

Amended Restrictive Covenants Page 1 of 35
Gary Christensen Washington County
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**AMENDED AND RESTATED PROTECTIVE COVENANTS FOR
RUSTED HILLS**

A residential subdivision located in
Washington City, Utah

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS AND CONCEPTS.....2

ARTICLE 2 USE RESTRICTIONS.....3

 2.1 Land Use and Building Type.....3

 2.2 Lot Size4

 2.3 Care and Maintenance of Lots.....4

 2.4 Care and Maintenance of Common Area4

 2.5 Easements.....4

 2.6 Hazardous Activities4

 2.7 Motorbikes4

 2.8 Weed Control.....5

 2.9 Pest Control.....5

 2.10 Nuisances5

 2.11 Safe Condition5

 2.12 Oil and Mining Operations.....5

 2.13 Animals, Livestock, Poultry, and Agriculture5

 2.14 Garbage and Refuse Disposal.....5

 2.15 Water Supply5

 2.16 Sewage Disposal.....5

 2.17 RVs, Boats, and Vehicles6

 2.18 Rules and Regulations.....6

 2.19 Development Rights6

ARTICLE 3 ARCHITECTURAL CONTROL6

 3.1 Architectural Control Committee (ACC).....6

 3.2 Governmental Permit Required7

 3.3 Design Restrictions8

 3.4 Construction and Contractor Provisions11

ARTICLE 4 ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.....13

ARTICLE 5 FINANCES AND OPERATIONS.....13

 5.1 Creation of Lien and Personal Obligation of Assessment13

 5.2 Purpose of Assessments.....13

 5.3 Maximum Annual Assessment13

5.4	Special Assessments for Capital Improvements	13
5.5	Specific Assessments	14
5.6	Emergency Assessments	14
5.7	Uniform Rate of Assessment; Periodic Assessments	14
5.8	Date of Commencement of Annual Assessments; Due Dates	14
5.9	Effect of Nonpayment of Assessment; Remedies of Association	15
5.11	Subordination of Lien to Mortgages.....	15
5.12	Books, Records, and Audit.....	16
ARTICLE 6 ENFORCEMENT AND AMENDMENT		16
6.1	Violation Constitutes Nuisance.....	16
6.2	Enforcement.....	16
6.3	Developer Exemption.....	17
ARTICLE 7 AMENDMENT AND EXPANSION		17
7.1	Amendment	17
7.2	Additional Property.....	17
ARTICLE 8 GENERAL PROVISIONS		17
8.1	Duration of Covenants	17
8.2	Notices	17
8.3	Construction and Severability	17
8.4	Gender and Grammar	18
8.5	Waivers.....	18
8.6	Topical Headings	18

AMENDED AND RESTATED PROTECTIVE COVENANTS FOR RUSTED HILLS

THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS FOR RUSTED HILLS is made and executed this 20th day of JUNE, 2021, by Dennett Brothers Development Corp, and D & G Property Holdings, LLC, collectively, hereinafter referred to as Developer, regarding that real property located in Washington County, Utah, described in Exhibit A, attached hereto (the "Property"). This Amendment and Restatement is made pursuant to Section 7.1 of the Declaration of Protective Covenants for Rusted Hills Phase 2 that was recorded August 7, 2014, as DOC # 20140023977. This document amends and restates the following documents of record in Washington County, Utah, in their entirety:

1. The Declaration of Protective Covenants for Rusted Hills Phase 2, that was recorded August 7, 2014, as DOC # 20140023977; and
2. The Declaration of Annexation (Rusted Hills Phase 3), recorded May 9, 2016, as DOC #20160016185; and
3. The Declaration of Annexation (Rusted Hills Phase 4), recorded February 13, 2020, as DOC # 20200007493.

In addition, it is expected that Phases 6 and 7 for Rusted Hills, which are established under documents recorded June 12, 2018 as DOC # 20180024243 (Protective Covenants for Rusted Hills – Phase 6) and August 12, 2020 as DOC # 20200042709 (Declaration of Annexation – Rusted Hills Phase 7), will be annexed into this Declaration by a separate declaration of annexation recorded after this Declaration. Upon such annexation, Phases 6 and 7 will be part of the Property and the Phase 6 and 7 lot owners will be Members of the Association.

Developer subjects all of the Property to the covenants, conditions, restrictions, terms, assessments, charges, servitudes, liens, reservations, and easements hereinafter set forth in this Declaration. Developer divides the Property into Lots as shown on said plats and dedicates the streets shown on said plats to the public. The easements shown on the plats are hereby perpetually reserved for public utilities and for any other uses as designated thereon or set forth herein, and no structures other than for such utility or other indicated purposes are to be erected within the lines of said easements. The Property is not a cooperative.

Developer further declares that all of the Property is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied, and improved subject to the following limitations, restrictions, covenants and conditions, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement, and sale of the Property, and are established and agreed upon for the purposes of enhancing and protecting the value, desirability, and attractiveness of the Property and every Lot, part or portion thereof. The acceptance of any deed to or conveyance of any Lot, part, or portion of the Property by the grantees therein named or by their legal representatives, heirs, executors, administrators, successors, or assigns, shall constitute their covenant and agreement with the Developer and with each other to accept, hold, improve, use, and convey the Property described and conveyed in or by such deed or conveyance subject to said covenants, conditions, and restrictions. These covenants, conditions, and restrictions shall run with the land.

**ARTICLE 1
DEFINITIONS AND CONCEPTS**

The following definitions and concepts shall control in this Declaration. Any terms used but not defined in this Declaration shall have their plain and ordinary meaning.

1.1 **"Additional Property"** means and refers to any real property that is adjacent or contiguous to, or otherwise within the vicinity of the Property, whether described herein or on the Plat. When Additional Property is annexed to this Declaration, it becomes part of the Property.

1.2 **"Articles"** means and refers to the Articles of Incorporation of Rusted Hills Owners Association. The Articles establish the Association as a nonprofit corporation under Utah law.

1.3 **"Association"** means the Rusted Hills Owners Association, a Utah nonprofit corporation, its successors, and assigns.

1.4 **"Bylaws"** means and refers to the Amended and Restated Bylaws of the Association, a copy of which is attached as Exhibit B. The Bylaws govern the Association's internal affairs, such as (for purposes of example but not limitation) voting, elections, and meetings.

1.5 **"Common Area"** means and refers to all real property, including the improvements thereto and facilities thereon, which the Association owns, leases, or otherwise holds possessory or use rights in, or is otherwise responsible for maintenance of at any given time, for the common use and enjoyment of the Owners, or to benefit the Property. Common Area may be designated on the Plat or otherwise established as provided for in this Declaration. For maintenance purposes, Common Area includes the storm water facilities and detention area which is not located on the Property but which serves the Property and for which a Storm Water Management BMP Maintenance Agreement was entered into (recorded as DOC #20140023697), as amended or assigned.

1.6 **"Common Expenses"** means the actual and estimated expenses which the Association incurs or anticipates incurring for the general benefit of the Owners, including any reasonable reserve, as the Board may find necessary and appropriate under the Governing Documents.

1.7 **"Community Association Act"** means the Utah Community Association Act, Title 57, Chapter 8a of the Utah Code, and any amendments thereto.

1.8 **"Developer"** means collectively Dennett Brothers Development Corp., a Utah corporation, and D & G Property Holdings, LLC, a Utah limited liability company, and their successors and assigns.

1.9 **"Developer Control Period"** means the time period during which the Developer owns a Lot in the Property. During the Developer Control Period, the Developer has special development rights as set forth in the Governing Documents. The Developer Control Period expires when the Developer conveys all of its Lots to third-party purchasers or upon Developer's express surrender of Developer control through a written and recorded instrument of surrender, whichever first occurs.

1.10 **"Declaration"** means this instrument and any amendments, restatements, supplements, or annexations thereto, which are recorded in the Office of the Washington County Recorder.

1.11 **"Directors", "Board of Directors", or "Board"** means the Association's governing body.

1.12 **"Entire Membership"** means all Members of the Association. When a vote of the Entire Membership is referenced, it means the votes for all Lots within the Property.

1.13 **"Governing Documents"** means, collectively, this Declaration, the Articles, the Bylaws, and any amendments or supplements thereto, and includes any rules, regulations, and resolutions established under the authority of the Declaration, Articles, or Bylaws.

1.14 **"Home"** means a single-family dwelling constructed on a Lot.

1.15 **"Lot"** means a separately numbered and individually described plot of land shown on the Plat designated as a Lot for private ownership, but specifically excludes the Common Area and Limited Common Area.

1.16 **"Member"** means and is synonymous with the term "Owner" and is used herein and in the Bylaws and Articles to identify the Owners as members of the Association.

1.17 **"Mortgage"** means a mortgage, a deed of trust, a deed to secure a debt, or any other form of security instrument affecting title to any Home.

1.18 **"Mortgagee"** means and refers to a lender holding a first Mortgage or deed of trust.

