining insurance for his own benefit.

16.5 The Owner of the Conference Unit shall maintain, at its sole cost and expense, property insurance on the Conference Unit insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of such insurance, without regard to any deductibles, shall be not less than one hundred percent of the replacement value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies.

16.6 Any loss covered by the property policy obtained by the Association under Sections 16.1.1 and 16.1.2 shall be adjusted with the Association and the insurance proceeds for that loss shall be payable to the Management Committee as trustee. The Management Committee shall hold any insurance proceeds in trust for the Association, Owners and Mortgagees as their interests may appear. Subject to the provisions of Section 17 of this Declaration, the proceeds shall be disbursed first for the repair or restoration of the damaged property, and the Association, Owners and Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Project is terminated.

16.7 An insurer that has issued an insurance policy under this Section shall issue certificates or memoranda of insurance to the Association and, on written request, to any Owner or Mortgagee. The insurer issuing the policy shall not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association as applicable, each Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

16.8 This Section does not prohibit the Management Committee from acquiring additional or greater amounts of coverage as it reasonably deems appropriate.

16.9 The Management Committee may require Common Area Manager to obtain and maintain fidelity bonding of Common Area Manager and employees of the Association having control of, or access to, the funds of the Association with loss coverage ordinarily not less than the maximum amount of funds of the Association over which the principal(s) under the bond may reasonably be expected to have control or access at any time.

16.10 To the extent reasonably possible, the Management Committee shall cooperate with respect to obtaining insurance policies and shall coordinate coverage where and as needed to avoid overlapping or duplicative coverage.

17. DESTRUCTION OR DAMAGE.

17.1 In case of fire or any other disaster which causes damage or destruction to all or part of the Project, the Management Committee, with the help of an independent appraiser, shall determine the percentage that was destroyed or substantially damaged. If less than three-fourths (3/4) of the Project was destroyed or substantially damaged, the Management Committee shall arrange for the prompt repair and restoration thereof, using the proceeds of insurance on the

Project for that purpose (with the insurance obtained by the Association being used exclusively for the restoration of the Shared Area Units and Common Areas and Facilities and the insurance obtained by the Owner of the Conference Unit being used exclusively for the restoration of the Conference Unit). The Owners shall be liable for assessment for any deficiency of insurance proceeds with respect to the Shared Area Units and Common Areas and Facilities, in accordance with their Shared Area Percentages. The Owner of the Conference Unit shall be solely responsible for any deficiency of insurance proceeds in connection with the restoration of the Conference Unit. Reconstruction of the Project shall mean restoring it to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas and Facilities having approximately the same vertical and horizontal boundaries as before, unless the destruction or damage is by reason of eminent domain, in which event the provisions of Section 19 hereof shall apply.

17.2 If three-fourths (3/4) or more of the Project is destroyed or substantially damaged, the Management Committee shall, within one hundred (100) days after such destruction or damage, call a special meeting of the Association for the purpose of deciding whether or not the Project shall be repaired and restored. If the Owner of the Conference Unit and the Owner of the Hotel Unit both elect to repair or restore the Project, the Management Committee shall promptly arrange for the reconstruction of the Project, using the proceeds from the Conference Unit insurance for reconstruction of the Conference Unit and the proceeds of insurance on the Hotel Building for the restoration of the Hotel Building. In the event of a shortfall in insurance proceeds, the Owner of the Conference Unit shall be solely liable for any shortfall relating to the reconstruction of the Conference Unit, and the Owners of the Shared Area Units shall be liable for any shortfall relating to the reconstruction of the Hotel Building, in accordance with their Shared Area Percentages. If the destruction or damage is by reason of eminent domain, the provisions of Section 19 hereof shall apply. If the Owner of the Conference Unit or the Owner of the Hotel Unit do not vote to make provision for reconstruction, the Management Committee shall record with the Recorder of Davis County a notice which complies with Section 57-8-31 of the Act setting forth such facts, and upon the recording of such notice (i) the Project shall be deemed to be owned in common by the Owners as tenants in common, each Owner owning an undivided interest in the Project equal to his ownership interest in the Common Areas and Facilities; (ii) any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Owners in the Project; (iii) the Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of sale shall be divided among all Owners in an amount equal to the percentage interest in the Common Areas and Facilities owned by each Owner in the Project, after first paying out of the respective shares of the Owners, to the extent sufficient for such purposes, all sums necessary to satisfy liens on the undivided interest in the Project owned by each Owner; and (iv) the proceeds from the Conference Unit insurance shall be distributed to the Owner of the Conference Unit and the proceeds of insurance on the Hotel Building shall be distributed to the Owners of the Shared Area Units in accordance with their Shared Area Percentages.

18. TERMINATION.

18.1 In the event that such fraction or percentage of the Project is destroyed or substantially damaged so as to bring into effect the provisions of paragraph 17.2 above and the Owners do not vote to reconstruct the Project as provided therein, the Project shall be removed

from the provisions of the Act without further agreement one hundred and one (101) days after such destruction or damage.

18.2 All of the Owners may also, by the unanimous vote of all Owners, remove the Project from the provisions of the Act by an instrument duly recorded to that effect, provided that the holders of all liens affecting any of the Units consent or agree by instruments duly recorded that their liens are transferred to the fractional ownership interest of the Owners in the Project.

18.3 Except as provided in Section 17.2 above, after removal of the Project from the Act, the Owners shall own the Project and all assets of the Association as tenants in common and the respective mortgagees and licensors shall have mortgages and liens upon the respective undivided interests of the Owners. Such undivided interests of the Owners shall be the same as the ownership interest in the Common Areas and Facilities appurtenant to the Units prior to removal from the Act.

18.4 This Section 18 cannot be amended without consent of all Owners and all record owners of Mortgages on Units.

19. EMINENT DOMAIN.

19.1 Whenever any proceeding is instituted that could result in the temporary or permanent taking, injury or destruction of all or part of the Common Areas and Facilities or one or more Units or portions thereof by the exercise of the power of, or power in the nature of, eminent domain or by an action or deed in lieu of condemnation, the Management Committee and each Owner shall be entitled to notice thereof and the Management Committee shall, and the Owners at their respective expense may, participate in the proceedings incident thereto.

