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WHEN RECORDED RETURN TO:
HHE Properties, Inc.
1137 S 840 W PO Box 580
Hurricane, UT 84737

**AMENDMENT NO. 5 TO DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS AND PROTECTIVE COVENANTS OF
RIO DE SIÓN™**

THIS AMENDMENT NO. 5 TO DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND PROTECTIVE COVENANTS OF RIO DE SIÓN™ (the "Amendment") is
executed this 21 day of January, 2021, by HHE PROPERTIES, INC. (the "Declarant"), the successor
and assign of Riverwood Hollow, LLC.

RECITALS

- A. Riverwood Hollow, LLC caused to be recorded a Declaration of Covenants, Conditions, Easements and Protective Covenants of Rio De Sión™ dated as of May 19, 2006 and recorded on August 11, 2006 with the official records of Washington County, Utah as document number 20060036345 (the "Declaration") concerning the real property located in Washington County, state of Utah, more particularly described in Exhibit "A", attached hereto and incorporated herein (the "Property").
- B. Pursuant to Section 12.2. of the Declaration, until the end of the Development Phase, the covenants and restrictions contained in this Declaration may be modified, amended or repealed in whole or in part at any time and from time to time by the Declarant or his or her successor or assign.
- C. The development Phase is still in effect as of the date hereof and Declarant desires to amend the Declaration as hereinafter set forth.

NOW, THEREFORE, Declarant amends the Declaration as follows:

1. Modification to Section 1.5. Section 1.5, is hereby deleted in its entirety and replaced by the following:

1.5. "Association" means Rio de Sión Home Owners Association, Inc., a Utah non-profit corporation, its successors and assigns.

2. Modification to Section 7.5. Section 7.5, is hereby deleted in its entirety and replaced by the following:

7.5 **Building Height.** Maximum building height for a pitched roof mass shall be nineteen (19) feet as measured from highest natural grade to that mass. Hip or gable roofs are not to exceed 4/12 pitch. Minimal flat roof areas may be considered on a case-by-case basis, but shall not exceed more than 15% of total roof area. Lots 1-3, and 59-65 may have a maximum building height of twenty six (26) feet above grade. Lots 32, 33, 35-41 and 66-68 may have a maximum building height of twenty one (21) feet above grade. Minimum building heights on exterior walls shall be nine (9) feet. The building height shall be followed as outlined in the Architectural Design Guidelines.

3. **Modification to Section 7.22.** Section 7.22. is hereby deleted in its entirety and replaced by the following:

7.22. **External Apparatus.** No Lot Owner shall cause or permit anything, including, without limitation, awnings, canopies or shutters, to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof of any Home, or on the outside of windows or doors without the prior written consent of the ACC. No solar panels or solar panel arrays of any type shall be permitted on any Home or Lot without prior approval of the ACC and shall not be approved by the ACC unless they are not visible from the street after the installation is complete. All solar panels or solar panel arrays existing on any Home on the date of this amendment shall be an exception to this section.

4. **Modification to Section 10.1.** Section 10.1. is hereby deleted in its entirety and replaced by the following:

10.1 **Creation of Association.** The Association exists as a nonprofit corporation organized under the Utah Revised Nonprofit Corporation Act, Chapter 6(a) of Title 16 of the Utah Code of 1953, as amended. The Association is governed by Articles of Incorporation, By-laws, and this Declaration. A copy of the Bylaws are attached hereto as Exhibit "B". In the event of any conflict between the Article of Incorporation, the Bylaws and/or this Declaration, the documents will govern in the following order: this Declaration, the articles and the Bylaws.

5. **Modification to Section 10.4.** Section 10.4. is hereby deleted in its entirety and replaced by the following:

10.4 **Creation of Lien; Personal Obligation for Assessment.** Beginning April 4, 2021, the Assessment for each Owner of a Lot shall be \$50.00 per month. The Association shall declare and impose all subsequent annual Assessments in accordance with section 10.9 herein. Each Owner of a Lot, with the exception of the Declarant, by acceptance of a deed or conveyance therefore, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay the Assessments and interest thereon including, without limitation, costs of collection and a reasonable attorney's fee, as provided in this Declaration. All such Assessments and other amounts shall be:

- a. A charge on the land and shall be a continuing lien upon the Lot against which each such Assessment or amount is charged; and
- b. The personal obligation of: (i) the Person who was the Owner of such lot at the time when the Assessment fell due; and (ii) successors-in -title who took title to such Lot when Assessments were due and payable.

In the event a Lot is owned by more than one (1) Person, each such Person shall be jointly and severally liable to pay such Assessment. Any Lot owned by the Declarant is exempt from the Assessments created herein.

6. **Modification to Section 10.9.** Section 10.9. is hereby deleted in its entirety and replaced by the following:

10.9. **Date of Commencement of Annual Assessments; Due Dates.** The first Assessment provided for in this Declaration shall commence on April 4, 2021 or the first day of the month following conveyance to a purchaser, if conveyance to a purchaser is after April 4, 2021. The

first Assessment shall be adjusted according to the number of months remaining in the calendar year.

a. At Least thirty (30) days prior to the commencement of each new Assessment period, the Trustees shall send or cause to be sent a written notice of the annual Assessment to each Owner subject thereto. Delivery of notice shall not be a condition or requirement to validity of the Assessment.

b. The Assessment due dates shall be established by the Trustees.

c. The Trustees shall prepare a roster of the Lots and the Assessments applicable thereto at the same time that it shall fix the amount of the Assessment, which roster shall be kept by the Treasurer of the Association, who shall record payments of Assessments and shall allow inspection of the roster by any Member at reasonable times.

d. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an office of the Association setting forth whether the Assessment on a specified Lot has been paid. Such certificates, when properly issued, shall be conclusive evidence of the payment of any Assessment or fractional part thereof which is therein shown to have been paid.

IN WITNESS WHEREOF, the Declarant has hereunto executed this Declaration on the date first set forth above.

HHE PROPERTIES, INC.



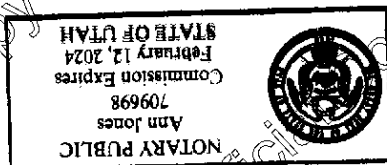
By Jason Campbell
Its President

STATE OF UTAH)

COUNTY OF WASHINGTON)

On this 21 of January, 2021, personally appeared before me Jason Campbell whose identity is personally known to me (or proven on the basis of satisfactory evidence) and who by me duly sworn/affirmed, did say that he is the President of HHE PROPERTIES, INC, and that said document was signed by him in behalf of said HHE PROPERTIES, INC. by Authority of its Bylaws, or (Resolution of its Board of Directors), and said Jason Campbell acknowledged to me that said Corporation executed the same.

Witness my hand and official seal.



NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION PREPARED
FOR RIO DE SIÓN™ PHASE 1, 2 & 3

COMMENCING AT THE NORTHEAST CORNER OF SECTION 27, TOWNSHIP 41 SOUTH, RANGE 12 WEST, SALT LAKE BASE AND MERIDIAN, THENCE S 89°57'46" W 600.10 ALONG THE NORTH LINE OF SAID SECTION TO THE POINT OF BEGINNING; RUNNING THENCE N 1°58'36" W 238.40 FEET; THENCE S 87°07'30" W 70.10 FEET; THENCE N 4°57'27" W 192.17 FEET; THENCE S 88°16'15" W 238.55 FEET; THENCE N 1°43'45" W 66.00 FEET; THENCE N 81°16'15" E 305.93 FEET; THENCE N 7°56'16" E 196.06 FEET; THENCE N 11°59'54" W 52.00 FEET; THENCE N 31°00'06" E 574.2 FEET; THENCE N 00°00'06" E 64.17 FEET; THENCE S 89°59'54" E 322.62 FEET; THENCE S 89°55'56" E 200.13 FEET; THENCE S 89°56'04" E 448.12 FEET; THENCE S 49°00'42" E 169.74 FEET; THENCE S 49°06'04" E 386.32 FEET; THENCE S 34°51'04" E 273.24 FEET; THENCE S 15°06'08" E 338.53 FEET; THENCE S 51°53'41" W 216.25 FEET; THENCE S 03°22'23" E 542.66 FEET TO THE POINT OF A 200.00 FOOT RADIUS CURVE TO THE LEFT WITH A RADIUS BEARING OF S 89°16'09" E; THENCE 113.51 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 32°31'09" TO THE POINT OF TANGENCY; THENCE S 29°11'46" E 92.12 FEET; THENCE S 87°38'34" W 543.66 FEET; THENCE S 87°36'38" W 184.13 FEET; THENCE S 73°37'42" W 196.58 FEET; THENCE S 83°13'39" W 479.90 FEET; THENCE S 55°41'27" W 428.33 FEET; THENCE N 19°00'00" E 745.16 FEET; THENCE S 87°00'00" W 343.12 FEET; THENCE N 1°58'36" W 143.74 FEET TO THE POINT OF BEGINNING.

CONTAINS 71.03 ACRES

EXHIBIT B

BYLAWS OF

RIO DE SIÓN HOMEOWNERS ASSOCIATION, INC.

ARTICLE 1 - GENERAL

1.1 **Purpose of Bylaws.** These Bylaws are adopted for the regulation and management of the affairs of Rio De Si3n Homeowners Association, Inc. (hereafter may be referenced as, "RDSHA" or "Association"), a Utah nonprofit corporation, organized to be the Association to which reference is made in the Declaration of Covenants, Conditions, and Restrictions for Rio De Si3n Homeowners Association, Inc., as amended or supplemented from time to time (the "Declaration"), to establish a planned development known as Rio de Si3n (the "Development"), to perform the functions as provided in the Declaration and to further the interests of Owners of Lots within the Development.

1.2 **Terms Defined in Declaration.** Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration.

1.3 **Controlling Laws and Instruments.** These Bylaws are controlled by and shall always be consistent with the provisions of the Utah Revised Nonprofit Corporation Act (the "Act"), the Declaration, and the Articles of Incorporation of the Association filed with the Division of Corporations and Commercial Code of the Utah Department of Commerce (the "Division"), as any of the foregoing may be amended from time to time.

ARTICLE 2 - OFFICES

2.1 **Principal Office.** The principal office of the Corporation shall be at 561 E Entrada Dr., P.O. Box 790027, Virgin, Utah 84779, with a mailing address of Rio De Si3n Homeowners Association Inc. at Box 790027, Virgin, Utah 84779. The Trustees (herein after referred to individually as "Director" or collectively as "Board of Directors" or "Board"), in its discretion, may change from time to time the location of the principal office.

2.2 **Registered Office and Agent.** The Act requires that the Association have and continuously maintain in the State of Utah a registered office and a registered agent. The registered agent must be an individual who resides in the State of Utah and whose business

office is identical with the registered office. The initial registered office and the initial registered agent are specified in the Articles of Incorporation and may be changed by the Association at any time, without amendment to the Articles of Incorporation, by filing a statement as specified by law with the Division.

ARTICLE 3 - MEMBERS

3.1 Members. A "Member," as further described in the Declaration, is the person or, if more than one, all persons collectively, or the entity who constitute(s) an Owner of a Home or Lot within the Development.

3.2 Memberships Appurtenant to Lots. Each Membership shall be appurtenant to the fee simple title to a Lot. The person or persons who constitute the Owner of fee simple title to a Lot shall automatically be the holder of the Membership appurtenant to that Lot and the Membership shall automatically pass with fee simple title to the Lot.

3.3 Members' Voting Rights. Subject to the provisions in the Declaration and the Articles of Incorporation, a Class-A Member shall be entitled to one (1) vote for each Lot which he/she/they/it owns within the Development, and a Class-B Member, if any, shall be entitled to the number of votes accorded to such Member as provided in the Declaration.

3.4 Voting by Joint Owners. In the event there is more than one (1) Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy or through ballot, shall be conclusively presumed to be the vote attributable to the Lot concerned, unless an objection is immediately made by another Owner of the same Lot. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever, other than to determine whether a quorum exists.

3.5 Resolution of Voting Disputes. In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of Members at a meeting, the Board of Directors of the Association shall act as arbitrators and the decision of a disinterested majority of the Board of Directors shall, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

3.6 Suspension of Voting Rights. The Board of Directors may suspend, after Notice and Hearing, the voting rights of a Member during and for up to sixty (60) days following any breach by such Member, or occupant of a Home, of any provision of the Declaration or of any Rule or Regulation adopted by the Association unless such breach is a continuing breach, in

which case such suspension shall continue for so long as such breach continues and up to sixty (60) days thereafter.

3.7 Transfer of Memberships on Association Books. Transfer of Membership shall be made on the books of the Association only upon presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Lot to which the Membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous owner of the Membership as the owner of the Membership entitled to all rights in connection therewith, including the right to vote and to receive notice.

3.8 Assignment of Voting Rights to Tenants and Mortgagees. A Member may assign his/her/its right to vote to a mortgagee of his Lot for the term of the mortgage; and, any sale, transfer or conveyance of the Lot shall, unless otherwise provided in the document of sale, transfer or conveyance, be subject to any assignment of voting rights to a mortgagee. Any such assignment of voting rights and any revocation or termination of any assignment of voting rights shall be in writing and shall be filed with the Secretary of the Association.

ARTICLE 4 - MEETING OF MEMBERS

4.1 Place of Members' Meetings. Meetings of Members shall be held at the principal office of the Association or at such other place as may be fixed by the Board of Directors and specified in the notice of the meeting.

4.2 Annual Meetings of Members. Until changed by resolution of the Board of Directors, the Annual Meeting of the Members shall be held on a date as determined by the Board. The annual meeting shall be held to elect Directors of the Association and to transact such other business as may properly come before the meeting.

4.3 Special Meetings of Members. Special Meetings of the Members may be called by the President or the Board or by Members holding not less than fifty percent (50%) of the total votes of all Members, excluding votes of Declarant, or by Declarant if it holds fee title interest to at least one (1) Lot. No business shall be transacted at a Special Meeting of Members except as indicated in the Notice thereof.