1.19 **"Owner"** means the person, group of persons, or entity owning fee simple title to any Lot within the Property. No matter how many parties participating in ownership of each Lot, the group of those parties will be treated as one "Owner." The term "Owner" includes contract purchasers but does not include persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings. Membership is appurtenant to and may not be separated from Lot ownership.

1.20 **"Plats"** means the subdivision Plats of record in Washington County for Rusted Hills Phases 2, 3 and 4, each of which were prepared and certified by a Utah Registered Land Surveyor, and any amendments or replacements thereof, or additions thereto. The term Plats also includes any recorded plat for Additional Property annexed into the Property, including for Phases 6 and 7.

1.21 **"Property"** or **"Subdivision"** means that certain real property described in Exhibit A attached hereto and such annexations and additions thereto as may hereafter be subjected to this Declaration, and, where the context requires, includes any improvements thereon.

ARTICLE 2 USE RESTRICTIONS

2.1 **Land Use and Building Type.** All Lots shall be used only for detached single-family residential purposes. As used herein, the term "family" is defined to mean persons related by blood or marriage, by legal adoption, or by operation of law. Home occupations conducted entirely within a dwelling and carried on only by persons primarily residing in the dwelling and which are incidental and secondary to the use of the dwelling for single-family residential purposes are permitted so long as they comply with applicable laws and ordinances. Examples of these permitted uses include private piano lessons, private tutoring, a professional home office or library, remote working of a professional nature, a hairstyling studio, and similar incidental uses that do not change the character of the residential dwelling or permit more than a single person to enter on any Lot for services at any given time. Such uses must be

properly licensed by Washington City. Except for these limited and incidental uses, any commercial, business, or use for remuneration is prohibited. This prohibition includes any activity in which a Lot Owner surrenders full-time occupancy or exclusive use of their dwelling to another. Examples of prohibited uses include rehabilitation or addiction treatment facilities, half-way homes, and nightly, short-term, or vacation rentals through or similar to services such as Airbnb, VRBO, and HomeAway.

2.2 Lot Size. Lot sizes as described on the Plats are considered minimum Lot sizes and no person shall further subdivide any Lot other than as shown on the recorded plat of said Property. Lots may not be combined for construction of a single home.

2.3 Care and Maintenance of Lots. Each Owner is responsible to maintain their Lot, including keeping their Lot free from rubbish, litter, and noxious weeds; and maintaining all structures, landscaping, and improvements in good condition and repair at all times. If an Owner fails to perform this maintenance in a manner so as not to detract from the appearance of the Property, or affect adversely the value or use of any other Lot, the Association has the right to perform maintenance on the Lot and assess the cost of that maintenance to the Owner as a specific assessment.

2.4 Care and Maintenance of Common Area. The Association is responsible for care and maintenance of the Common Area and improvements thereon, including maintenance of the storm water facilities and drainage area as provided for in that certain Storm Water Management BMP Maintenance Agreement recorded August 5, 2014, as DOC # 20140023697, records of Washington County, Utah as the same may be amended or assigned from time to time. Any damage caused to the Common Areas or improvements by any Lot Owner or their agents, guests or invitees must be repaired by the Lot Owner as soon as possible after such damage is discovered, and if the Owner fails to make such repairs, the Association may make such repairs and the expense of such repair shall be borne by the Lot Owner.

2.5 Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plats. No structure, planting, or other material shall be placed or permitted to remain within these easements which may damage or interfere with the installation, maintenance or replacement of utilities; or which may change the direction or flow of drainage channels in the easements; or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Lot Owner, except for those improvements for which a public authority or utility company is responsible. Lot Owners may from time-to-time grant rights over, across, on, under and upon these easements for such additional uses and services as may be provided from time to time by a public authority or private utility company.

2.6 Hazardous Activities. No activities shall be conducted on the Property and no improvements shall be constructed on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in conformity with governmental permitting, in a contained barbecue or fire pit unit while attended and in use for cooking purposes, or within a safe and well-designed interior fireplace.

2.7 Motorbikes. All motorcycles, trail bikes, three-wheel powered devices, automobiles, and two or four-wheel drive recreational type vehicles are to be operated in compliance with the law and only on established streets and parking areas and are specifically prohibited from all other portions of the Property, and are to be used on said streets only for ingress, egress, and access purposes and not for recreational purposes anywhere within the Property.

2.8 Weed Control. Each Lot Owner shall, to the extent reasonably feasible, control the growth and proliferation of noxious weeds and flammable materials on their Lot to minimize weeds, fire, and other hazards to surrounding Lots, homes, Common Area, and surrounding properties, and shall otherwise comply with any applicable ordinances, laws, rules, or regulations pertaining to the removal and control of noxious weeds. The term "noxious weeds" means and refers to those plants which are injurious to crops, animals, land, or the public health.

2.9 Pest Control. Lot Owner shall not permit anything or condition to exist upon their Lot which would induce, breed, or harbor infectious plant diseases or noxious insects. To that end, each Lot Owner shall perform regular pest control activities on their Lot as may be necessary to prevent insects, rodents, and other pests from being present on his Lot.

2.10 Nuisances. No noxious or offensive activity shall be carried on upon any Lot, part or portion of the Property, nor shall anything be done thereon which may be or may become an annoyance to the Subdivision. Clothes drying or storage of any articles which are visible from any public street is not permitted.

2.11 Safe Condition. Without limiting any other provision of these covenants, and within reason, each Owner shall always maintain and keep their Lot in a safe, sound, and sanitary condition and repair and correct any condition or otherwise refrain from any activity that might endanger the health of or interfere with the safety or reasonable enjoyment of other Lot Owners.

2.12 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, part or portion of the Property, nor shall any oil well, gas well, tank, tunnel, mineral excavation or shaft be permitted upon or in any Lot or portion of the Property.

2.13 Animals, Livestock, Poultry, and Agriculture. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, part, or portion of the Property, except that dogs, cats, or other domesticated household pets, two or less in total number may be kept in a Home constructed on a Lot, provided that they are not kept, bred, or maintained for any commercial purpose. Such animals as are permitted shall be strictly controlled and kept pursuant to all applicable laws and ordinances, and shall be on a leash or inside a fence when outside the Owner's Home. Notwithstanding the above, the Association may, by rule, permit Lot Owners to keep and raise poultry for non-commercial purposes.

2.14 Garbage and Refuse Disposal. No Lot or part or portion of the Property shall be used or maintained as a dumping ground for rubbish, rubble, trash, garbage, or other waste. Such trash, rubbish, rubble, garbage, or other waste as produced within the Property shall be kept in sanitary containers inside a structure except when placed for collection. No rubbish, trash, papers, junk, or debris shall be burned upon the Property except that trash may be burned in accordance with applicable laws and ordinances inside homes that are properly equipped with inside incinerator units.

2.15 Water Supply. Each Home must be connected to and use the municipal culinary water supply.

2.16 Sewage Disposal. Each Home shall be connected to and use the municipal sewage disposal system. No individual sewage disposal system shall be permitted on any Lot, part, or portion of the Property.

2.17 RVs, Boats, and Vehicles.

(a) *Parking.* No boats, trailers, buses, motor homes, campers, recreational vehicles, or other such vehicles, shall be parked or stored upon any Lot except within an enclosed garage or on a cement pad behind the required front Lot line setback area. No such vehicles shall be parked overnight on any street located within the Property. Trailers, motor homes, and trucks over 9,000 pounds GVW are not allowed to be stored upon any vacant lot or street or road area adjacent to the Property.

(b) *Inoperable Vehicles.* Motor vehicles that are inoperable shall not be permitted to remain upon any street or lot or road areas adjacent thereto. If an inoperable motor vehicle remains upon any Lot or road area for over 30 days, the Association may remove the inoperable motor vehicle after a 10-day written notice. The cost of such removal shall attach to the associated Lot as a lien in favor of the Association. For the purpose of this section, "inoperable motor vehicle" means any motor vehicle that is unable to operate in a normal manner upon the streets under its own power, or is unlicensed or unregistered for a period of not less than six weeks.

2.18 Rules and Regulations. The Board has the authority to promulgate rules and regulations for the governance of the Property and persons within the Property. Upon adopting these rules, the Board shall compile and distribute them to all Lot Owners and always maintain copies for inspection and copying by Owners at a reasonable cost.

2.19 Development Rights. The Developer may delegate, transfer, or assign (in whole or in part) any and all rights and powers of the Developer contained in this Declaration and other Governing Documents. To be effective, any such delegation, transfer, or assignment must be in writing, signed by the Developer, indicate the extent and nature of such assignment, and be recorded in the Office of the Washington County Recorder. The assignment may limit the assignee Developer's rights to particular matters and reserve rights to the assigning Developer, as set forth in the instrument of assignment.

ARTICLE 3 ARCHITECTURAL CONTROL

3.1 Architectural Control Committee (ACC). Before the commencement of any excavation, construction, or remodeling of any structure or of any addition to any structure, or modification of the natural topography of any Lot, or installation of fences or landscaping elements, approval of the Architectural Control Committee is required.