19.2 With respect to the Common Areas and Facilities, any damages or awards shall be determined for such taking, injury or destruction as a whole and not for each Owner's interest therein. After such determination, each Owner shall be entitled to a share in the damages in the same proportion as his ownership interest in the Common Areas and Facilities; provided, however that any damages or awards paid for a taking of the Common Areas and Facilities included as part of or within the Hotel Building shall be allocated on the basis of each Owner's Shared Area Percentage. This provision does not prohibit a majority of the Owners from authorizing the Management Committee to use such damages or awards for replacing or restoring the Common Areas and Facilities so taken on the remaining land or on other acquired land, provided that this Declaration and the Plat are duly amended.

19.3 With respect to one or more Shared Area Units or portions thereof, the damages or awards for such taking shall be deemed to be proceeds from insurance on account of damages or destruction pursuant to Section 17 above and shall be deposited with the Management Committee as trustee. Distributions of any such amounts to Owners shall be in accordance with their Shared Area Percentages. Even though the damage or awards may be payable to one or more Owners, the Owners shall deposit the damages or awards with the Management Committee as trustee. In the event an Owner refuses to so deposit his award with the Management Committee, then at the option of the Management Committee, either a special assessment shall

be made against the defaulting Owner and his Shared Area Unit in the amount of this award or the amount of such award shall be set off against the sum hereafter made payable to such Owner. Notwithstanding the above, the Owner of the Conference Unit shall be entitled to the damages or awards for the taking of the Conference Unit or portion thereof.

19.4 In the event the Project is removed from the provisions of the Act pursuant to Section 18 above, the proceeds of the damages or awards shall be distributed or used in accordance with the Owners respective undivided interest in the Common Areas and Facilities and the Owners of the affected Units shall have the rights provided in paragraph 17.2 above.

19.5 If one or more Units are taken, in whole or in part, and the Project is not removed from the provisions of the Act, the taking shall have the following effects:

19.5.1 If the taking reduces the size of a Unit and the remaining portion of the Unit may be made tenantable, the Unit shall be made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owners of the Unit. The balance of the award, if any, shall be distributed to the Mortgagee to the extent of the unpaid balance of its Mortgage and the excess, if any, shall be distributed to the Owner.

19.5.2 If the taking destroys or so reduces the size of a Unit that it cannot be made tenantable, the award shall be distributed to the Mortgagee of the Unit to the extent of the unpaid balance of its Mortgage and the excess, if any, shall be distributed to the Owners of the affected Units. The remaining portion of such Unit, if any, shall become a part of the Common Areas and Facilities and shall be placed in condition for use by all Owners in the manner approved by the Management Committee. The ownership interest in the Common Areas and Facilities appurtenant to the Units that continue as part of the Project shall be equitably adjusted to distribute the ownership of the Common Areas and Facilities among the reduced number of Owners.

19.6 Changes in Units, in the Common Areas and Facilities and in the ownership of the Common Areas and Facilities that are affected by the taking referred to in this Section 19 shall be evidenced by an amendment to this Declaration and the Plat, which need not be approved by the Owners.

20. MORTGAGEE PROTECTION.

20.1 The Management Committee shall maintain a roster of Owners, which roster shall include the mailing addresses of all Owners. The Management Committee will also maintain a roster containing the name and address of each First Mortgagee of a Unit if the Management Committee is provided notice of such First Mortgage by way of a certified copy of the recorded instrument evidencing the First Mortgage and containing the name and address of the First Mortgagee and a statement that the Mortgage is a First Mortgage. The First Mortgagee shall be stricken from the roster upon request by such First Mortgagee or upon receipt by the Management Committee of a certified copy of a recorded release or satisfaction of the First Mortgage. Notice of such removal shall be given to the First Mortgagee unless the removal is requested by the First Mortgagee.

20.2 The Management Committee shall give to any First Mortgagee on the roster written notification of any default by the mortgagor of the respective Unit in the performance of such mortgagor's obligations under the Declaration which is not cured within thirty (30) days.

20.3 Except as otherwise required by the Act, a First Mortgagee of any Unit who comes into possession of the Unit pursuant to the remedies provided in the First Mortgage or foreclosure of the First Mortgage, or by way of deed or assignment in lieu of foreclosure shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrued prior to the time such First Mortgagee comes into the possession of the Unit except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessment or charges to all Units, including the mortgaged Unit. Furthermore, upon such foreclosure or deed or assignment in lieu of foreclosure, any rights with respect to any Unit which have been suspended with respect to the defaulting Owner shall be reinstated.

20.4 Except as otherwise required by the Act, any liens created under the Act, pursuant to this Declaration or the Bylaws upon any Unit shall be subject and subordinate to and shall not affect the rights of a First Mortgagee under a First Mortgage on such Unit made in good faith and for value; provided, however, that any lien created after a foreclosure sale shall have the same effect and be enforced in the same manner as provided in the Act, the Declaration and/or the Bylaws.

20.5 No amendment to this paragraph shall adversely affect a First Mortgagee who has recorded a valid First Mortgage prior to the recordation of any such amendment.

21. AMENDMENT.

21.1 Except as otherwise provided in this Declaration or by the Act, the provisions of this Declaration may be amended only by the affirmative vote or written assent of the Owner of the Conference Unit and the Owner of the Hotel Unit. Any amendment shall be evidenced by an instrument containing a certification from an officer of the Association, designated for that purpose, or in the absence of such designation, by the President of the Association that the appropriate consent has been obtained, and shall be duly recorded in the Office of the Davis County Recorder. Notwithstanding anything to the contrary contained or implied herein, Declarant reserves the right, without the consent of any other Owners, to amend any provisions of this Declaration to clarify any provisions as originally drafted, to correct obvious mistakes or internal inconsistencies, comply with the then existing statutes, regulations or other requirements of the state of Utah or any other federal, state or local regulatory authority affecting the Project.