4.4 Record Date/Members List.

4.4.1 Record Date for Notice Set by Board Resolution. The record date for the purpose of determining Members entitled to Notice of any meeting of Members or to participate in the exercise of any other lawful action of the Association may be fixed in advance of the meeting by resolution of the Board of the Association. Such record date for giving Notice shall not be more than sixty (60) days prior to the meeting of Members or the event requiring action of the Members. A copy of the resolution setting the record date for Notice shall be sent with the Notice of meeting.

4.4.2 Record Date for Notice in Absence of Board Resolution. In absence of a resolution pursuant to 4.4.1 setting a date for providing Notice, the Members entitled to Notice of a meeting of the Members or the exercise of any other lawful action of the Association are the Members of the Association at the close of business on the business day preceding the day on which Notice is given, or, if Notice is waived, at the close of business on the business day preceding the day on which the meeting is held.

4.4.3 Record Date for Voting or Taking Action. Members entitled to vote at the meeting of the Members or to participate in the exercise of any other lawful action of the Association are those Members entitled to Notice under 4.4.1 or 4.4.2. Such Members entitled to vote or take action may transfer Membership rights, including the right to vote and participate in other legal actions of the Association, as provided for in these Bylaws. Any transfer of voting and participation rights must be delivered to the Secretary of the Association prior to the meeting or action to be taken to be effective.

4.4.4 Adjournment. A determination of Members entitled to Notice, to vote, or participate in a lawful action of the Association is effective for any adjournment of the meeting or action, unless the Board of the Association fixes a new date for determining the right to Notice or the right to vote or participate.

4.4.5 Required Member List. Except as provided for in Section 9.3.3, the Association shall only be required to prepare a list of the names of the Members as provided for in Section 9.3.3.

4.5 Notice of Members' Meetings. Written Notice stating the place, day and hour of any meeting shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by first class or registered mail, by electronic means, including text message, email or the Association's website, if any, by or at the direction of any of the Officers of the Association, or the Officers or persons calling the meeting, to each Member entitled to vote at such meeting. Notwithstanding the foregoing, Notice given by other means shall be deemed fair and reasonable if given in accordance with the Act. The Notice of an Annual, Regular, or Special Meeting shall include (a) the names of any known candidate for

Director and shall identify any other matter which it is known may come before the meeting; (b) potential conflicting interest transactions of a Director, party related to a Director, or an entity in which the Director is a director or has a financial interest, if any; (c) Notice of any indemnification or advance of expenses to a Director in connection with a legal "proceeding" as defined in the Act; (d) Notice of any amendment to these Bylaws proposed by the Members and a copy summary or general statement of the proposed amendment; (e) Notice of a proposed plan of merger; (f) Notice of a proposed sale of the properties by the Association other than in the regular course of activities; (g) Notice of a proposed dissolution of the Association; (h) a description of any matter or matters that must be approved by the Members or for which Member's approval is sought; and (i) any matter a Member intends to raise at the meeting if requested in writing to do so by a person entitled to call a Special Meeting and the request is received by the Secretary or President at least ten (10) days before the Association gives Notice of the meeting. The Notice of a Special Meeting shall state the purpose or purposes for which the meeting is called. If mailed, such Notice shall be deemed to be delivered three (3) business days after a copy of the same has been deposited in the United States mail addressed to the Member at the street address given by the Member to the Association, or to the residence of such Member if no address has been given to the Association.

4.6 Proxies and Ballots. A Member entitled to vote at a meeting may vote in person or ballot if issued by the Board of Association or by proxy executed in writing by the Member or his duly authorized attorney-in-fact and filed with the Secretary of the meeting prior to the time the proxy is exercised. Any proxy or ballot may be revoked, prior to the time the proxy is exercised or the ballot counted, by (a) the Member attending the meeting and voting in person, or (b) the Member signing and delivering to the Secretary or other person authorized to tabulate proxy or ballot votes (i) a writing stating that the appointment of proxy or ballot is revoked, or (ii) a subsequent proxy form or ballot. A proxy or ballot shall automatically cease upon the conveyance by a Member of the Lot of the Member and the transfer of the Membership on the books of the Association. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

In addition to utilizing a ballot in connection with a meeting, the Association may utilize ballots without a meeting to take any action that may be taken at any annual, regular or special meeting of the Members provided the Association delivers a written ballot to every Member entitled to vote. Any ballot utilized without a meeting shall be valid only when (1) the time by which all ballots must be received has passed so that a quorum can be determined and (2) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

All solicitations for votes by written ballot shall: (a) set forth each proposed action, (b) provide for an opportunity to vote for or against each proposed action, (c) indicate the number of responses needed to meet the quorum requirements, (d) state the percentage of approvals necessary to approve each matter other than election of Directors; (e) be accompanied by written information sufficient to permit each person casting the ballot to reach an informed decision on the matter.

4.7 Telecommunications. Any or all of the Members may participate in an Annual,

Regular, or Special Meeting of the Members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A Member participating in a meeting by a means permitted under this Section 4.7 is considered to be present in person at the meeting.

4.8 Quorum at Members' Meetings. Except as may be otherwise provided in the

Declaration, the Articles of Incorporation or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the representation, in person, by proxy or by ballot, of Members entitled to cast at least fifty percent (50%) of the votes of all Members shall constitute a quorum at any meeting of such Members. Members present in person or by proxy or represented by ballot at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum. If a quorum is not present at any meeting, another meeting may be called by the Board issuing a Notice of Members Meeting at which meeting the Members that are present in person or by proxy or represented by ballot shall constitute a quorum, except as otherwise provided in the Declaration, the Articles of Incorporation, or these Bylaws. No such subsequent meeting shall be held more than forty-five (45) days following such preceding meeting at which a quorum was not present.

4.9 Adjournment of Members' Meetings. Members present in person or by proxy at

any meeting at which a quorum or reduced quorum, as the case may be, was present may adjourn the meeting from time to time without Notice other than announcement at the meeting, for a total period or periods not to exceed forty-five (45) days after the date set for the original meeting. At any adjourned meeting which is held without Notice other than announcement at the meeting, the quorum requirement shall be the same as the quorum requirement of the meeting so adjourned, and any business may be transacted which might have been transacted at the adjourned meeting.

4.10 Vote Required at Members' Meetings. At any meeting where a quorum is

present, a majority of the votes present in person, ballot or by proxy and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles of Incorporation, or these Bylaws. In an election for Directors in which there is an equal number of candidates and vacant positions, to be elected a candidate must receive a majority of favorable votes out of the total votes cast for that candidate; provided that in an election in which there are more candidates than vacant positions, the candidates receiving the highest number of favorable votes commensurate with the number of vacant positions shall be elected.

4.11 Cumulative Voting Not Permitted. Cumulative voting by Members in the election

of Directors shall not be permitted.

4.12 Order of Business. The order of business at any meeting of Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of Notice of meeting or waiver of Notice; (c) election of Directors, if applicable; (d) report of finances; and (e) any other Association business.

4.13 Expenses of Meetings. The Association shall bear the expenses of all Regular and Annual Meetings of Members and of Special Meetings of Members.