(a) Appointment and Membership. The Architectural Control Committee (also known as the "ACC") shall consist of at least three persons appointed by the Board. If the Board does not appoint ACC members, the Board itself shall act as the ACC.

(b) Submission of Plans. To commence the process, two complete sets of building plans and specifications shall be filed with the ACC, together with a site or plot plan showing grading, landscaping, and all lighting, indicating the exact part of the building site which the improvements will cover, with such a fee as the ACC may determine from time to time, and an application and such supporting material, such as samples of building materials, as the ACC deems necessary. No work may commence unless and until the ACC endorses on one set of such plans its written approval that the plans comply with the covenants and standards set forth in this

Declaration or hereafter established by the ACC under the authority of this Declaration. The second set of such plans shall be filed as a permanent record with the ACC.

(c) Rights of Approval. The ACC has the right to refuse or approve any plans and specifications and has the right, in so doing, to take into consideration the suitability of the proposed building, the materials, the site upon which it is proposed to be erected, the harmony thereof with the surroundings, and the effect of the building or other structure so planned on the outlook from adjacent or neighboring property.

(d) Architectural Standards. The ACC shall promulgate and maintain a list of standards for guidance in approving or disapproving plans and specifications pursuant to this Article.

(e) Time Frame for Action. If the ACC fails to approve or disapprove in writing any such plans within 30 days after the submission, then such plans are deemed approved.

(f) Non-Liability. The ACC shall not be held liable for damages by reason of any action, inaction, approval, or disapproval with respect to any request made pursuant to this Article. Any errors or omissions in the design of any building, other improvement, or landscaping and any violation of any governmental ordinance are the sole responsibility of the Lot Owner and the Lot Owner's designer, architect, or contractor. The ACC's review of plans is in no way concerned with structural or mechanical integrity or soundness.

(g) Waiver. The approval of the ACC of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the ACC's right to disapprove any similar plans and specifications subsequently submitted to it for review and approval.

(h) Rules and Regulations. The ACC shall adopt reasonable rules and regulations for the conduct of its proceedings and to carry out its duties. It may fix the time and place for its regular meetings and such extraordinary meetings as may be necessary, and shall keep written minutes of its meetings, which shall be open for review and inspection upon request. The ACC shall, by majority vote, elect one of its members as chairman and one of its members as secretary. The duties of each office will be such as usually appertain to such offices. Notice of meetings shall be given to Owners who have made application to the ACC for approval of plans as well as Owners of adjacent and surrounding Lots which may be affected by the application.

(i) Compensation. Unless authorized by resolution of the Board, the members of the ACC shall not receive any compensation for services rendered. Members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Committee function or duty. Professional consultants retained by the ACC shall be paid such compensation as the ACC determines.

(j) Developer Exemption. The Developer is exempt from the provisions, restrictions, and requirements of this Article, as the same exists or as it may be amended, supplemented, or replaced in accordance with other provisions of the Declaration.

3.2 Governmental Permit Required. No Home, accessory or addition to a Home, other structure or building shall be constructed or maintained, and no grading or removal of natural vegetation or change in natural or approved drainage patterns or installation of fencing or landscaping elements shall

occur on a Lot until any required permit or required approval therefor is obtained from the appropriate governmental entity following submission to the appropriate governmental entity of such information as it may require. Governmental approval or permitting with respect to any matter does not affect the ACC's power of the to refuse to approve any such matter in accordance with this Article.

3.3 Design Restrictions. To promote a harmonious community development and protect the character of the Subdivision, the following guidelines—together with any guidelines the ACC hereafter establishes—are applicable to the Property:

(a) Purpose and Intent. The intent of these architectural guidelines is to encourage a blending of styles within the Property with the natural surroundings and prevailing architecture of the created environment of the Property. These standards allow design latitude and flexibility, while ensuring that the value of the Property will be enhanced through the control of site planning, architecture, and landscape elements. The architectural guidelines serve as an evaluative aid to Owners, builders, project developers, design professionals, City staff, the Planning Commission, City Council, and the ACC in the design review of individual, private and public developments within Rusted Hills. The Washington City Zoning Regulations will apply for any area of design not addressed in these guidelines.

(b) ACC Enforcement. The ACC may levy a fine or penalty of up to \$50.00 against any Owner who violates Article 3 and any rule or regulation established by the ACC pursuant to Article 3. That \$50.00 fine may be levied for each day of a continuing violation, provided prior notice is given pursuant to the Governing Documents and Community Association Act. All attorney fees and costs incurred in any such action, all expenses incurred, and any fines levied, shall constitute a lien on the offending Owner's Lot, and shall also be a personal obligation of that Owner, enforceable at law, until such payment therefore is made. Enforcement under this provision shall be in addition to any mechanism of enforcement provided in this Declaration or by applicable law.

(c) Permitted and Required Structures. The only building or structure permitted to be erected, placed or permitted to be located on any Lot within the Property is a detached single-family Home placed within the building envelope for each Lot and not to exceed the height requirements found in this section. Each Home must include a minimum two car, private, enclosed and attached garage. All construction shall be of new materials. All structures shall be constructed in accordance with the zoning and building ordinances of Washington City, Utah, in effect from time to time.

(d) Minimum Area. The minimum total square footage of living area on the ground floor located within the building envelope and foundation for any single-story residential Home constructed on any Lot within the Property shall be not less than 1,750 square feet, exclusive of porches, balconies, patios and garages. Two-story homes shall have a minimum of 1,600 square feet on the main level, with a total square footage of not less than 2,200 square feet, exclusive of porches, balconies, patios and garages.

(e) Setbacks. The following minimum setback standards apply to the Lot. All measurements shall be made from the applicable Lot line to the foundation, porch, or other extension of such building, whichever is nearer to such Lot line.

- Front: Minimum of 20 feet Lot line to structure.
- Side: Minimum of 10 feet from Lot line to structure.
- Rear: Minimum of 20 feet from Lot line to structure.

(f) Building Height. Maximum building height shall be 35 feet for a two-story home and 25 feet for a one-story home. Height is measured from a base line parallel to the existing Lot grade to a parallel line intersecting the highest point of any roof element.

(g) Home Elevations. Elevations should be consistent with the intended architectural style of the Home and carried around all four elevations of the structure.

(h) Facades. Facades shall be stucco, masonry, brick, or stone, with accents of brick, stone, or such other material as approved by the ACC.

(i) Roof Materials. Roof material is limited to slate, clay, or concrete tiles. Colors shall be subdued earth tones or such other colors as the ACC may allow which are compatible with other structures in the Subdivision.

(j) Reflective Exterior Surfaces or Materials. No reflective exterior surfaces or materials shall be used. Sheet metal, flashing, vents, and pipes must be colored or painted to match the material to which they are attached or from which they project.

(k) Colors. Base building colors shall be in earth tones. Pastels or high gloss finishes are prohibited. Complementary accent colors may be used on facia, window trim, shutters, and doors.

(l) Prohibited Structures. Dome structures, log homes, pre-manufactured homes, re-located homes, and Earth or Berm homes of any type are prohibited.

(m) Temporary or Other Structures. All homes and other buildings to be erected within the Property be new construction, of good quality, workmanship, and materials. To that end, no structure of a temporary nature, and no trailer, bus, basement, outhouse, tent, shack, garage, or other outbuilding shall be used at any time as a home either temporarily or permanently, nor shall any such structures be erected or placed on the Property at any time. No old or second-hand structures shall be moved onto any Lots.

(n) Driveways and Parking. Each driveway (excluding sidewalk areas) shall be designed so it accommodates at least two vehicles per Lot. Each driveway on a Lot shall be constructed out of cement, brick, concrete, or interlocking pavers. Cinders, sand, gravel, asphalt, or dirt are not permitted for driveway material in the front or side yard area of any Lot. The driveway in the front and side yard areas of each Lot shall be in a color which blends with the exterior of the Home on the Lot.

(o) Sight Obstructions. No structure, fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways may be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points 30 feet from the intersection of the street lines, or in the

case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations apply to any Lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree is permitted to remain within such distances of such intersections unless the foliage line is maintained at such height to prevent obstruction of such sight lines. No fence, wall, hedge, shrub, or other structure shall be placed along any front property line. No fence, wall, hedge, tree, plant, shrub, or foliage may be planted, kept, or maintained in such manner that will, in the opinion of the ACC, create a serious potential hazard or an aesthetically unpleasant appearance to the other residents of the Property.

(p) Fencing. Fencing, walls, and other barriers are limited to block walls of a material and color approved by the ACC. No fences may be constructed in the front setback area.

(q) Retaining Walls. Retaining walls are restricted to a maximum height of five feet, unless otherwise approved by the ACC. If approval is given for a retaining wall higher than five feet, the retaining wall must be tiered and landscaping installed to hide the retaining wall.

(r) External Illumination. Light used to illuminate garages, patios, parking areas or for any other purposes, shall be so arranged as to reflect light away from adjacent homes and away from the vision of passing motorists. Low level outdoor illumination may be used for particular landscape features (such as trees, rock formations, dry stream beds, etc.).