22. ASSESSMENT OF UNITS BY THE ASSOCIATION.

22.1 The making and collection of assessments by the Association from Owners of Units for their share of Common Expenses shall be pursuant to the Bylaws and subject to the following provisions:

22.1.1 Because of the unique nature and configuration of the Building, with the Shared Area Units and the Conference Unit being structurally independent from each other, portions of the Building comprising the Conference Unit that would normally be

considered common areas and facilities under a typical condominium regime (such as roof, structural walls, foundations, etc.) are included as a part of the Conference Unit under this Declaration and are not part of the Common Areas and Facilities. As a result, the Shared Area Common Areas and Facilities comprise the majority of the Common Areas and Facilities located within the Building, and the Shared Area Costs comprise the majority of the Common Expenses. Declarant acknowledges that under a typical condominium regime, an Owner's share of Common Expenses corresponds to that Owner's undivided interest in the Common Areas and Facilities. However, because the majority of Common Expenses for the Project shall consist of Shared Area Costs and can be attributed solely to the Shared Area, only the Owners of Shared Area Units shall be liable for the Shared Area Costs. The Shared Area Costs shall be allocated and assessed to each Shared Area Unit in proportion to the square footage of each Shared Area Unit in relation to the total square footage of all the Shared Area Units (the "Shared Area Percentages"). Costs associated with the maintenance and repair of the Conference Unit shall not be Common Expenses and the Owner of the Conference Unit shall be responsible for all costs and expenses relating to the repair and maintenance of the Conference Unit, as well as that portion of the Shared Area Costs attributable to the Shared Area Units owned by such Owner. For all Common Expenses that are not Shared Area Costs, the Owners shall be liable for a proportionate share, such share being the same as the undivided ownership interest in the Common Areas and Facilities appurtenant to the Unit owned by them. Two separate and distinct funds shall be created and maintained hereunder, one for operating expenses and one for capital expenses. Within those two funds there shall be a further division of funds between those collected for Shared Area Costs, and those collected for other Common Expenses of the Project. Such combined expenses shall constitute the Common Expenses, and the funds received from Common Assessments under this Section 22 shall be the Common Expense Fund. Common Assessments shall include both Regular Common Assessments (including assessments for Shared Area Costs) and Special Common Assessments (including any Special Assessments relating to Shared Area Costs). Regular Common Assessments must be made at least annually, based on a budget adopted at least annually by the Association in accordance with the provisions of this Declaration and the Bylaws. Regular Common Assessments shall be levied against each separate Unit, but only the Shared Area Units shall have an assessment for Shared Area Costs included in their Regular Common Assessments.

22.1.2 The Association shall provide notice, by first class mail to all Owners, of any increase in the Regular Common Assessments not less than thirty (30) nor more than sixty (60) days prior to the date the increased Regular Common Assessment is due.

22.1.3 In addition to the Regular Common Assessments, the Association may levy in any calendar year, Special Common Assessments applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon any Common Areas and Facilities, including the necessary fixtures and personal property related thereto, and other costs, expenses of operation or shortfalls in the collection of Assessments from the Owners, but only the Shared Area Units shall have an assessment for Shared Area Costs included in their Special Common Assessment. The

portion of any Special Common Assessment levied against a particular Unit shall be determined as set forth in Section 22.1.1 above. These provisions with respect to the imposition or allocation of Special Common Assessments shall not apply when the special assessment against an Owner is a remedy utilized by the Management Committee to reimburse the Association for costs incurred in bringing the Owner and/or his Unit into compliance with the provisions of this Declaration, the Bylaws, rules and regulations of the Association, or any other governing instrument for the Project. Assessments to bring an Owner or his Unit into compliance with the governing instruments or otherwise assessed as a disciplinary measure may not be secured by the lien for unpaid assessments described in Section 22.1.5. The Management Committee shall provide notice by first class mail to all Owners of any Special Common Assessments not less than thirty (30) nor more than sixty (60) days prior to the date such Assessment is due.

22.1.4 All Common Assessments shall be due as determined pursuant to the Bylaws. Common Assessments and any installments thereof not paid on or before ten (10) days after the date when due shall bear interest at the rate of eighteen percent (18%) per annum, or at such lower rate of interest as may be set by the Management Committee, from the date when due until paid. Furthermore, Owners who do not pay their Common Assessments within ten (10) days following the due date may be subject to a late fee established by the Management Committee of up to ten percent (10%) of each assessment. All payments of Common Assessment shall be first applied to accrued interest and late fees, and then to the Common Assessment payment first due. All Common Assessments to pay a judgment against the Association may be made only against the Units in the Project at the time the judgment was entered, in proportion to their liabilities for Common Expenses. If any Common Expense is caused by the misconduct of any Owner, the Association may assess that expense exclusively against such Owner's Unit(s).

22.1.5 To the extent allowed by law, there shall be a lien upon the applicable Unit for all unpaid Common Assessments, together with late fees, interest and costs (including attorneys' fees) charged pursuant to the Declaration and the Act. The lien for unpaid Common Assessments and related charges shall be effective upon recordation in the Office of the Davis County Recorder of a written notice of lien by the Management Committee or the Common Area Manager. Such lien shall be superior (prior) to all other liens and encumbrances except liens and encumbrances recorded before recordation of this Declaration, a First Mortgage on a Unit as provided for in Section 20.3 hereof and assessments, liens and charges in favor of the State of Utah or any political subdivision thereof, for taxes and other governmental assessments or charges past due and unpaid on the Unit. A lien for unpaid assessments shall be enforced in accordance with the provisions of this Section 22 or the then applicable provisions of the Act. In the event of a conflict, the provisions of the Act shall apply. The lien procedures described herein do not prohibit actions to recover sums for which the Act creates a lien or prohibit the Association from taking a deed in lieu of foreclosure. A judgment or decree in any action brought hereunder must include costs and reasonable attorneys' fees for the prevailing party. The Management Committee upon written request shall furnish to an Owner a statement setting forth the amount of unpaid assessments against the Unit. This statement must be furnished within ten (10) business days after receipt of the request and is binding

on the Association, the Management Committee, the Condominium Area Manager and every Owner, in favor of all who rely on such statement in good faith. In furtherance of the lien and foreclosure rights hereunder, the Association may bring an action at law against the Owner personally obligated to pay the same or the Association may foreclose the lien in accordance with the provisions of the Utah Condominium Ownership Act (Title 57, Chapter 8, Utah Code). The Association and each Owner hereby appoint Founders Title Company as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1 Utah Code and made applicable hereto by Title 57, Chapter 8 Utah Code. Provided, however, the Association reserves the right to substitute and appoint a successor trustee as provided for in Title 57, Chapter 1 Utah Code. Each Owner hereby conveys all of its right, title and interest in its Unit to such trustee, in trust, with a power of sale, to secure each Owner's obligations under the Declaration, including but not limited to the obligation to pay all assessments. The Association may, through its duly authorized agents, bid on the Unit at any foreclosure sale and acquire, hold, lease, mortgage and convey the same. So long as there are only two Owners of all of the Units in the Project, if one Owner is delinquent in the payment of assessments, the non-delinquent Owner shall have the authority to take all such action as may be necessary and appropriate on behalf of the Association to exercise the remedies provided hereunder, without the participation or consent of the delinquent Owner.