4.14 Waiver of Notice. A Member may waive any Notice required by the Act or by these Bylaws, whether before or after the date or time stated in the Notice as the date or time when any action will occur or has occurred. A waiver shall be in writing, signed by the Member entitled to the Notice, and delivered to the Association for inclusion in the minutes; or filing with the corporate records. The delivery and filing required above may not be conditions of the effectiveness of the waiver. A Member's attendance at a meeting (a) waives objection to lack of Notice or defective Notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of Notice or defective Notice, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting Notice, unless the Member objects to considering the matter when it is presented.

4.15 Action of Members Without a Meeting. Any action that may be taken at an annual or special meeting of the Members may be taken without a meeting and without prior Notice if a consent, in writing, setting forth the action so taken, shall be signed by the Members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all of the Members entitled to vote with respect to the subject matter thereof were present and voted. Directors may not be elected by written consent except by unanimous written consent of all Members entitled to vote for the election of Directors. Any action taken under this Section must comply with the Act and is not effective unless all necessary written consents are received within a sixty (60) day period and have not been revoked. A written consent may be given by electronically transmitted facsimile, email or other form of communication providing the Association with a complete copy of the written consent, including a copy of the signature to the written consent.

4.16 Signature of Members. Except as otherwise provided in the Act, all votes, consents, written ballots, waivers, proxy appointments, and proxy or ballot revocations shall be in the name of the Member and signed by the Member with a designation of the Member's capacity, i.e., owner, partner, president, director, Member, trustee, conservator, guardian, etc.

ARTICLE 5 - BOARD

5.1 General Powers and Duties of the Board. The Board shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board shall have the power to exercise or cause to be exercised for the Association all of the powers, rights and authority of the Association not reserved to Members in the Declaration, the Articles of Incorporation, these Bylaws, or the Act.

5.2 Special Powers and Duties of the Board. Without limiting the foregoing statement of general powers and duties of the Board or the powers and duties of the Board as set forth in the Declaration, the Board shall be vested with the following specific powers and duties:

5.2.1 Assessments. The duty to fix and levy from time to time Annual Assessments, Special Assessments, Corrective Assessments, and all other assessments upon the Members of the Association as provided in the Declaration; and to enforce the payment of such delinquent assessments as provided in the Declaration.

5.2.2 Insurance. The duty to contract and pay premiums for fire and casualty and liability and other insurance in accordance with the provisions of the Declaration.

5.2.3 Common Area. The duty to manage and care for the Common Area, and to employ personnel necessary for the care and operation of the Common Area, and to contract and pay for necessary or desirable Improvements on property acquired by the Association in accordance with the Declaration.

5.2.4 Agents and Employees. The power to select, appoint, and remove all Officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Declaration, the Articles of Incorporation, and these Bylaws.

5.2.5 Borrowing. The power, with the approval of the Members representing at least two-thirds (2/3) of the voting power of the Association, to borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt, and securities therefor.

5.2.6 Enforcement. The power to enforce the provisions of the Association's Governing Documents, and other agreements of the Association.

5.2.7 Delegation of Powers. The power to delegate its powers according to law.

5.2.8 Rules and Regulations. The power to adopt such rules and regulations with respect to the interpretation and implementation of the Declaration, use of Common Area, and use of any property within the Development including Lots and to levy fines and penalties for infractions and violations thereof; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles of Incorporation, and these Bylaws.

5.2.9 Emergency Powers. The right to exercise such emergency powers as provided for in the Act.

5.2.10 Restriction on Powers. Notwithstanding anything to the contrary contained in these Bylaws, the Association shall not make any claims or assert any causes of action in any class-action lawsuit of any type, on behalf of itself or on behalf of its Members except that the Association first obtain an affirmative vote of not less than ninety percent (90%) of all Members who vote in support of the Association engaging in such proposed Class-Action. This provision may not and shall not be amended, changed or removed by action of the Board or Members or the Declarant at any time following recordation of this Declaration.

5.3 Qualifications of Directors. A Director must be (a) an Owner who is (i) a natural person 18 years of age or over or a natural person designated in writing by such Owner to act for the Owner in all affairs related to the Development, including without limitation voting as a Member and director, or (ii) a trustee of a trust, a partnership, a corporation, a limited liability company, or some other lawful entity holding title to a Lot as an Owner and is the representative of the entity designated in writing to act in all affairs of the entity related to the Development, including without limitation voting as a Member and director, and (b) any Director no longer qualified to serve under the standards provided for in this Section 5.3 may be removed by a majority vote of the Directors then in office.

5.4 Number of Directors. The number of Directors of the Association shall be three (3). Subject to such limitations, the number of Directors shall be three (3) until changed pursuant to this Section 5.4. The number of Directors can be increased or decreased by the majority vote

of the Board provided there are always at least three (3) Directors and the number of Directors may not exceed seven (7) in number.

5.5 Term of Office of Directors and Elections. The affairs of the Association shall be managed by a Board composed of three (3) individuals, unless changed pursuant to Section 5.4. The Directors shall be classified with respect to the time in which they took office: a) Directors chosen in odd years shall consist of two (2) Directors to hold office for two years and b) Directors chosen in even years shall consist of one (1) Director to hold office for two (2) years. At each Annual Meeting, the successor(s) to the class of Directors whose terms shall expire in that year shall be elected to hold office for the term of two (2) years. Directors newly elected at the Annual Meeting shall take office upon election. Only Members who are not in violation of the Declaration, these Bylaws, Association Rules and Regulations, or Architectural Control Committee Rules and Regulations shall be eligible to run for a position on the Board.

In an election of multiple Directors, that number of candidates equaling the number of Directors to be elected, having the highest number of votes cast in favor of their election, are elected to the Board. When only one (1) Director is being voted upon, the candidate having the highest number of votes cast in his or her favor is elected to the Board.

Nothing herein shall limit a Member from serving as a Director for multiple terms if duly elected so to serve.

5.6 Removal of Directors By the Members. Directors elected by voting Members may be removed in the following ways: (a) The voting Members may remove one or more Directors elected by them with or without cause; (b) If a Director is elected by a voting group, only that voting group may participate in the vote to remove that Director; (c) A Director may be removed only if the number of votes cast to remove the Director would be sufficient to elect the Director at a meeting to elect Directors; (d) A Director elected by voting Members may be removed by the voting Members only at a meeting called for the purpose of removing that Director and if the meeting Notice states that the purpose, or one of the purposes, of the meeting is removal of the Director; (e) An entire Board may be removed under this section; (f) A Director elected by the Board to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members but not the Board, otherwise, a Director elected by the Board may be removed with or without cause by the vote of the majority of the Directors then in office or such greater number as is set forth in the bylaws; (g) Any Director no longer qualified to serve, under standards set forth in these Bylaws, may be removed by a vote of a majority of the Directors then in office or such greater number as set forth in the Bylaws. A Director who is removed pursuant to this section may deliver to the division for filing a statement to that effect pursuant to section 16-6a-1608 of the Utah Code Annotated.