(s) External Television or Other Antennas. Antennas for radio, television, or device for the reception or transmission of radio, microwaves or other similar signals are restricted to the attic or interior of the Home. All homes must be pre-wired for cable reception. Satellite dish antennas are allowed provided they are placed in such areas as may be designated by the ACC, consistent with applicable law. But in no event may the ACC prohibit satellite dishes if the proposed area of placement is the best area for reception. In no event shall satellite dish antennas exceed 20 inches in diameter or width.

(t) Location of Air Conditioning, Heating, and Soft Water Equipment. Air conditioning, heating equipment, and soft water tanks must be screened from view so as not to be visible from neighboring property or from the streets of the development, and shall be insulated for sound attenuation. Air conditioning units are not permitted on roofs or through windows.

(u) Utility Meters. Utility meters shall be placed in as inconspicuous a location as possible. Locations of meters are to be shown on the plans, and meters must be screened from view from neighboring property to the extent practicable. Exposed piping should be painted to match exterior colors of the Home. The area immediately around the meters should be cleared to allow for access. Electric meters, switches, or circuit breaker boxes are not to be located in the same enclosure with the gas meter and regulator. Enclosures for gas meters and regulators must be vented in compliance with the Uniform Building Code.

(v) Mailboxes. Cluster mailboxes installed by Developer are the only allowed mail receptacles.

(w) 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, or on the outside of windows or doors, without the prior written consent of the ACC.

(x) Landscaping. Landscaping must be completed in accordance with the landscape plan submitted to and approved by the ACC prior to construction of the Home, and may include but shall not be limited to the preparation for the planting of lawn, grass or other appropriate ground cover, and appropriate shrubbery. Lots which are to be landscaped in a desert motif must be approved by the ACC. Limited use of cinders may be made in the landscaping on a Lot, only as approved by the ACC.

(y) Planting and Gardening. Planting and gardening are allowed provided that such activities occur in the back yard of a Lot or is otherwise obscured from view if conducted on the side of a Lot, and is maintained to avoid the overgrowth and noxious weeds.

(z) Slope and Drainage Control. No structure, planting or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels. The slope control areas of each Lot and all improvements in them shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. Lot Owners are responsible to see that no nuisance or damage is created by drainage location or flow to any adjacent property.

(aa) Easements. Easements for installation and maintenance of utilities, drainage facilities and ingress and egress are reserved as shown upon the Plats. No structure, planting or other material may be placed or permitted to remain in these easements which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow or drainage channels in the easements or which may impede ingress and egress. The easement area on each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

(bb) Lateral and Subjacent Support and Drainage. An Owner whose activities affect the lateral or subjacent support, or both, of adjacent landowners is responsible for all damages proximately caused by such activities. Owners are responsible for all damage proximately caused by drainage from their Lot onto adjacent landowners.

(cc) Signs. Except for one "For Rent" or "For Sale" sign of not more than two square feet, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Lot or any portion of the Property. No commercial activities of any kind whatever shall be conducted in any building or on any portion of the Property. The foregoing restrictions do not apply to the commercial activities, signs, and billboards, if any, of the Developer; nor do they apply to the Association in furtherance of its powers and purposes set forth in the Governing Documents, including any amendments to the Governing Documents.

3.4 Construction and Contractor Provisions. To promote a harmonious community and protect the character of the Subdivision, the following guidelines apply to construction activities occurring on the Property:

(a) Completion of Construction. The construction of any building on any portion of the Property shall be continuously and diligently pursued from and after the commencement of such construction, and in any event shall be substantially completed within 12 months after commencement.

(b) Building Materials Storage. No Lot, part, or portion of the Property shall be used or maintained as a storage area for building materials except during a construction phase. Once a Home is occupied or made available for sale all building materials shall be removed or stored inside such Home, out of public sight.

(c) Landscaping. Front yard landscaping shall be complete prior to occupancy. Upon acquisition of record title to a Lot, a contribution into escrow in the amount of \$750.00 shall be made at closing by or on behalf of the purchaser. The \$750.00 shall be held in escrow pending completion of the construction and landscaping on a Lot. If the landscaping is not complete prior to occupancy, or in the event the streets, curb or gutter are damaged as a result of the construction upon that Lot, the \$750.00 shall be forfeited and used to pay for said landscaping, or for repair, maintenance and replacement of those areas damaged during construction. Such payment into escrow shall be refundable upon satisfactory completion of the landscaping and construction as determined by the Board of Directors.

(d) Soils Test. The Lot purchaser is encouraged to obtain a soils test and recommendation on foundation from a Utah registered engineer prior to construction. The ACC may require that the Lot Owner obtain a soils test and recommendation on foundation prior to the final approval. The ACC may also condition final approval following the recommendations set forth in the soils test document. By approving the commencement of construction after review of any soils test and recommendation, the ACC is not warranting and shall not be deemed to have warranted the results of such test or recommendation.

(e) Damages. If any Owner or their agent causes damage to existing improvements such as curbs, gutters, streets, or sidewalks, that Owner must repair the damage within 30 days after such damage is discovered. The expense of that repair is the responsibility of the Owner. If the Owner fails to make the repair, the Association may do so and charge the expense shall be a charge against the Owner and shall be a continuing lien on the Lot of the Owner until paid.

(f) Maintenance of Lot During Construction. Contractors or subcontractors as Owner/builders must provide on-site dumpsters during construction and are required to clean up the site daily to maintain a clean work site during construction. Dirt or mud from the construction site or elsewhere, dispersed, directly or indirectly, on the public streets within the Property must be cleaned up within 24 hours by the contractor or subcontractor as Owner/builder. The ACC may levy up to a \$500.00 fine against a violator of this subsection and/or the Owner of the Lot for each day of a continuing violation. The fine shall be a charge on the land and shall be a continuing lien on the Lot of the Owner who is in violation.

**ARTICLE 4
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS**

Each Lot Owner is a member of the Association. The Association has one class of voting membership. All Members are entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, the group of such persons are a single Member and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

**ARTICLE 5
FINANCES AND OPERATIONS**

5.1 Creation of Lien and Personal Obligation of Assessment. Each Lot Owner, by acceptance of a deed of conveyance therefor, whether or not it is expressed in any such deed or other conveyance, covenants and agrees to pay to the Association all assessments, charges and interest, costs of collection, fines, and attorney fees provided in the Governing Documents. All such amounts shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment or amount is charged. Such assessments and other amounts shall be the personal obligation of (a) the person who was the Lot Owner at the time when the assessment or other charge became due, and (b) successors-in-title who took title to a Lot for which assessments or other charges were delinquent or otherwise owed.

5.2 Purpose of Assessments. The assessments levied by the Association shall be used by the Association for the improvement, maintenance, repair, and preservation of the Common Area. The assessments must provide for but are not limited to, the payment of taxes on Association property and insurance maintained by the Association; the payment of the cost of repairing, replacing and maintaining the Common Area; the payment of administrative expenses of the Association; payment of insurance deductible amounts; the establishment of a reserve account for repair, maintenance, and replacement of the Common Area which must be replaced on a periodic basis or for which the Association has a maintenance obligation; the payment of any professional services deemed necessary and desirable by the Board; and other amounts the Board determines are necessary to meet the primary purposes of the Association.

5.3 Maximum Annual Assessment. Until January 1 following recording of this Declaration, the maximum annual assessment is \$25.00 per Lot. This amount shall be the basis of calculation for future maximum annual assessments.

(a) From and after the date referred to above the maximum annual assessment shall be increased each year by five percent above the maximum assessment for the previous year, without a vote of the members.

(b) The Association may change the basis and maximum of the assessments fixed by this Section prospectively for any annual period provided that any such change shall have the assent of 60% of the votes of Members, voting in person or by proxy, at a meeting duly called for this purpose.

5.4 Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy in any assessment year a special assessment, applicable to that year only. Special assessments may only be levied to defray, in whole or in part, the cost of any construction, reconstruction,

repair or replacement of the Common Area. Special assessments must have the assent of 60% of the votes of the members voting in person or by proxy, at a meeting duly called for this purpose.

5.5 Specific Assessments. The Association has the power to levy specific assessments against a particular Lot to cover costs incurred in bringing any Lot into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the Lot Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws and Community Association Act, before levying any specific assessment under this subsection. Any provision in the Governing Documents which permits the issuance of a fine or expense against an Owner may be assessed and collected as a specific assessment.

5.6 Emergency Assessments. Notwithstanding anything contained in this Declaration, the Board may levy emergency assessments in response to an emergency. An emergency assessment may be assessment without Member approval. Prior to imposing or collecting any emergency assessment, the Board must pass a resolution containing the written findings as to the necessity of such expenditure and why the expenditure was not or could not have been reasonably foreseen or accurately predicted in the budgeting process. The resolution shall be distributed to the Members with the notice of the emergency assessment. If such expenditure was created by an unbudgeted maintenance or similar expense or increase, the assessment shall be discontinued by the Board through a similar resolution, if such expense is subsequently reduced, or to the extent the next succeeding annual budget incorporates the increase into the annual assessment. For purposes of this section, an emergency is a situation in which the Board finds: (a) an expenditure, in its discretion, required by an order of a court, to defend the Association in litigation, or to settle litigation; (b) an expenditure necessary to repair or maintain the Property or any Common Area for which the Association is responsible where a threat to personal safety is discovered; (c) an expenditure necessary to repair, maintain, or cover actual Association expenses for the Property or any part of it that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget (for example: increases in utility rates, landscape, or maintenance contract services, attorney fees incurred in the defense of litigation, etc.); or (d) such other situations in which the Board finds that immediate action is necessary and in the best interests of the Association.