22.2 The Management Committee shall include in the periodic assessments amounts representing sums to be used for the replacement of or additions to capital items or improvements in the Project. Said amounts shall be dedicated for the uses provided in this Section and shall be set up as capital accounts for each Unit. In the event of transfer of such Unit, the capital account for such Unit shall be deemed transferred to the transferee of the Unit. In assessing the Owners for capital improvements to the Common Areas and Facilities, there shall be no single improvement exceeding the sum of five thousand dollars (\$5,000) (as measured in 2003 dollars and thereafter adjusted by the Cost of Living Index) made by the Management Committee without the same having been first voted on and approved by the vote or written consent one hundred percent (100%) of the Total Votes of the Association. The foregoing shall not apply in connection with damage or destruction referred to in Section 17 herof or to such structural alterations or capital additions or capital improvements to the Common Areas and Facilities as are necessary in the Management Committee's reasonable judgment to preserve or maintain the integrity of the Common Areas and Facilities.

22.3 The Management Committee shall not expend funds designated as reserves for any purpose other than the repair, restoration, replacement or maintenance of major components of the Common Areas and Facilities for which the Association is responsible and for which the reserve fund was established or for litigation involving such matters. Nevertheless, the Management Committee may authorize the temporary transfer of money from the reserve account to the Association's operating account from time to time to meet short term cash flow requirements and pay other expenses. Any such funds so transferred shall constitute a debt of the Association, and shall be restored and returned to the reserve account within three (3) years of the date of the initial transfer; provided, however, the Management Committee may, upon making a documented finding that a delay in the restoration of such funds to the reserve account would be in the best interests of the Project and Association, delay such restoration until the time

it reasonably determines to be necessary. The Management Committee shall exercise prudent fiscal management in the timing of restoring any transferred funds to the reserve account and shall, if necessary, levy a Special Common Assessment to recover the full amount of the expended funds within the time limit specified above. Any such Special Common Assessment shall not be subject to the limitations set forth in Section 22.1.3 hereof. If the current replacement value of the major components of the Common Areas and Facilities which the Association is obligated to repair, replace or restore or maintain is equal to or greater than one-half of the total budgeted Common Expenses for any fiscal year, then at least once every three (3) years the Management Committee shall cause a study to be conducted of the reserve account of the Association and its adequacy to satisfy anticipated future expenditure requirements. The Management Committee shall, thereafter, annually review the reserve account study and shall consider and implement necessary adjustments to reserve account requirements and funding as a result of that review. Any reserve account study shall include, at a minimum:

- (a) Identification of the major components which the Association is obligated to repair, replace, restore or maintain which, as of the date of the study, have a useful life of less than thirty (30) years.
- (b) Identification of the probable remaining useful life the components identified in subparagraph a, above, as of the date of the study.
- (c) An estimate of the cost of repair, replacement, restoration or maintenance of each major component identified in subparagraph (a), above, during and at the end of its useful life.
- (d) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore or maintain each major component during and at the end of its useful life, after subtracting total reserve funds as of the date of the study.

For the purposes of this Section, the term "reserve account requirements" means the estimated funds which the Management Committee has determined are required to be available at a specified point in time to repair, replace or restore those major components which the Association is obligated to maintain.

22.4 If an Owner shall at any time lease his Unit and shall default in the payment of assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant of the Owner (excluding any nightly rentals or other guests occupying any portion of the Hotel Unit, and further excluding any short term occupants of the Conference Center) the rent due or becoming due, and the payment of such rent to the Management Committee shall be sufficient payment and discharge of such tenant and the Owner for such assessments to the extent of the amount so paid. Any lease agreement between an Owner and a lessee respecting a Unit shall be subject in all respects to the provisions of this Declaration and the Bylaws and any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such lease agreements shall be in writing. Other than the foregoing, there is no restriction on the right of any Owner to lease his Unit or use his Unit for purposes customarily involved in hotel and conference center uses, including but not

limited short term rentals. An Owner shall be responsible and liable for any damage to the Project caused by its tenant.

23. EASEMENTS, LICENSES AND ENCROACHMENTS.

23.1 If any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas and Facilities, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Areas and Facilities or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any improvement constructed or to be constructed within the Project, by error in the Plat, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

23.2 Improvements, including Units, Common Areas and Facilities and Limited Common Areas and Facilities, may encroach upon portions of the Common Areas and Facilities. A perpetual easement for such encroachment and the activities necessary to repair, maintain and operate such improvements is hereby granted.

23.3 Each Owner shall have the right to ingress and egress over, upon and across the Common Areas and Facilities as necessary for access to the Unit he is occupying and to any Limited Common Areas and Facilities appurtenant to his Unit, and shall have the right to the horizontal, vertical and lateral support of his Unit.

23.4 The Association shall have an easement to make such use of the Common Areas and Facilities as may be necessary or convenient to perform the duties and functions that each is obligated or permitted to perform pursuant to this Declaration.

23.5 Each Owner shall have the right to ingress and egress over, upon and across the hallways, landings, stairways and other access ways within a Unit for emergency purposes or as may be required by any statute or rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

23.6 All conveyances of Units within the Project hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

24. NOTICES.

Any notice permitted or required to be delivered as provided herein may be delivered either personally, by first class mail, by express mail or overnight courier service providing proof of delivery, or by telecopy or facsimile transmission. Notice to Owners shall be addressed to each Owner at the address given by such Owners to the Management Committee as applicable for the purpose of service of such notice or to the Unit of such Owner if no such address has been given to the Management Committee. Notice shall be deemed given when actually received if personally delivered or sent by overnight courier; if faxed, when the fax is received, except that if the fax is received at a time other than the normal business hours of the office at which it is received, on the next regular business day; and if by mail, the earlier of the day actually received or the third business day after the notice is deposited in the United States Mail, properly addressed and postage prepaid. Such address may be changed from time to time by notice in writing to the Management Committee addressed to:

Management Committee
c/o Davis County Attorney's Office
800 W. State Street
Farmington, Utah 84025

25. NO WAIVER.

The failure of the Management Committee or their agents or designees to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or the Bylaws as applicable, to exercise any right or option herein contained or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance by the Management Committee or its agent or designee of the payment of any assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by the Management Committee of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Management Committee.