An appointed Director may be removed without cause by the Board. The Board shall remove the Director by giving written Notice of the Removal to the Director and the Association. Unless the written Notice specifies a future effective date, a removal is effective when the Notice is received by both the Director to be removed and the Association. A designated Director as described in section 16-6a-804(5) of the Utah Code Annotated, may be removed by an amendment to these Bylaws deleting or changing the designation.

5.7 Resignation of Directors. Any Director may resign at any time by giving written

Notice of resignation to the Association. A resignation of a Director is effective when the Notice is received by the Association unless the Notice specifies a later effective date. A Director who resigns may deliver to the division for filing a statement that the Director resigns pursuant to Section 16-6a1608 of the Utah Code Annotated.

The failure to attend or meet obligations shall be effective as a resignation at the time of the board of Director's vote to confirm the failure if at the beginning of a Director's term on the board, these Bylaws provide that a Director may be considered to have resigned for failing to attend a specified number of Board meetings or for failing to meet other specified obligations of Directors and if the failure to attend or meet obligations is confirmed by an affirmative vote of the Board.

5.8 Vacancies in the Board. Except in the case of a directorship to be filled by reason of an increase in the number of Directors, any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. A directorship to be filled by reason of an increase in the number of Directors shall be filled only by vote of the Members. A Director elected by the Board to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members but not the Board. Should any vacancy of the Board remain unfilled for a period of two (2) months, the Members may, at a Special Meeting of the Members called for that purpose, elect a Director to fill such vacancy by a majority of the votes which Members present at such meeting, or represented by proxy or ballot, are entitled to cast.

ARTICLE 6 - MEETING OF DIRECTORS

6.1 Place of Directors' Meetings. Meetings of the Board shall be held at the principal office of the Association or at such other place, within or convenient to the Development, as may be fixed by the Board and specified in the Notice of the meeting.

6.2 Annual Meeting of Directors. The Annual Meeting of the Board shall be held on approximately the same date as the Annual Meeting of Members and also on the date that newly elected Directors take office. The Business to be conducted at the Annual Meeting of the Board shall consist of the appointment of Officers of the Association and the transaction of such other business as may properly come before the meeting. No prior Notice of the Annual Meeting of the Board shall be necessary if the meeting is held on the same day and at the same place as the Annual Meeting of Members at which the Board is elected or if the time and place of the Annual Meeting of the Board is announced at the Annual Meeting of Members.

6.3 Other Regular Meetings of Directors. The Board may hold other regular meetings and may, by resolution, establish in advance the times and places for such regular meetings. No prior Notice of any regular meeting need be given after establishment of the time and place thereof by such resolution.

6.4 Special Meetings of Directors. Special Meetings of the Board may be called by the President or any two (2) Members of the Board other than the President.

6.5 Notice of Directors' Meetings. In the case of all meetings of the Board for which Notice is required by these Bylaws, Notice stating the place, day and hour of the meeting shall be delivered not less than three (3) nor more than thirty (30) days before the date of the meeting, by mail, fax, telephone, email or other electronic transmission, or personally, by or at the direction of the persons calling the meeting, to each Member of the Board. If mailed, such Notice shall be deemed to be delivered three (3) business days after a copy of the same has been deposited in the United States mail addressed to the Director at his home or business address as either appears on the records of the Association, with postage thereon prepaid. If faxed, such Notice shall be deemed delivered when the transmission is complete. If by telephone such Notice shall be deemed to be delivered when given by telephone to the Director. If sent by email or other electronic transmission, such Notice shall be deemed to be delivered when sent to an address provided by the recipient. If given personally, such Notice shall be deemed to be delivered upon delivery of a copy of a written Notice to, or upon verbally advising, the Director or some person who appears competent and mature at his home or business address as either appears on the records of the Association. In the case of mail, fax, email or other electronic transmission, the Notice is proper if it is sent to the last known address or destination given to the Director by the intended recipient.

Neither the business to be transacted at, nor the purpose of, any Regular or Special Meeting of the Board need be specified in the Notice or waiver of such meeting.

6.6 Proxies. For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be considered to be present at a meeting and to vote if the Director has granted a signed written proxy: (a) to another Director who is present at the meeting; and (b) authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this Section 6.6 and as permitted by Section 6.13, Directors may not vote or otherwise act by proxy.

6.7 Telecommunications. The Board may permit any Director to participate in a Regular or Special Meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director so participating in such a meeting is considered to be present in person at the meeting.

6.8 Quorum of Directors. A majority of the number of Directors fixed in these Bylaws shall constitute a quorum for the transaction of business. For the purpose of determining the presence of a quorum, Directors will be counted if represented in person or by proxy, if applicable.

6.9 Adjournment of Directors' Meeting. Directors present at any meeting of the Board of Directors may adjourn the meeting from time to time, whether or not a quorum shall be present, without Notice other than announcement at the meeting, for a total period or periods of not to exceed thirty (30) days after the date set for the original meeting. At any adjourned meeting which is held without Notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6.10 Vote Required at Directors' Meeting. At any meeting of the Board, if a quorum is present, a majority of the votes present in person or by proxy, applicable, and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles of Incorporation, or these Bylaws.

6.11 Presence at Meeting. A Director who is present at a meeting of the Board when corporate action is taken is considered to have assented to all action taken at the meeting unless the Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting the business at the meeting and after objecting, the Director does not vote for or assent to any action taken at the meeting, the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting, or the Director causes written Notice of the Director's dissent or abstention as to any specific action to be received by the presiding officer at the meeting before adjournment of the meeting, or the Association promptly after adjournment of the meeting. The right of dissent or abstention as to a specific action is not available to a Director who votes in favor of the action taken.

6.12 Officers at Meetings. The President shall act as chairman and the Board shall appoint a secretary to act at all meetings of the Board.

6.13 Waiver of Notice. A Director may waive any Notice of a meeting before or after the time and date of the meeting stated in the Notice. Except for when a Director's attendance or participation in a meeting equates to a waiver, the waiver shall be in writing, signed by the Director entitled to the Notice and delivered to the Association for filing with the corporate records.

A Director's attendance at or participation in a meeting waives any required Notice to that Director of the meeting unless: (i) at the beginning of the meeting or promptly upon the Director's later arrival, the Director objects to holding the meeting or transacting business at the meeting because of lack of Notice or defective Notice and after objecting, the Director does not vote for or assent to action taken at the meeting; or (ii) if special Notice was required of a particular purpose the Director objects to transacting business with respect to the purpose for which the special Notice was required and after objecting, the Director does not vote for or assent to action taken at the meeting with respect to the purpose.

6.14 Action of Directors Without a Meeting. Any action required to be taken or which may be taken at a meeting of the Board may be taken without a meeting and without prior Notice if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors. Any action taken under this Section 6.14 is not effective unless all written consents are received within a sixty (60) day period and have not been revoked. If the Notice of consent in writing is received by the Association before the last writing necessary to affect the action is received by the Association, any Director who has signed a writing pursuant to this section may revoke the writing by a writing signed and dated by the Director that describes the action and states that the Director's prior vote with respect to the writing that is revoked.