5.7 Uniform Rate of Assessment; Periodic Assessments. Assessments must be fixed at a uniform rate for all Lots; provided, however, that assessments shall not accrue against the Developer or Lots owned by the Developer.

5.8 Date of Commencement of Annual Assessments; Due Dates.

(a) The assessment provided for herein shall commence to accrue on the first day of the month following conveyance to a purchaser. The first assessment shall be adjusted according to the number of months remaining in the calendar year. In the absence of a determination by the Directors as to the amount of said assessment, the assessment shall be an amount equal to 90% of the maximum assessment provided above.

(b) At least 30 days before commencement of each new assessment period, the Directors shall send or cause to be sent a written notice of the annual assessment to each Owner subject thereto. This notice shall not be a pre-requisite to validity of the assessment.

(c) The assessment due dates shall be established by the Directors.

(d) The Directors shall prepare a Lot roster which includes the assessments applicable to each Lot at the same time that it fixes the amount of the assessment. The Lot roster shall be kept by the Association's treasurer who shall record payments of assessments and allow inspection of the Lot roster by any Member at reasonable times.

(e) The Association shall, upon written demand, and for a reasonable charge, furnish a certificate signed by an officer 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.

5.9 Effect of Nonpayment of Assessment; Remedies of Association. Any assessment or installment thereof not paid within 30 days after the due date therefor shall be delinquent and shall bear interest from the due date at the rate of 12% per annum (or such lesser rate as the Directors shall set by resolution) until paid. In addition, a late fee of \$25.00 for each delinquent installment may be imposed. There shall be added to the amount of any delinquent assessment the costs and expenses of any action, sale or foreclosure, and reasonable attorney fees incurred in enforcing and collecting said delinquent assessment.

(a) To enforce payment of the assessment, interest, and late fees, the Directors may, in the name of the Association, (a) bring an action at law against the Owner personally obligated to pay any such delinquent assessment without waiving the lien of assessment, or (b) may elect to foreclose the lien against the property in accordance with the laws of the State of Utah applicable to the exercise of powers of sale in deeds of trust or to the foreclosure of mortgages, or in any other manner permitted by law, and/or (c) may restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent member. Any fee for termination or reinstating such services shall be the responsibility of the Lot Owner and shall be treated as an assessment and become a lien on the Owners Lot.

(b) A power of sale is hereby conferred upon the Association which it may exercise. Under the power of sale, the Lot of an Owner may be sold in the manner provided by Utah law pertaining to deeds of trust as if said Association were beneficiary under a deed of trust. The Association shall designate any person or entity qualified by law to serve as Trustee for purposes of power of sale foreclosure pursuant to Utah Code § 57-8a-302, with power of sale to foreclose the Lots and all improvements for the purpose of securing payments of assessments under the terms of this Declaration.

(c) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of their Lot.

5.11 Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage held by an institutional lender. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first Mortgage or any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which became due prior to such sale or transfer. No sale or transfer, however, shall relieve a Lot Owner from personal liability for assessments coming due after taking title or from the lien of such later assessments.

5.12 Books, Records, and Audit. The Association shall maintain current copies of the Governing Documents, as well as its own books, records and financial statements which shall all be available for inspection by Lot Owners and insurers as well as by holders, insurers, and guarantors of first mortgages during normal business hours upon reasonable notice. Charges shall be made for copying, researching or extracting from such documents. A Lot Owner or holder, insurer, or guarantor of a first Mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

ARTICLE 6 ENFORCEMENT AND AMENDMENT

6.1 Violation Constitutes Nuisance. Every act or omission whereby any restriction, covenant, term, or condition in this Declaration is violated in whole or in part, is declared to be and shall constitute a nuisance, and may be abated by appropriate legal action by the Developer, the Association, or any Lot Owner. The remedies provided for hereunder shall be deemed cumulative and not exclusive.

6.2 Enforcement.

(a) *Violations Deemed a Nuisance.* Every violation of this Declaration or any rule or regulation established pursuant to the authority of this Declaration is deemed a nuisance and is subject to all the remedies provided for the abatement or correction of the violation that are contained in this Declaration or provided by law or equity and such remedies shall be deemed to be cumulative and not exclusive.

(b) *Legal Action Authorized.* The Association (through the Board), the Developer (during the Developer Control Period), and the Lot Owners, each have the right to enforce, by any proceeding at law or in equity, all provisions of this Declaration or any rule or regulation established pursuant to the authority of this Declaration, including all charges and liens now or hereafter imposed pursuant to the authority of this Declaration, against any person, persons, or entities violating or attempting to violate any provision of this Declaration or any rule or regulation established pursuant to the authority of this Declaration, to restrain or abate or otherwise recover damages for the violation, and against the land to enforce any charge or lien created by this Declaration. In addition to taking legal action, the Board has the right to grant variances and stay enforcement proceedings against any Owner on a case-by-case basis when the Board determines such action is in the best interests of the Association.

(c) *Fines and Penalties.* The Association may levy a fine or penalty against any Owner who fails to refrain from violating this Declaration or any rule or regulation established pursuant to the authority of this Declaration. Such fine or penalty shall be in an amount that is specifically provided for in a fine schedule adopted, and amended from time to time, by the Association Board. The Association Board may establish time frames and requirements for written notice, hearings, and cure periods (in accordance with Utah Code Ann § 57-8a-208) for Owners in violation prior to levying such fine or penalty, which notice shall be at least 48 hours. Any fine or penalty levied by the Association that is not paid within 30 days (such time period shall be stayed should the Governing Documents require any period to cure or for notice and hearing) shall be recoverable by the Association in the same manner as an assessment under Article 5, and shall create a lien in favor of the Association against the Owner's Lot in the same manner as an assessment.

(d) *Attorney Fees and Costs.* Any fine or penalty levied against an Owner for any violation shall include any attorney fees and costs incurred by the Association with respect to such violation. The prevailing party in any action to enforce this Declaration or any rule or regulation established pursuant to the authority of this Declaration shall be entitled to an award of reasonable attorney fees and costs incurred in such action.

(e) *Nonexclusive Remedies.* All the remedies set forth in this Declaration are cumulative and not exclusive to any others provided in the Governing Documents or by law.

6.3 Developer Exemption. Developer is exempt from the provisions, restrictions, and requirements of this Article, as the same exists or as it may be amended, supplemented, or replaced.

ARTICLE 7 AMENDMENT AND EXPANSION

7.1 Amendment. During the Developer Control Period, Developer may unilaterally amend this Declaration. After the Developer Control Period, this Declaration may be amended, modified, extended, or revoked, in whole or in part, by the affirmative vote or written consent, obtained by written ballot or otherwise, or any combination thereof, of at least 67% of votes held by the Entire Membership.

7.2 Additional Property. The Developer may subject Additional Property to this Declaration. The Developer shall indicate its intent to have such property bound by this Declaration on the plat of such Additional Property, or by recording a declaration of annexation indicating its intent to annex the additional property into this Declaration. Upon recording of such plat or declaration of annexation, such Additional Property shall be considered as part of the Property in all respects, and Lots therein shall constitute Lots under this Declaration and the Owners thereof shall be Members of the Association. Developer may assign this right of annexation.

ARTICLE 8 GENERAL PROVISIONS

8.1 Duration of Covenants. The covenants, conditions, and restrictions contained herein shall run with and bind the land for a period of 50 years from the date this document is recorded, after which time said covenants shall be automatically extended for successive periods of 10 years each, subject to amendment as herein set forth.

8.2 Notices. Any notice required under the provisions of this document to be sent to any Lot Owner shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of such Owner. The Association may adopt a policy for notification via electronic communication in lieu of notice by mail.

8.3 Construction, Severability; Interpretive Conflicts. All terms of this Declaration shall be construed together. Invalidation of any one term or provision, or any part thereof, shall not affect the enforceability or applicability any of the remaining terms. In the event of any conflict between the provisions of any of the Governing Documents, the documents shall control in the following order of authority: (1) the Declaration; (3) the Articles; (4) the Bylaws; and (5) any rule, regulation, or resolution passed pursuant to the authority of the foregoing documents. A conflict exists when two provisions covering the same subject matter have different conditions or requirements that cannot be reconciled.

8.4 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

8.5 Waivers. No provision contained herein shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations that may occur.

8.6 Topical Headings. The topical headings contained herein are for convenience only and do not define, limit, or construe the contents of these covenants.

IN WITNESS WHEREOF, the undersigned has hereunto executed this document this 3rd day of June, 2021.