26. ENFORCEMENT.

26.1 All Owners, guests or lessees of an Owner, and persons under Owner's control, shall strictly comply with the provisions of the Declaration, the Bylaws, if applicable, and the rules and regulations and decisions issued pursuant thereto. Failure to so comply shall be grounds for: (i) an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee or its agent or designee on behalf of the Owners, or in an appropriate case, by an aggrieved Owner; and/or (ii) the Management Committee to impose monetary penalties, temporary suspensions of an Owner's right to the use of a Unit or the Common Areas and Facilities, or other appropriate discipline so long as any such Owner has been given notice and has had an opportunity to present a written or oral defense to the charges in a hearing. The Management Committee shall determine whether the Owner's defense shall be oral or written. After the hearing, but before any disciplinary action is taken, the Owner shall be

notified of the decision of the Management Committee. The Management Committee may delegate to the Common Area Manager, the power and authority to carry out disciplinary actions duly imposed.

26.2 The Association shall not be empowered to cause the absolute forfeiture of an Owner's right, title or interest in the Project on account of the Owner's failure to comply with the provisions of the Declaration or the rules and regulations for the Project except pursuant to:

26.2.1 The judgment of a court; or

26.2.2 A foreclosure for the failure of an Owner to pay assessments duly levied by the Association.

27. AGENT FOR SERVICE OF PROCESS.

The initial agent for service of process under the Act shall be Gerald E. Hess, whose address is 800 W. State Street, Farmington, Utah 84025.

28. SEVERABILITY.

The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

29. CAPTIONS.

The captions in this Declaration are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

30. LAW CONTROLLING.

This Declaration and the Plat shall be construed and controlled by and under the laws of the State of Utah.

31. EFFECTIVE DATE. This Declaration shall take effect when recorded.

[Signature page follows.]

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have executed this instrument this 7th day of October, 2003.

COUNTY:

DAVIS COUNTY, UTAH, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah

Dannie A McConkie
Chair of its Board of County Commissioners

ATTEST:

Steve S Rawlings
County Clerk/Auditor

STATE OF UTAH)
) :SS.
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me this 7th day of October, 2003, by Steve S Rawlings, the clerk/Auditor of DAVIS COUNTY, UTAH. Dannie A McConkie Chairman, Davis County Commission

Linda May
NOTARY PUBLIC

Commission Expires: 10/5/06
Residing: Farmington, Utah

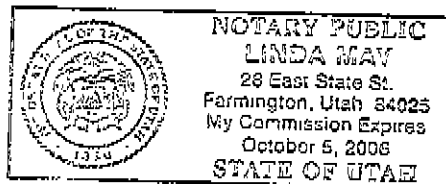


EXHIBIT "A"

**List of Units, Square Footage, Par Value Points,
Vote Percentage and Undivided Interests in Common Areas**

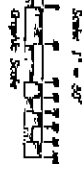
Condo minium <u>Unit</u> <u>No.</u>	Approxi- mate Unit Footprint Area ¹	Approxi- mate Unit Area	No. of Par Value Points Per <u>Unit</u>	Undivided Ownership Interests in Common Areas Per Unit and <u>Vote</u> <u>(Percentage</u> <u>)</u> ²	Shared Ownership Percentage	Appur- tenant Limited Common <u>Areas</u>
1	36,925	36,925			N/A	
2	27,065					A & B
3	4,582					
4	1,773					
Total Units - 4						

¹ Square footage figures are approximate only and are based upon the Plat, a copy of which is attached hereto as Exhibit B.

² May equal slightly more or less than 100% due to rounding.

EXHIBIT B

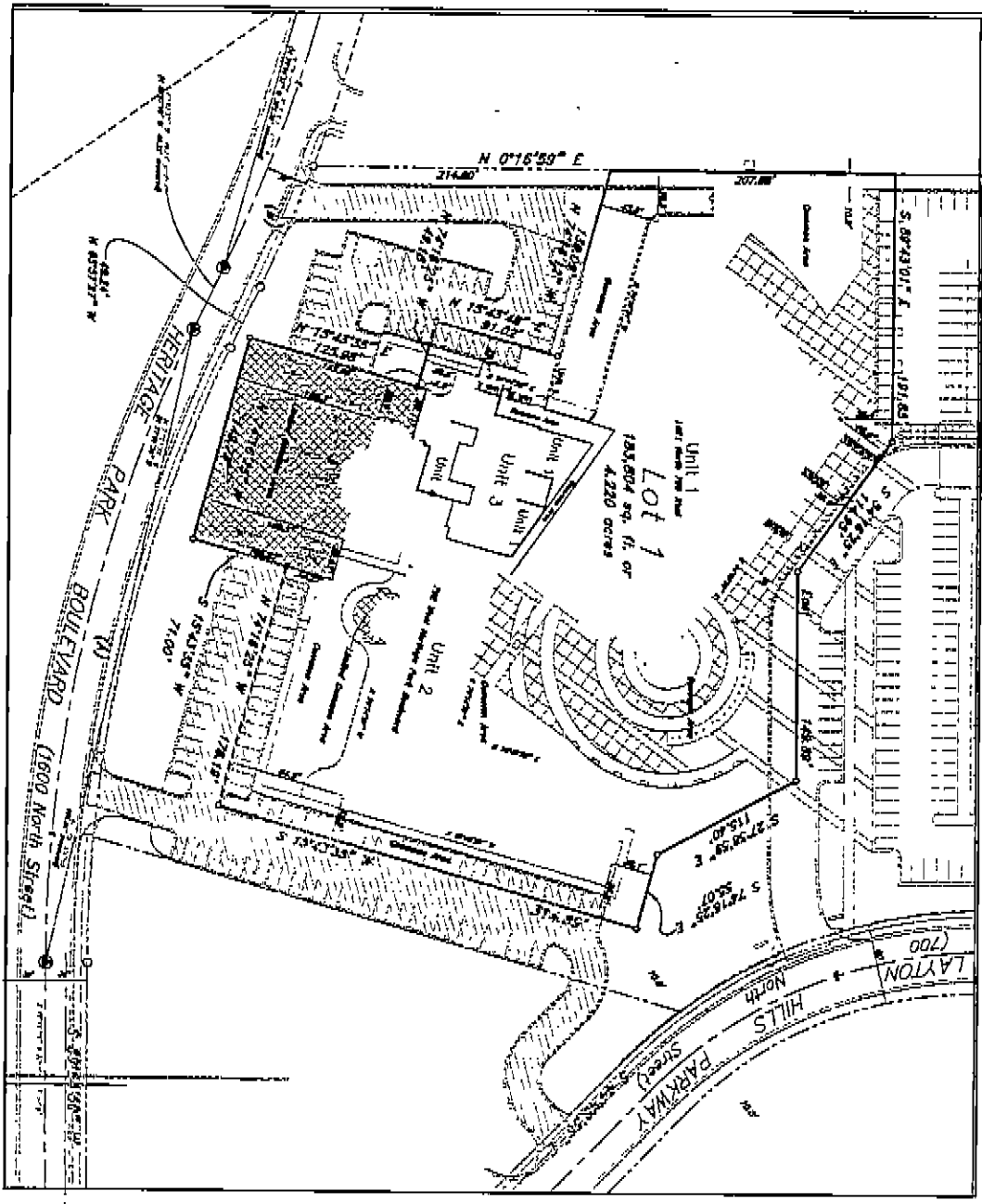
Davis County Conference Center Condominiums A part of the Northwest Quarter of Section 17, 14N, 11W, S1B&M, U.S. Survey Layton City, Davis County, Utah