6.15 Open Meetings. Subject to the provisions of this Article VI, all meetings of the Board shall be open to all Members. Attendees other than Directors may not participate in any discussion or deliberation unless permission to speak is granted by the President. In such case, the President may limit the time any such individual may speak. The President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than Directors to discuss matters of a sensitive nature, such as, by way of example and not of limitation, pending or threatened litigation and personnel matters.

ARTICLE 7 - OFFICERS

7.1 Officers, Employees and Agents. The officers of the Association shall be natural persons 18 years of age or over and shall consist of a President, a Secretary, a Treasurer, and such other Officers, assistant Officers, employees, and agents as may be deemed necessary by the Board. Officers other than the President need not be Directors. The same person may simultaneously hold more than one office.

7.2 Appointment and Term of Office of Officers. The Officers shall be appointed by the Board at the Annual Meeting of the Board and shall hold office, subject to the pleasure of the Board, until the next Annual Meeting of the Board or until their successors are appointed, whichever is later, unless the Officer resigns, or is removed earlier.

7.3 Resignation and Removal of Officers. An Officer may resign at any time by giving written Notice of resignation to the Association. A resignation of an Officer is effective when the Notice is received by the Association unless the Notice specifies a later effective date. If a resignation is made effective at a later date, the Board may: (a) (i) permit the Officer to remain in office until the effective date; and (ii) fill the pending vacancy before the effective date if the successor does not take office until the effective date; or (b) (i) remove the Officer at any time before the effective date; and (ii) fill the vacancy created by the removal. The Board may remove any Officer at any time with or without cause. An Officer who resigns, is removed, or whose appointment has expired may file a statement in the same form as provided in Section 5.7.

7.4 Vacancies in Officers. Any vacancy occurring in any position as an Officer may be filled by the Board. An Officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

7.5 President. The President shall be a Member of the Board and shall be the principal executive officer of the Association and, subject to the control of the Board, shall direct, supervise, coordinate and have general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The President shall preside at all meetings of the Board and of the Members of the Association.

7.6 Vice President. The Vice President, if any, may act in place of the President in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the President.

7.7 Secretary. The Secretary shall be the custodian of the records and the seal, if any, of the Association and shall affix the seal to all documents requiring the same; shall see that all Notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association set forth in Section 9.3 are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of Members, of the Board, and of committees of the Board; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by the Board or by the President. The Board may appoint one or more Assistant Secretaries who may act in place of the Secretary in case of the Secretary's death, absence or inability to act. The duties of the Secretary may be delegated to a property management company.

7.8 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board; shall keep correct and

complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board may, from time to time, require; shall arrange for the annual report required under Section 9.6 of these Bylaws; and, in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board or by the President. The Board may appoint one or more Assistant Treasurers who may act in place of the Treasurer in case of his death, absence or inability to act. The duties of the Treasurer may be delegated to a property management company.

7.9 **Bonds.** The Association may require and pay for fidelity bonds covering Officers or other persons handling funds of the Association. The Association shall pay the premiums for such bonds.

ARTICLE 8 - INDEMNIFICATION OF OFFICIALS AND AGENTS

8.1 **Right of Indemnification.** The Association shall indemnify any Director, Officer, employee, fiduciary and agent (including without limitation the property manager) to the fullest extent allowed under sections 16-6a-901 through 16-6a-910 of the Utah Code Annotated, or any replacement Sections thereof.

8.2 **Authority to Insure.** The Association shall purchase and maintain liability insurance on behalf of any Director, Officer, employee, fiduciary and agent against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, including liabilities for which he might not be entitled to indemnification hereunder.

ARTICLE 9 - MISCELLANEOUS

9.1 **Amendment/Conflict.** These Bylaws may be amended, at any Regular, Annual, or Special Meeting of the Board, by a vote of the majority of the Board, except if it would result in a change of the rights, privileges, preferences, restrictions, or conditions of a Membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class. The Members may amend these Bylaws even though these Bylaws may also be amended by the Board. Amendments to these Bylaws by Members shall be made in accordance with the Act. During the Development Phase, Declarant may amend these Bylaws without approval of the Board or Membership provided the amendment is done in good faith and is generally consistent with the original intentions of the Development. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration (including any rights of the Declarant) will control. Notwithstanding the foregoing

portion of Section 9.1, Section 5.2.10 shall not be amended by the Board or the Members at any point in time or under any circumstances.

9.2 Compensation of Officers, Directors and Members. No Director shall have the right to receive any compensation from the Association for serving as a Director except for reimbursement of expenses as may be approved by resolution of disinterested Members of the Board and except as may otherwise be approved by the Members. Agents and employees shall receive such reasonable compensation as may be approved by the Board.

9.3 Books and Records.

9.3.1 Permanent Records. The Association shall keep as permanent records: (a) minutes of all meetings of its Members and Board; (b) a record of all actions taken by the Members or Board without a meeting; (c) a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association; (d) a record of all waivers of Notices of meetings of Members and of the Board or any committee of the Board; and (e) a copy of the Declaration, as the same may be amended.

9.3.2 Accounting. The Association shall maintain appropriate accounting records.

9.3.3 Member Records. The Association or its agent shall maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members: (a) in alphabetical order, by class, and (b) showing the number of votes each Member is entitled to vote.

9.3.4 Nature of Records. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

9.3.5 Records to Be Kept. The Association shall keep a copy of each of the following records at its principal office: (a) its Articles of Incorporation; (b) its Bylaws; (c) resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members; (d) the minutes of all Member Meetings for a period of three years; (e) records of all action taken by Members without a meeting, for a period of three (3) years; (f) all written communications to Members generally as Members for a period of three (3) years; (g) a list of the names and business or home addresses of its current Directors and Officers;

(h) a copy of its most recent annual report; and (i) all financial statements prepared for periods ending during the last three (3) years.

9.4. Inspection of Records.

9.4.1 Allowed Inspections. A Director or Member is entitled to inspect and copy any of the records of the nonprofit corporation described in Subsection 9.3.5: (a) during regular business hours; (b) at the Association's principal office; and (c) if the Director or Member gives the Association written demand at least five (5) business days before the date on which the Member wishes to inspect and copy the records.

9.4.2 Additional Allowed Inspections. In addition to the rights set forth in Subsection 9.4.1, a Director or Member is entitled to inspect and copy any of the other records of the Association: (a) during regular business hours; (b) at a reasonable location specified by the Association; and (c) at least five (5) business days before the date on which the Member wishes to inspect and copy the records, if the Director or Member: (i) meets the requirements of Subsection 9.4.3; and (ii) gives the Association written demand.

9.4.3 Conditions Governing Inspection. A Director or Member may inspect and copy the records described in Subsection 9.4.2 only if: (a) the demand is made: (i) in good faith; and (ii) for a proper purpose; (b) the Director or Member describes with reasonable particularity the purpose and the records the Director or Member desires to inspect; and (c) the records are directly connected with the described purpose.