DEVELOPER:

DENNETT BROTHERS DEVELOPMENT CORP.
a Utah corporation

By: *Douglas T. Dennett*
Douglas T. Dennett, President

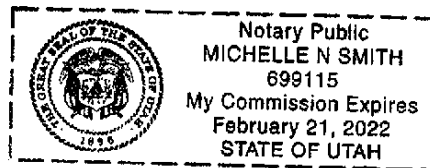
D & G PROPERTY HOLDINGS, LLC
a Utah limited liability company

By: *Douglas T. Dennett*
Douglas T. Dennett, Manager

STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this 3rd day of June, 2021, before me personally appeared Douglas T. Dennett, as the President of Dennett Brothers Development Corp. who acknowledged before me that the corporation executed the document and the document was the act of the corporation for its stated purpose.

Michelle N Smith
NOTARY PUBLIC



STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this 3rd day of June, 2021, before me personally appeared Douglas T. Dennett, as Manager of D & G Property Holdings, LLC who acknowledged before me that the company executed the document and the document was the act of the corporation for its stated purpose.

Michelle N Smith
NOTARY PUBLIC

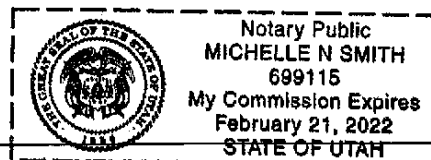


EXHIBIT A
Legal Description

Phase 2:

Tax ID# W-5-2-35-2131

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 36, TOWNSHIP 42 SOUTH, RANGE 15 WEST, OF THE SALT LAKE BASE AND MERIDIAN; thence S 89°28'54" E, along the East-West Center Section Line 116.20 feet to the point of beginning; thence continuing S 89°28'54" E, along said line, 441.26 feet; thence departing said line and running S 00°31'06" W 662.48 feet; thence N 89°27'42" W, 411.81 feet to the Southeast Corner of Rusted Hills Phase 1 Subdivision; thence N 00°31'27" E, along the East Line of said Phase 1, 139.72 feet to the Southeast Corner of Rusted Hills Drive; thence N 00°32'32" E, along the East Line of said Drive; 50.00 feet to the NE Corner of said Drive; thence N 89°27'28" W, along the North Line of said Drive 27.86 feet to the Southeast Corner of Lot 8, of said Phase 1; thence N 00°19'20" E, along the East Line of said Phase 1, 472.60 feet to the point of Beginning

Phase 3:

PARCEL ID: W-5-2-35-2131

BEGINNING AT THE SOUTHWEST CORNER OF RUSTED HILLS SUBDIVISION PHASE 1. SAID POINT OF BEGINNING BEING LOCATED S00°18'16"W, ALONG THE SECTION LINE, 662.29 FEET, N89°27'42"W, 0.38 FEET, AND N89°09'05"W, 233.13 FEET FROM THE EAST QUARTER CORNER OF SECTION 35, TOWNSHIP 42 SOUTH, RANGE 15 WEST, OF THE SALT LAKE BASE AND MERIDIAN; THENCE S89°09'05"E, ALONG THE SOUTH LINE OF SAID RUSTED HILLS PHASE 1, 233.13 FEET TO AN ANGLE POINT IN SAID PHASE 1; THENCE S89°27'42"E, ALONG THE SOUTH LINE OF SAID PHASE 1, AND THE SOUTH LINE OF RUSTED HILLS SUBDIVISION PHASE 2, 459.79 FEET; THENCE DEPARTING SAID LINE AND RUNNING S00°52'25"E, 230.56 FEET; THENCE S13°44'48"E, 134.04 FEET; THENCE S07°13'20"W, 63.47 FEET; THENCE S11°47'55"E, 115.00 FEET; THENCE N78°12'05"E, 85.00 FEET; THENCE S11°47'55"E, 76.53 FEET; THENCE S49°27'47"W, 54.37 FEET; THENCE S78°12'05"W, 125.90 FEET TO A NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 770.00 FEET, AND A CENTRAL ANGLE OF 00°37'45"; (RADIUS POINT BEARS N74°42'24"E); THENCE SOUTHERLY ALONG SAID CURVE, 8.45 FEET; THENCE S15°55'20"E, 91.12 FEET TO A CURVE TO THE LEFT HAVING A RADIUS OF 20.00 FEET, AND A CENTRAL ANGLE OF 80°54'14"; THENCE SOUTHEASTERLY ALONG SAID CURVE, 28.24 FEET; THENCE S06°49'34"E, 30.00 FEET; THENCE S83°10'26"W, 92.01 FEET TO A CURVE TO THE RIGHT HAVING A RADIUS OF 175.00 FEET, AND A CENTRAL ANGLE OF 20°59'46"; THENCE WESTERLY ALONG SAID CURVE, 64.13 FEET; THENCE N75°49'49"W, 162.07 FEET TO A CURVE TO THE LEFT HAVING A RADIUS OF 175.00 FEET, AND A CENTRAL ANGLE OF 13°14'03"; THENCE WESTERLY ALONG SAID CURVE, 40.42 FEET; THENCE N89°03'52"W, 148.97 FEET TO A POINT LOCATED ON THE EAST LINE OF SAID SECTION 35; THENCE N00°18'16"E, ALONG THE SECTION LINE, 96.63 FEET TO THE 1/16TH CORNER; THENCE N89°11'10"W, ALONG THE 1/16TH LINE, 233.51 FEET; THENCE DEPARTING SAID LINE AND RUNNING N00°18'16"E, 662.08 FEET TO THE POINT OF BEGINNING. CONTAINING 12.39 ACRES.

SUBJECT TO AND TOGETHER WITH THAT PORTION OF AN EXISTING PUBLIC UTILITIES EASEMENT, AS DESCRIBED IN THAT CERTAIN EASEMENT DEED, DOCUMENT No. 20130045199, WASHINGTON COUNTY RECORDS.

Phase 4:

Tax Parcel Nos.: W-5-2-36-3431 and W-5-2-36-339

BEGINNING AT A POINT S 0°18'59" W 1470.14 FEET ALONG THE WEST LINE OF SECTION 36, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN AND S 89°41'01" E 410.15 FEET FROM THE WEST 1/4 CORNER OF SAID SECTION 36, SAID POINT BEING THE NORTHEAST CORNER OF ROADRUNNER RIDGE PHASE 2, ALSO BEING A POINT ON THE SOUTHERN BOUNDARY OF RUSTED HILLS PHASE 3, BOTH RECORDED AND ON FILE AT THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH, AND RUNNING THENCE ALONG THE BOUNDARY OF SAID RUSTED HILLS PHASE 3 THE FOLLOWING THIRTEEN (13) COURSES, (1) THENCE N 83°10'26" E 92.01 FEET, (2) THENCE N 6°49'34" W 30.00 FEET, TO A POINT ON A 20.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS N 6°49'34" W, (3) THENCE ALONG THE ARC OF SAID CURVE 28.24 FEET THROUGH A CENTRAL ANGLE OF 80°54'14", (4) THENCE N 15°55'20" W 91.12 FEET, TO A POINT ON A 770.00 FOOT RADIUS CURVE TO THE RIGHT, (5) THENCE ALONG THE ARC OF SAID CURVE 8.46 FEET THROUGH A CENTRAL ANGLE OF 0°37'45" (6) THENCE N 78°12'05" E 125.90 FEET, (7) THENCE N 49°27'47" E 54.37 FEET, (8) THENCE N 11°47'55" W 76.53 FEET, (9) THENCE S 78°12'05" W 85.00 FEET, (10) THENCE N 11°47'55" W 115.00 FEET, (11) THENCE N 7°13'20" E 63.47 FEET, (12) THENCE N 13°44'48" W 134.04 FEET, (13) THENCE N 0°52'25" W 230.56 FEET, TO A POINT ON THE SOUTHERLY BOUNDARY OF RUSTED HILLS PHASE 2 SUBDIVISION, RECORDED AND ON FILE AT THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE S 89°27'42" E 873.30 FEET ALONG SAID LINE AND THE EXTENSION THEREOF, TO A POINT ON THE WESTERLY BOUNDARY OF MAJESTIC VIEW PHASE II, PLAT 'A' SUBDIVISION, RECORDED AND ON FILE AT THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE S 0°31'13" W 0.09 FEET ALONG SAID LINE, TO THE SOUTHWEST CORNER OF SAID SUBDIVISION; THENCE S 89°27'04" E 0.51 FEET ALONG THE SOUTH BOUNDARY LINE OF SAID SUBDIVISION, TO THE NORTHWEST CORNER OF GALILEE HEIGHTS SUBDIVISION, RECORDED AND ON FILE AT THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE S 0°31'29" W 507.96 FEET ALONG SAID LINE, TO THE NORTHEAST CORNER OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20170021196, RECORDED AND ON FILE AT THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE ALONG SAID PARCEL THE FOLLOWING FIVE (5) COURSES, (1) THENCE N 89°26'11" W 141.94 FEET, (2) THENCE S 0°31'29" W 245.84 FEET, (3) THENCE N 89°28'31" W 257.39 FEET, TO A POINT ON A 287.50 FOOT RADIUS CURVE TO THE LEFT, (4) THENCE ALONG THE ARC OF SAID CURVE 36.88 FEET THROUGH A CENTRAL ANGLE OF 7°21'03", (5) THENCE S 83°10'26" W 488.81 FEET, TO A POINT ON THE EAST BOUNDARY OF SAID ROADRUNNER RIDGE PHASE 2; THENCE N 3°56'31" E 12.72 FEET ALONG SAID BOUNDARY, TO THE POINT OF BEGINNING.