- Legend**
- 1. Proposed Condominium Units
 - 2. Proposed Common Areas
 - 3. Proposed Driveways
 - 4. Proposed Parking Spaces
 - 5. Proposed Access Easements
 - 6. Proposed Easements
 - 7. Proposed Right-of-Way
 - 8. Proposed Survey

This plan, map, and plat are hereby approved and approved for recording by the County Clerk of Davis County, Utah, on this 15th day of August, 1984.

E 1969570 B 3495 P 549



NOTES:

- The boundaries of the proposed units and common areas are shown as solid lines.
- The proposed easements are shown as dashed lines.
- The proposed right-of-way is shown as a thick dashed line.
- The proposed survey is shown as a thin solid line.
- The proposed driveway is shown as a dashed line with arrows indicating the direction of travel.
- The proposed parking spaces are shown as rectangles with diagonal hatching.
- The proposed common areas are shown as areas with diagonal hatching.
- The proposed units are shown as areas with cross-hatching.

LAYTON CITY ENGINEER
Layton City, Utah

LAYTON CITY APPROVAL
This is a copy of the original plan and plat as approved by the Layton City Council on this 15th day of August, 1984.

LAYTON CITY PLANNING COMMISSION
This is a copy of the original plan and plat as approved by the Layton City Planning Commission on this 15th day of August, 1984.

LAYTON CITY ATTORNEY
This is a copy of the original plan and plat as approved by the Layton City Attorney on this 15th day of August, 1984.

SURVEYOR'S CERTIFICATE

I, _____, Surveyor, do hereby certify that the above described plan, map, and plat are a true and correct copy of the original plan, map, and plat as approved by the County Clerk of Davis County, Utah, on this 15th day of August, 1984.

Surveyed this _____ day of _____, 1984.

OWNER'S CONSENT TO RECORD

I, _____, owner of the above described property, do hereby consent to the recording of the above described plan, map, and plat.

Recorded this _____ day of _____, 1984.

ACKNOWLEDGMENT

I, _____, County Clerk of Davis County, Utah, do hereby acknowledge the recording of the above described plan, map, and plat.

Recorded this _____ day of _____, 1984.

BOUNDARY DESCRIPTION

All of Lot 1, Davis County Conference Center Condominiums, Layton City, Davis County, Utah, according to the attached plat.

Project Address:
- 700 West Heritage Park Boulevard
Layton, Utah

NOTES:

- The boundaries of the proposed units and common areas are shown as solid lines.
- The proposed easements are shown as dashed lines.
- The proposed right-of-way is shown as a thick dashed line.
- The proposed survey is shown as a thin solid line.
- The proposed driveway is shown as a dashed line with arrows indicating the direction of travel.
- The proposed parking spaces are shown as rectangles with diagonal hatching.
- The proposed common areas are shown as areas with diagonal hatching.
- The proposed units are shown as areas with cross-hatching.

GREAT BASIN ENGINEERING NORTH
200 West 1000 South, Layton, Utah

DAVIS COUNTY RECORDS

ENTRY NO.	DATE
RECORDED	INDEXED
FILED	FILED

DAVIS COUNTY RECORDS

EXHIBIT "C"
Association Bylaws

**BYLAWS
OF
THE DAVIS COUNTY CONFERENCE CENTER
OWNERS ASSOCIATION**

The administration of the Davis County Conference Center Owners Association ("Association") shall be governed by the Act, the Declaration, and these Bylaws. Terms which are capitalized in these Bylaws and which are not otherwise defined herein shall have the meaning set forth in the Declaration of Condominium of The Davis County Conference Center, a Utah Condominium Project recorded in the Official Records of Davis County, Utah.

**ARTICLE 1
NAME AND PRINCIPAL OFFICE**

1.1 **Name.** The name of the Association is the Davis County Conference Center Owners Association hereinafter referred to as the "Association."

1.2 **Office.** The initial principal office of the Association shall be at the Project, 1651 North 700 West, Layton, Utah.

**ARTICLE 2
MEMBERS**

2.1 **Annual Meeting.** The annual meeting of members shall be held on the 2nd Monday of January of each year at the hour of 10:00 a.m., beginning with the year following the year in which the Declaration is recorded for the purpose of electing the Management Committee and transacting such other business as may come before the meeting. If the election of the Management Committee shall not be held on the day designated herein for the annual meeting of the members, or at any adjournment thereof, the Management Committee shall cause the election to be held at a special meeting of the members to be convened as soon thereafter as may be convenient. The Management Committee may from time to time by resolution change the date and time for the annual meeting of the members.

2.2 **Special Meeting.** Special meetings of the members may be called by the Management Committee, the President or upon the written request of members holding not less than ten percent (10%) of the Total Votes of the Association, such written request to state the purpose or purposes of the meeting and to be delivered to the Management Committee or the President.