9.4.4 Definitions Pertaining to Inspection. Notwithstanding any other provision in these Bylaws, for purposes of this Section: (a) "Member" includes: (i) a beneficial owner whose Membership interest is held in a voting trust; and (ii) any other beneficial owner of a Membership interest who establishes beneficial ownership; and (b) "proper purpose" means a purpose reasonably related to the demanding Member's or Director's interest as a Member or Director.

9.4.5 Rights of Inspection Cannot Be Abolished. The right of inspection granted by this Section may not be abolished or limited by the Articles of Incorporation or these Bylaws.

9.4.6 Nature of Right to Inspect. This Section does not affect: (a) the right of a Director or Member to inspect records relating to ballots; (b) the right of a Member to inspect records to the same extent as any other litigant if the Member is in litigation with

the Association; or (c) the power of a court, independent of this Article, to compel the production of corporate records for examination.

9.4.7 Confidentiality of Inspected Information. A Director or Member may not use any information obtained through the inspection or copying of records permitted by 9.4.2 for any purposes other than those set forth in the demand made under 9.4.3.

9.5 Scope of Inspection Right. A Director's or Member's agent or attorney has the same inspection and copying rights as the Director or Member. The right to copy records under Section 9.4 includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means. *Except for requests for financial statements, the Association may impose a reasonable charge covering the costs of labor and material for copies of any documents provided to the Director or Member.* The charge may not exceed the estimated cost of production and reproduction of the records. The nonprofit corporation may comply with a Director's or Member's demand to inspect the record of Members under Subsection 9.3.3 by furnishing to the Director or Member a list of Directors or Members that: (a) complies with Subsection 9.3.3; and (b) is compiled no earlier than the date of the Director's or Member's demand. Concerning financial statements, by no later than fifteen (15) days after the day on which the Association receives a written request of any Member, the Association shall mail to the Member the following that show in reasonable detail the assets and liabilities and results of the operations of the Association: (a) the Association's most recent annual financial statements, if any; and (b) the Association's most recently published financial statements, if any. Without consent of the Board, a Membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member.

9.6 Annual Budget Report. The Board shall cause to be prepared and distributed to each Member and any First Mortgagee of a Member who has filed a written request therefor, at least thirty (30) days prior to the start of each fiscal year of the Association, an annual budget report containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year, (c) a statement of changes in financial position for such fiscal year, and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found.

9.7 Statement of Account. Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner of a Lot or any person with any right, title or interest in a Lot or intending to acquire any right, title or interest in a Lot, the Association shall furnish, within ten (10) days after the receipt of such request, a written statement of account setting forth the amount of unpaid assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Lot, and the amount of the assessments for the current fiscal period of the Association payable with respect to the Lot. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all

purposes, that no greater or other amounts were then due or accrued and unpaid and that no other assessments have been levied.

9.8 Annual Corporation Reports. The Association shall file with the Division of Corporations and Commercial Code for the Utah Department of Commerce, within the time prescribed by law, annual corporate reports in such form and containing the information required by law and shall pay the fee for such filing as prescribed by law.

9.9 Fiscal Year. The fiscal year of the Association shall begin on January 1 and end the succeeding December 31. The fiscal year may be changed by the Board without amending these Bylaws.

9.10 Seal. The Board may adopt a seal which shall have inscribed thereon the name of the Association and the words "SEAL" and "UTAH".

9.11 Shares of Stock and Dividends Prohibited. The Association shall not have or issue shares of stock and no dividends shall be paid and no part of the income or profit of the Association shall be distributed to its Members, Directors or Officers. Notwithstanding the foregoing paragraph, the Association may issue certificates evidencing Membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

9.12 Loans to Directors, Officers and Members Prohibited. No loan shall be made by the Association to its Members, Directors or Officers, and any Director, Officer or Member who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

9.13 Limited Liability.

9.13.1 Extent. The Association, the Board, the Architectural Control Committee and Declarant, and any agent or employee of any of the same shall not be liable to any person for any actions or for any failure to act in connection with the affairs of the Association if the action taken or failure to act was in good faith and without malice.

9.13.2 Monetary Damages. The Board, individually and collectively, shall not be liable to the Association or to the Members for monetary damages for any action taken or any failure to take action as a Director. However, this provision does not eliminate the

liability of a Director for the amount of a financial benefit received by a Director to which the Director is not entitled, an intentional infliction of harm on the Association or the Members, an intentional violation of criminal law, or a violation of section 16-6a-824 of the Utah Code Annotated.

9.14 Minutes and Presumptions Thereunder. Minutes or any similar record of the meetings of Members or of the Board, when signed by the Secretary or acting Secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that Notice of the meeting was properly given shall be prima facie evidence that the Notice was given.

9.15 Checks, Drafts and Documents. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons, and in such manner as, from time to time, shall be determined by resolution of the Board.

9.16 Execution of Documents. The Board, except as these Bylaws otherwise provide, may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no Officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

9.17 Right to Inspect. Notwithstanding the other provisions of this Article, unless otherwise provided in these Bylaws, a right of a Member to inspect or receive information from the Association applies only to a voting Member of the Association.

9.18 Notice Generally. Unless more formal notice is otherwise required in the Governing Documents, the Association may provide Notice by electronic means, including text message, email or the Association's website, if any.

9.19 Display of the Flag. The Association may not prohibit a Member from displaying a United States flag inside a dwelling or Limited Common Area (if any), if the display complies with United States Code, Title 4, Chapter 1, The Flag. The Association may restrict the display of the flag on the Common Areas.

ARTICLE 10 - NOTICE AND HEARING PROCEDURE

10.1 Association's Enforcement Rights. In the event of an alleged violation by a Member or occupant of a Home ("Respondent") of the Declaration, these Bylaws, or the Rules and Regulations of the Association, the Board shall have the right, upon an affirmative vote of a majority of all Directors on the Board, to take any one or more of the actions and to pursue one or more of the remedies permitted under the provisions of the Declaration, these Bylaws, or the Rules and Regulations of the Association. If, under the provisions of the Declaration, these Bylaws, or the Rules and Regulations, a Notice of Noncompliance by the Board and Right to Hearing is required prior to taking action or pursuing remedies, the following provisions of Article X of these Bylaws shall be applicable. The failure of the Board or the Architectural Control Committee to enforce the Rules and Regulations of the Association, these Bylaws, or the Declaration shall not constitute waiver of the right to enforce the same thereafter. The remedies set forth and provided in the Declaration, the Rules and Regulations of the Association, or these Bylaws shall be cumulative and none shall be exclusive. However, any individual Member must exhaust all available internal remedies of the Association prescribed by the Declaration, these Bylaws, and the Rules and Regulations of the Association before that Member may resort to a court of law for relief with respect to any alleged violation by another Member of the Declaration, these Bylaws, or the Rules and Regulations of the Association, provided that the foregoing limitation pertaining to exhausting administrative remedies shall not apply (i) to the Board or to any Member where the complaint alleges nonpayment of Annual Assessments, Special Assessments or Corrective Assessments, or (ii) to matters the Board determines in its discretion will (a) affect the safety of the Common Area or Open, Open Area or Open Space or the Owners or their property or (b) will result in irreparable harm to the Association if not quickly remedied. In such cases, the Board may immediately file suit.