EXHIBIT B
Association Bylaws

**Amended and Restated Bylaws of the
Rusted Hills Owners Association**

**ARTICLE 1
OFFICES AND REGISTERED AGENT**

1.1. **Principal Office.** The principal office of Rusted Hills Owners Association, hereinafter referred to as the "*Association*", shall be located in Washington County, Utah, at such place as the Board shall designate. The location of the principal office may be changed by resolution of the Board of Directors.

1.2. **Registered Office and Agent.** The registered office and agent of the Association, as required by Section 501 of the Utah Revised Nonprofit Corporation Act, Utah Code Ann. §§ 16-6a-101 et seq. (1953, as amended) (hereinafter the "*Act*"), may be changed from time to time as provided in the Act.

**ARTICLE 2
DEFINITIONS**

Except as otherwise provided the definitions set forth in the Amended and Restated Declaration of Protective Covenants for Rusted Hills ("*Declaration*") and any applicable amendments and supplements or restatements of it will control in these Bylaws.

**ARTICLE 3
MEMBERSHIP AND VOTING RIGHTS**

3.1. **Membership and Voting Rights.** Membership and voting rights are set forth in the Declaration.

3.2. **Evidence of Membership.** No person, persons, entity, or entities shall exercise the rights of membership until they provide satisfactory proof to the Secretary of the Association of qualification as a Member, or nominee of a Member, under the Articles of Incorporation and the Bylaws. This proof may consist of a copy of a duly executed and acknowledged warranty deed or title insurance policy showing said person, persons, entity or entities, or the person nominating him or her is qualified, in which event said deed or title insurance policy will be deemed conclusive evidence absent any conflicting claim based on a later deed or title insurance policy.

3.3. **Suspension of Membership.** The rights of membership are subject to the payment of assessments and other charges levied by the Association. If a Member fails to make payment of any assessment or other charge levied by the Association within 30 days after the same shall become due and payable the voting rights of such Member may be suspended by the Board of Directors until such assessment or charge has been paid. Rights of a Member may also be suspended for violation of any of the use restrictions and for infraction of any rules and regulations established by the Board of Directors. Except for suspension of voting rights for failure to pay assessments or other charges, any suspension of the rights of membership shall be pursuant to notice and hearing. The Board must establish a procedure for notice and hearing that is fair and reasonable considering all relevant facts and circumstances.

ARTICLE 4
MEETINGS OF MEMBERS

4.1. Annual Meetings. The first annual meeting of the Association will be held within one year after the Association is turned over to the Members following the Declarant Control Period. Subsequent annual meetings will be set by the Board of Directors. If the day of the annual meeting is a legal holiday, the meeting will be held at the same hour of the first day following which is not a legal holiday.

4.2. Special Meetings. Special meetings of the Members may be called at any time by the President or Board of Directors, or upon written request of the Members who are entitled to 33% of all the votes of the Association.

4.3. Notice of Meetings. Written notice of each meeting of the Members must be given by, or at the direction of, the Secretary or person authorized to call the meeting, by Electronic Transmission of a copy of such notice, at least 14 days before such meeting to each Member entitled to vote on the matter for which the meeting has called, addressed to the Member's email address last appearing on the books of the Association. Such notice must specify the place, date, and hour of the meeting, and, for a special meeting, the purpose of the meeting.

4.4. Waiver of Notice. The notice provided for above is not indispensable and any meeting of the Members will be deemed validly called for all purposes if all Members are represented at the meeting in person or by proxy, or if a quorum is present and waivers of notice of time, place and purpose of such meeting shall be duly executed in writing either before or after said meeting by those Members not so represented or not given such notice. The attendance of any Member at a meeting in person or by proxy, without protesting before the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by that Member.

4.5. Quorum. Except as hereinafter provided, and as otherwise provided in the Articles or Declaration, the presence at the meeting of Members entitled to cast, or of proxies entitled to cast 20% of all the votes of each class of membership will constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, at such adjourned meeting a quorum will be present with the participation of any number of owners present in person or by proxy. When the Declaration requires a percentage vote of the Entire Membership, the quorum required for such vote be the same as the minimum percentage vote required to approve the action which is the subject of the vote; provide however, that in calculating any such percentage, Members whose voting rights have been suspended must not be included.

4.6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies must be in writing and filed with the Secretary before the vote is taken at meeting for which the proxy is valid. Every proxy is revocable and shall automatically cease when the membership of the Member voting by proxy has ceased.

4.7. Voting. If a quorum is present, the affirmative vote of the majority of the Members present at the meeting shall be the act of all the Members, unless the act of a greater number is expressly required by law, by the Declaration, by the Articles, or elsewhere in these Bylaws. Upon direction of the presiding officer, the vote upon any business at a meeting shall be by ballot, but otherwise any such vote need not be by ballot.

4.8. Action by Written Ballot in Lieu of Meeting. Any action authorized to be taken at any annual, regular, or special meeting may be taken by written ballot in lieu of such meeting if the ballot is delivered by or at the direction of the Secretary to each Member entitled to vote on the matter, which ballot shall (a) set forth in detail the proposed action; (b) provide an opportunity to vote for or against the proposed action; (c) state the date when such ballot must be returned in order to be counted, which date shall not be less than 30 days after delivery of the ballot; (d) state by what means it shall be returned and where; and (e) shall be accompanied by any written information, which has been approved by a majority of the Board of Directors, sufficient to permit each Member casting the ballot to reach an informed decision on the matter. Each ballot shall contain a means of identification for each Member entitled to vote, which shall identify such Member by Lot number. The number of votes cast by written ballot pursuant to this section shall constitute a quorum for action on the matter. When any matter in the Governing Documents calls for the consent of Members but does not specify that such consent must be obtained at a meeting, then no meeting of the Members will be required or is necessary to obtain such consents. Written notice of each meeting of the Members must be given by, or at the direction of, the Secretary or person authorized to call the meeting, by Electronic Transmission of a copy of such notice, at least 14 days before such meeting to each Member entitled to vote on the matter for which the meeting has called, addressed to the Member's email address last appearing on the books of the Association. Such notice must specify the place, date and hour of the meeting, and, for a special meeting, the purpose of the meeting

4.9. Acceptance of Votes. If the name signed on any consent, written ballot, vote, waiver, proxy appointment, or proxy appointment revocation, corresponds to the name of a Member, the Association, acting in good faith, may accept and give effect to the same as the act of the Member, even though the signature may not be technically correct. For example, if a Lot is owned by a trust, thereby making the trust the Member, and the individual fails to sign as "trustee," it will not invalidate the signature or vote of the Member.

4.10. Procedure; Parliamentary Rules. The order of business and all other matters of procedure at every meeting of Members shall be determined by the presiding officer. Except as may be modified by resolution of the Board of Directors, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Utah law or the Governing Documents.

4.11. Place of Meetings. The Board of Directors may designate the place of any annual or special meeting of the Members by stating or fixing such place under resolution, provided, however, that such place must be within Washington County, State of Utah. If the Board of Directors makes no designation, annual and regular meetings will be held at the Association's principal office.

ARTICLE 5 BOARD OF DIRECTORS

5.1. Qualifications. A Director must be a natural person of at least 18 years old or older and, except with respect to directors appointed by the Developer, a Member of the Association. If a Member is not a natural person, a natural person who holds an ownership interest in the entity which is the Member may serve as a member of the Board of Directors if duly appointed or elected as provided for herein.

5.2. Number. The affairs of this Association shall be managed by a Board of Directors consisting of at least three qualified persons. The number of Directors may range from at least three to no

more than five Directors. The number of persons constituting the whole Board of Directors may be fixed from time to time within this range by resolution of the Board of Directors.

5.3. Term of Office; Staggered Terms. At the first annual meeting at which Members elect the Directors, the two persons obtaining the highest number of votes shall serve for two years and all others shall serve for one year. Thereafter, upon the expiration of the initial term of each Director, his or her successor shall be elected for two-year terms. Nothing shall prevent any person from serving as a Director for successive terms or more than one term if duly elected by the Members.

5.4. Removal. Any Director may be removed from the Board with cause, by a majority vote of the Members of the Association. Any Director who shall be absent from three consecutive Board meetings shall be automatically removed from the Board unless otherwise determined by the Board. In the event of death, resignation or removal of a Director, a temporary successor shall be selected by the remaining Directors and shall serve for the unexpired term of his or her predecessor or until special election of a successor.