2.3 **Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place in Davis County, State of Utah, as may be designated by the Management Committee and stated in the notice of the meeting.

2.4 **Notice of Meeting.** The Management Committee shall cause written or printed notice of the time, place and purposes of all meetings of the members (whether annual or special) to be delivered, not more than seventy-five (75) nor less than ten (10) days prior to the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the member at his registered address, with first-class postage thereon prepaid. Each member shall register with the

Association such member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a member's Unit address shall be deemed to be his registered address for purposes of notice hereunder.

2.5 Members of Record. Upon purchasing a Unit in the Project, each Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such Unit has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining members entitled to notice of or to vote at any meeting of the members, or any adjournment thereof, the Management Committee may designate a record date, which shall not be more than seventy-five (75) nor less than ten (10) days prior to the meeting, for determining members entitled to notice of or to vote at any meeting of the members. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed to be the record date for determining members entitled to notice of or to vote at the meeting. The persons or entities appearing in the records of the Association on such record date as the owners of record of Units in the Project shall be deemed to be the members entitled to notice of and to vote at the meeting of the members.

2.6 Quorum. At any meeting of the members, the presence of members holding, or holders of proxies entitled to cast, seventy-five (75%) percent of the votes of the Owners of Units shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a date no later than fourteen (14) days from the date of the originally scheduled meeting. Notice thereof shall be delivered to the members as provided above. At the reconvened meeting, the members and proxy holders present shall constitute a quorum for the transaction of business.

2.7 Proxies. At each meeting of the members, each member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the member himself or by his attorney thereunto duly authorized in writing. If a membership is jointly held, the instrument authorizing a proxy to act must have been executed by all holders of such membership or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

2.8 Vote. With respect to each matter submitted to a vote of the members, each member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Unit of such member, as shown in the Declaration in accordance with all the provisions of this Section 2.8. The affirmative vote of all of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the members, unless a greater proportion is required by these Bylaws, the Declaration or Utah law. If a membership is jointly held, all or any holders thereof may attend each meeting of the members. With respect to Units where membership is jointly held by two individuals, such holders must act unanimously to cast the votes relating to such membership. Where three or more individuals jointly hold such membership, such holders shall cast the votes relating to such membership as the majority of said holders shall agree among themselves. Notwithstanding

anything in the Declaration or in these Bylaws to the contrary, all matters which call for a vote, consent or approval or determination by the Owners, shall also require the mutual agreement of both the Owner of the Conference Unit and the Owner of the Hotel Unit. Any unresolved dispute, disagreement or controversy between the Owner of the Conference Unit and the Owner of the Hotel Unit shall at the request of either party be submitted to an arbitration board of at least three members with one chosen by the Owner of the Conference Unit, the other by the Owner of the Hotel Unit and a third by the other two arbitrators so chosen. The arbitrators shall act in accordance with the commercial Arbitration Rules then in effect of the American Arbitration Condominium Association. The decision of the majority of such arbitrators shall be binding on the Owners of the Conference and Hotel Units.

2.9 **Waiver of Irregularities.** All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting form of proxies, and method of ascertaining members present, shall be deemed waived if no objection is made at the meeting.

2.10 **Informal Action by Member.** Any action that is required or permitted to be taken at a meeting of the members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

ARTICLE 3 MANAGEMENT COMMITTEE

3.1 **General Power.** The property, affairs and business of the Association shall be managed by the Management Committee. The Management Committee may exercise all of the powers of the Association, whether derived from law or the Declaration except such powers as are by law, by these Bylaws or by the Declaration vested solely in the members. The Management Committee may by written contracts delegate, in whole or in part, to a professional management organization or person such of its duties, functions and powers as are properly delegable.

3.2 **Number, Tenure and Qualification.** The Management Committee shall initially consist of two (2) members. Notwithstanding anything to the contrary contained in these Bylaws, the Owner of the Conference Unit shall have authority to elect one (1) member of the Management Committee and the Owner of the Hotel Unit shall have the right to elect one (1) member of the Management Committee. Each Management Committee member shall serve for a term of two (2) years. The initial members of the Management Committee shall be the following persons and each shall hold the office indicated:

Dannie R. McConkie	Gary Griffiths
President	Vice President

3.3 **Regular Meeting.** The regular annual meeting of the Management Committee shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of the members. The Management Committee may provide by resolution the time and place, within Davis County, State of Utah, for the holding of additional regular meetings without other notice than such resolution.

3.4 **Special Meetings.** Special Meetings of the Management Committee may be called by or at the request of any two Management Committee members. The person or persons authorized to call special meetings of the Management Committee may fix any place, within Davis County, State of Utah, as the place for holding any special meeting of the Management Committee called by such person or persons. Notice of any special meeting shall be given at least five (5) days prior thereto by written notice delivered personally or mailed to each Management Committee member at his registered address. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. Any Management Committee member may waive notice of a meeting.

3.5 **Quorum and Manner of Acting.** A majority of the then authorized number of Management Committee members shall constitute a quorum for the transaction of business at any meeting of the Management Committee. Except as provided in Section 2.8 above, the act of a majority of the Management Committee members present at any meeting at which a quorum is present shall be the act of the Management Committee. The Management Committee members shall act only as a group, and individual Management Committee members shall have no powers as such.

3.6 **Compensation.** No Management Committee member shall receive compensation for any services that he may render to the Association as a Management Committee member; provided, however, that a Management Committee member may be reimbursed for expenses incurred in performance of his duties as a Management Committee member to the extent such expenses are approved by the Management Committee and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a Management Committee member.

3.7 **Resignation.** A Management Committee member may resign at any time by delivering a written resignation to either the President or the Management Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery.

3.8 **Vacancies and Newly Created Management Committee Membership.** If vacancies shall occur in the Management Committee by reason of the death or resignation of a Management Committee member, such vacancies shall be filled by the Owner of the Conference Unit and/or Owner of the Hotel Unit, as applicable, so that both Owners of the Conference and Hotel Units each maintain one (1) representative on the Management Committee.

3.9 **Informal Action by Management Committee Member.** Any action that is required or permitted to be taken at a meeting of the Management Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Management Committee members.

ARTICLE 4 OFFICERS

4.1 **Officers.** The officers of the Association shall be a President and Secretary and such other officers as may from time to time be appointed by the Management Committee.