10.2 Notice of Noncompliance by Board and Right to Hearing. A copy of the Complaint or Notice of Noncompliance by Board and Right to Hearing ("Notice") shall contain a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the Respondent is charged and a reference to the specific provisions of the Declaration, these Bylaws, or the Rules and Regulations of the Association which the Respondent is alleged to have violated. The Notice shall be served on each Respondent in accordance with the Notice provisions set forth in the Declaration, together with a statement which shall be substantially in the following form:

"Unless a written request for a hearing signed by or on behalf of a person named as Respondent in the accompanying Complaint/Notice is delivered or mailed to the Board within fifteen (15) days after the Complaint/Notice is served upon you, the Board may proceed upon the Complaint/Notice without a hearing, and you will have thus waived your right to a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled "Notice of Response" to the Board at the following address:

Rio De Si3n Homeowners Association, Inc.

561 E Entrada Dr.
P.O. Box 790027,
Virgin, Utah 84779

You may, but need not, be represented by counsel at any or all stages of these proceedings. If you desire the names and addresses of witnesses or an opportunity to inspect any relevant writings or items on file in connection with this matter in the possession, custody or control of the Board, you may contact the Board Secretary or the Association's Manager or other agent, as may be appointed.

A Respondent shall be entitled to a hearing on the merits of the matter if the Notice of Response is timely filed with the Board. A Respondent may file a separate statement by way of mitigation even if he does not file a Notice of Response. If the charges relate to an occupant that is not a Member, both the occupant and the Member shall be considered Respondents.

10.3 Board. The Board shall serve as the Hearing Committee. The Board shall elect a Chairman and appoint a hearing officer who shall take evidence and ensure that a proper record of all proceedings is maintained.

10.4 Notice of Hearing. The Board shall serve a Notice of Hearing, as provided herein, on all parties at least ten (10) days prior to the hearing, if such hearing is requested by a Respondent. The hearing shall be held no later than thirty (30) days after the Notice is mailed or delivered to each Respondent. The Notice of Hearing to each Respondent shall be substantially in the following form, but may include other information:

"You are hereby notified that a hearing will be held before The Board at:
_____ on the _____
day of _____, 20____, at the hour of _____, upon the charges
made in the Complaint/Notice served upon you. You may be present at the
hearing, may but need not be represented by counsel, may present any relevant
evidence, and will be given full opportunity to cross-examine all witnesses
testifying against you. You are entitled to seek the attendance of witnesses and
to compel the production of books, documents or other items in the possession of
the Association by applying to the Board of the Association."

10.5 Hearing. At the hearing, the Respondent must show cause, if any cause can be shown, why said Respondent is not in violation of the Declaration, the Rules and Regulations of the Association, or these Bylaws as set forth in the Notice.

Oral evidence shall be taken only on oath or affirmation administered by a Member of the Board. The use of affidavits and written interrogatories in lieu of oral testimony shall be encouraged by the Board.

Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine witnesses on any matter relevant to the issues; to impeach any witness; and to rebut the evidence against such party. If Respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.

The hearing need not be conducted according to technical rules relating to evidence of witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil action. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.

Neither the Complainant nor the Respondent need be in attendance at the hearing. The hearing shall be open to attendance by any Member of the Association to the extent of the permissible capacity of the hearing room.

In rendering a decision, official Notice may be taken at any time of any provision of the Declaration, these Bylaws, the Rules and Regulations of the Association, or any generally understood matter within the working of the Association. Persons present at the hearing shall be informed of the matters to be Noticed by the Board, and these Matters shall be made a part of the record of proceedings.

The Board may grant continuances on a showing of good cause.

Whenever the Board has commenced to hear the matter and a Member of the Board is forced to withdraw prior to a final determination by the Board, the remaining Members shall continue to hear and decide the case.

10.6 Decision. If a Respondent fails to file a Notice of Response as provided in Section 10.2 of these Bylaws, or fails to appear at a hearing, the Board may take action based upon the evidence presented to it without further Notice to Respondent. However, the Respondent may make any showing by way of mitigation. After all testimony and documentary evidence has been presented to the Board, the Board may vote by secret written ballot upon the matter, with a majority of the entire Board controlling. A copy of the Notice of Adjudication of the Board may be posted by the Board at a conspicuous place in the Development, and a copy shall be served by the President of the Association on each person directly involved in the matter and his attorney, if any, in accordance with the Notice provisions set forth in the Declaration. The Notice of Adjudication may include (i) the terms of any disciplinary action; (ii) the levy of a Corrective Assessment; or (iii) other such actions or remedies as the Board deems appropriate. The decision of the Board shall become effective ten (10) days after it is served upon each Respondent, unless otherwise ordered in writing by the Board. The Board may order a reconsideration at any time within fifteen (15) days following service of its decision on the involved persons, on its own motion or on petition by any party. However, no action against a

Respondent arising from the alleged violation shall take effect prior to the expiration of the later of (a) fifteen (15) days after each Respondent's receipt of the Notice of Hearing; or (b) ten (10) days after the hearing required herein.

10.7 Subsequent Violations for Same Offense. If the Board determines that an Owner violates the Notice of Adjudication, the Board may immediately issue a Notice of Noncompliance and Right to Hearing or file suit to enforce the Notice of Adjudication.

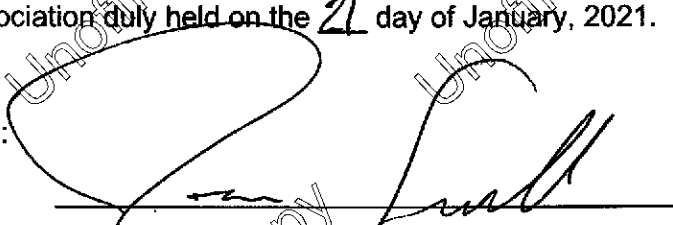
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

I am the duly elected and acting Secretary of Rio De Si3n Homeowners Association, Inc., a Utah nonprofit corporation ("Association"), and

The foregoing Bylaws, comprising 22 Pages, in its original format, including this Page, constitute the Bylaws of the Association duly adopted at the meeting of the Board of the Association duly held on the 21 day of January, 2021.

Witnessed:



Secretary, Rio De Si3n Homeowners Association, Inc.

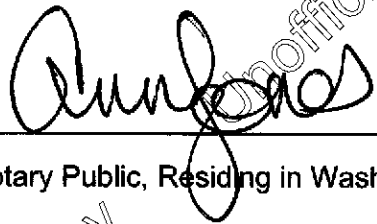
ACKNOWLEDGMENT

STATE OF UTAH

) ss.

COUNTY OF WASHINGTON)

On the 21 day of January, 2021, personally appeared before me, Jason Campbell who being by me duly sworn, did say that he/she is the Secretary of the Rio De Si3n Homeowners Association, Inc., the authorized individual empowered to sign these Bylaws and that these Bylaws were signed on behalf of said Association and said person acknowledged to me that said Association authorized the execution of same.



Notary Public, Residing in Washington County