4.2 **Election, Tenure and Qualification.** The officers of the Association shall be chosen by the Management Committee annually at the regular annual meeting of the Management Committee. In the event of failure to choose officers at such regular annual meeting of the Management Committee, officers may be chosen at any regular or special

meeting of the Management Committee. Each such officer (whether chosen at a regular annual meeting of the Management Committee or otherwise) shall hold his office until the next ensuing regular annual meeting of the Management Committee and until his successor shall have been chosen and qualified, or until his death, or until his resignation, disqualification or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices, except that the President may not also be the Secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office. The President shall be and remain a Management Committee member of the Association during the entire term of his office. No other officer need be a Management Committee member.

4.3 Subordinate Officers. The Management Committee may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority and perform such duties as the Management Committee may from time to time determine. The Management Committee may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities and duties. Subordinate officers need not be members or Management Committee members of the Association.

4.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to the President or the Management Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the Management Committee at any time, for or without cause.

4.5 Vacancies and Newly Created Office. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Management Committee at any regular or special meeting.

4.6 The President. The President shall preside at meetings of the Management Committee and at meetings of the members. He shall sign on behalf of the Association all conveyances, mortgages, documents and contracts and shall do and perform all other acts and things that the Management Committee may require of him.

4.7 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration or any resolution the Management Committee may require him to keep. The Secretary shall also act in the place and stead of the President in the event of the absence of both President and Vice President or their inability or refusal to act. He shall be the custodian of the seal of the Association, if any, and shall affix such seal, if any, to all papers and instruments requiring the same. He shall perform such other duties as the Management Committee may require of him.

4.8 Compensation. No officer shall receive compensation for any services that he may render to the Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of his duties as an officer to the extent such expenses are approved by the Management Committee and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as an officer.

ARTICLE 5 COMMITTEES

5.1 **Designation of Committees.** The Management Committee may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions and powers. The membership of each such committee designated hereunder shall include at least one Management Committee member. No committee member shall receive compensation for services that he may render to the Association as a committee member; provided, further, that a committee member may be reimbursed for expenses incurred in performance of his duties as a committee member to the extent that such expenses are approved by the Management Committee and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a committee member.

5.2 **Proceedings of Committees.** Each committee designated hereunder by the Management Committee may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Management Committee.

5.3 **Quorum and Manner of Acting.** At each meeting of any committee designated hereunder by the Management Committee, the presence of members constituting at least a majority of the authorized membership of such committee (but in no event less than two members) shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Management Committee hereunder shall act only as a committee, and the individual members thereof shall have no powers as such.

5.4 **Resignation and Removal.** Any member of any committee designated hereunder by the Management Committee may resign at any time by delivering a written resignation to the President, the Management Committee or the presiding officer of the committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Management Committee may at any time, for or without cause, remove any member of any committee designated by the hereunder.

5.5 **Vacancies.** If any vacancy shall occur in any committee designated by the Management Committee hereunder, due to disqualification, death, resignation, removal or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Management Committee.

ARTICLE 6 INDEMNIFICATION

6.1 **Indemnification of Third Party Action.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that he is or was a Management Committee member or officer of the Association, or is or was serving at the

request of the Association as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by an adverse judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

6.2 Indemnification of Association Action. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Management Committee member or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee or agent of a corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

6.3 Determination. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 6.1 or 6.2 hereof, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Section 6.1 and 6.2 hereof shall be made by the Association only upon a determination that indemnification of the person is proper in the circumstances because he has met the applicable standard of conduct set forth respectively in Sections 6.1 and 6.2 hereof. Such determination shall be made either (i) by the Management Committee by a majority vote of disinterested Management Committee members if possible, or (ii) by independent legal counsel in a written opinion or (iii) by the members by the affirmative vote of at least fifty-one percent (51%) of the Total Votes of the Association at any meeting duly called for such purpose.

6.4 Advance. Expenses incurred in defending a civil or criminal action, suit or proceeding as contemplated in this article may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon a majority vote of a quorum of the Management Committee and upon receipt of an undertaking by or on behalf of the person to repay such amount or amounts unless it ultimately be determined that he is entitled to be indemnified by the Association as authorized by this article or otherwise.

6.5 **Scope of Indemnification.** The indemnification provided for by this article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any provision of these Bylaws, agreements, vote of disinterested members or Management Committee members or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The indemnification authorized by this article shall apply to all present and future Management Committee members, officers, employees and agents of the Association and shall continue as to such persons who cease to be Management Committee members, officers, employees or agents of the Association and shall inure to the benefit of the heirs and personal representatives of all such persons and shall be in addition to all other rights to which such persons may be entitled as a matter of law.

6.6 **Insurance.** The Association shall purchase and maintain insurance on behalf of any person who was or is a Management Committee member, officer, employee or agent of the Association, or who was or is serving at the request of the Association as a Management Committee member, director, officer, employee or agent of another corporation, entity or enterprise (whether for profit or not for profit), as may be required by the Declaration.

6.7 **Payments and Premiums.** All indemnification payments made, and all insurance premiums for insurance maintained, pursuant to this article shall constitute expenses of the Association and shall be paid with funds from the Common Expense Fund referred to in the Declaration.

ARTICLE 7 FISCAL YEAR

7.1 **Fiscal Year.** The fiscal year of the Association shall be the annual year, unless the Management Committee determines otherwise.

ARTICLE 8 RULES AND REGULATIONS

8.1 **Rules and Regulations.** The Management Committee may from time to time adopt, amend, repeal and enforce reasonable rules and regulations governing the use and operation of the Project, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in the Declaration or these Bylaws. The members shall be provided with copies of all rules and regulations adopted by the Management Committee and with copies of all amendments and revisions thereof.

ARTICLE 9 AMENDMENTS

9.1 **Amendments.** Except as otherwise provided by law, by the Declaration or by these Bylaws, these Bylaws may be amended, altered or repealed and new bylaws may be made and adopted by the members upon the affirmative vote of at least fifty-one percent (51%) of the Total Votes of the Association; provided, however, that such action shall not be effective unless and until a written instrument setting forth (i) the amended, altered, repealed or new bylaw, (ii) the number of votes cast in favor of such action and (iii) the Total Votes of the Association shall have been executed and verified by the current President of the Association and recorded in the office of the County Recorder of Davis County, State of Utah.

EXHIBIT "D"

Description of Convertible Land

All of Lot 2 Davis County Conference Center Subdivision.