5.5. Compensation. No Director may receive compensation for any service he or she may render to the Association. But any Director may be reimbursed for actual expenses incurred in the performance of his or duties as a Director.

5.6. Developer Control Period. Despite anything herein to the contrary, Directors serving during the Developer Control Period will be appointed by the Developer acting in its sole discretion and shall serve at the pleasure of the Developer. There shall be no requirement for the election of Directors as forth in Article 6 until the termination of the Developer Control Period unless the Developer expressly provides otherwise in writing.

ARTICLE 6 NOMINATION AND ELECTION OF DIRECTORS

6.1. Nomination. Nominations for election to the Board may be made from the floor at the annual meeting of Members. In addition, the Board of Directors may establish a nominating committee to nominate qualified Members for election to the Board. If established, the Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least 60 days prior to each annual meeting of the Members, to serve through such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

6.2. Election; Voting. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

6.3. Voting by Mail. Election of Directors may be handled by mail voting in the following manner, which may be, at the determination of the Board, the sole method of voting or used in conjunction with in-person voting. Ballots shall be sent to each Member by the Secretary not more than 60 days and not fewer than 30 days before the date set for election. Ballots shall instruct Members to seal their ballot in a ballot envelope and then place the sealed envelope into a larger envelope along with a signed paper,

provided by the Secretary, identifying the Member whose vote is contained in the inner envelope. Ballots may be delivered to the Secretary in person or by mail; provided, however, that ballots must be received by the Secretary prior the election. Upon receiving the ballots, the Secretary shall open the outer envelope, remove the identification paper, and record which Members have voted. The identification paper and outer envelope shall then be separated from the ballot envelope. The ballot envelope shall be retained by the Secretary until opened on the election date.

ARTICLE 7
MEETINGS OF DIRECTORS

7.1. Regular Meetings. The first meeting of the Board of Directors will follow the annual meeting of the Members at which a Board is first elected by the Members. Thereafter, regular meetings of the Board of Directors shall be held at such date, time and place as may be determined from time to time by resolution of the Board of Directors. If approved by Board resolution, meetings may also be held remotely through widely used videoconferencing services such as Zoom, Microsoft Teams, or Webex. Written notification of each regular Board meeting must be provided to all Directors by email (or other Board approved electronic transmission) at least 48 hours before any regular Board meeting. Delivery or mailing under this section may be accomplished by email by using the current email address on file for each member of the Board.

7.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two Directors, after at least two days' notice to each Director.

7.3. Quorum. A majority of the number of Directors will constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, unless a greater number is required by law, the Articles or these Bylaws.

7.4. Action Without a Meeting. Whenever the Directors are required or permitted to take any action by vote, such action may be taken without a meeting on written consent which may be given by Electronic Transmission, setting forth the action so taken, signed by all Directors.

7.5. Place of Meetings. Regular or special meetings of the Board of Directors during the Developer Control Period may be held in or out of the State of Utah. Regular or special meetings of the Board of Directors who are elected by the Members must be held in Washington County, Utah.

7.6. Presence of Directors at Meetings. The Board may allow 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 in the meeting may hear each other during the meeting. A Director participating in a meeting through means permitted under this section will be considered to be present in person at the meeting.

ARTICLE 8
POWERS AND DUTIES OF DIRECTORS

8.1. Powers. The Board of Directors have power to:

- (a) adopt and publish rules and regulations governing the use of the equipment and facilities of the Association and to establish reasonable admission and other fees for the use thereof;
- (b) suspend the voting rights and any other rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association or in violation of any of the use restrictions. Such rights may also be suspended for infraction of any published rules and regulations, after notice and hearing, for a period of not to exceed 60 days;
- (c) employ a manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties;
- (d) borrow money for the purpose of improving the Common Area, and in aid thereof to mortgage said Property, such mortgage to be subordinate to the rights of the Owners;
- (e) with the approval of 67% of first mortgagees on Lots and 67% of each class of Owners, to sell, exchange, hypothecate, alienate, encumber, dedicate, release or transfer all or part of the Common Area to any private individual, corporate entity, public agency, authority or utility;
- (f) enter into agreements or leases which provide for use of the Common Areas and facilities by a similar Association in consideration for use of the Common Areas and facilities of the other Association, or for cash consideration;
- (g) grant easements for public utilities or other public purposes consistent with the intended use of the Common Area;
- (h) levy and collect assessments as more fully outlined in the Declaration;
- (i) purchase insurance as outlined in the Declaration;
- (j) appoint an Architectural Control Committee;
- (k) appoint arbitrators to resolve party wall disputes;
- (l) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation or Declaration;
- (m) enforce and administer the Declaration and other Governing Documents.

8.2. Duties. The Board of Directors must:

- (a) act within 30 days upon any request for approval or disapproval submitted under the Declaration;
- (b) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-half of the Members who are entitled to vote;
- (c) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (d) prepare a roster of the Lots and the assessments applicable thereto;

- (e) fix the amount of the annual assessment against each Lot at least 30 days in advance of each annual assessment period;
- (f) send written notice of each assessment to every Owner subject thereto at least 30 days in advance of each annual assessment period;
- (g) foreclose the lien against any Property for which assessments are not paid within 30 days after due date or bring an action at law against the Owner personally obligated to pay the same;
- (h) furnish a certificate upon written demand, and for a reasonable charge, signed by an officer of the Association setting forth whether the assessment on a specified Lot has been paid;
- (i) maintain an adequate reserve fund for maintenance, repairs, and replacement of any elements of the Common Areas which must be replaced on a regular basis and cause a reserve analysis to be reviewed at least every three years and conducted no less frequently than every six years;
- (j) prepare an annual budget and present it to the Members for approval at the annual meeting of Members.

ARTICLE 9
OFFICERS AND THEIR DUTIES

9.1. Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, who need not be Members of the Board of Directors nor of the Association, and such other officers as the Board may from time to time create by resolution.

9.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

9.3. Term. The Board must elect the officers of the Association annually and each will hold office for one year unless the officer shall sooner resign, or be removed, or otherwise be disqualified to serve.

9.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

9.5. Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving notice to the Board, or any officer of the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise necessary to make it effective.

9.6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

9.7. Multiple Offices. The same person may hold the offices of Secretary and Treasurer. No person shall simultaneously hold more than one of any of the other offices except for any special office created under Section 9.4.

9.8. Duties. The officers and their duties are as follows:

- (a) *President.* The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes.
- (b) *Vice President.* The Vice-President shall act in the place and stead of the President in the event of absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- (c) *Secretary.* The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Association together with their addresses, and shall perform such other duties as required by the Board.
- (d) *Treasurer.* The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association that have been duly authorized and approved by the Board; shall maintain a roster of all Members, assessments and payments; shall keep proper books of account; issue certificates of payment of assessments; shall notify the Board of Members who are delinquent in paying assessments; and shall prepare an annual budget and statement of income and expenditures to be delivered and presented to the membership at its regular annual meeting; and shall deliver a copy of the budget and statement to the Members at said meeting.

9.9. Compensation. No salary or other compensation for services shall be paid to any officer of the Association for services rendered by such officer, but this shall not preclude an officer of the Association from performing any other service for the Association as an employee or on a contract basis and receiving compensation therefor.

ARTICLE 10 COMMITTEES

In addition to the ACC, which is established in the Declaration, the Board may create such committees as it finds necessary and appropriate to perform such tasks as the Board may designate by resolution. The Board has the authority to appoint members of each committee it creates. Each committee shall operate under the terms of such resolution.

ARTICLE 11 FINANCIAL MATTERS

12.1. Depositories. The Board of Directors shall select such depositories as it considers proper for the funds of the Association. All checks and drafts against such deposited funds must be signed and countersigned by persons authorized by these Bylaws or by Board resolution to sign such checks and drafts.

12.2. Contracts; Management Contract. The Board of Directors may authorize any officer or officers, agent or agents, in addition to those specified in these Bylaws, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, 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 render it liable for any purpose or for any amount.

12.3 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.

12.4 Annual Report. The Board of Directors shall present at the annual meeting of the Members the report of the Treasurer, giving the annual budget and a statement of income and expenses, and a report of other affairs of the Association during the preceding year. The Board of Directors shall provide all Members, at the expense of the Association, copies of said annual budget and statement of income and expense.

ARTICLE 12 BOOKS AND RECORDS

13.1 Association Records. The Association must keep and maintain those records required by the Declaration, the Act, and these Bylaws. Such records must be maintained in written form or in another form capable of conversion into written form within a reasonable time.

13.2 Inspection of Books and Records. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member under the provisions of Utah Code § 57-8a-227. The Articles and these Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE 13 RULES AND REGULATIONS

The Board of Directors has the power to adopt and establish by resolution such rules and regulations as it may find necessary for the maintenance, operation, management and control of the property, equipment, facilities and utility systems of the Association. The Board of Directors may alter from time to time such rules and regulations. The Members shall at all times obey such regulations and use their best efforts to see that they are faithfully observed by the persons with whom they reside, their family, guests, tenants, invitees and others over whom they may exercise control or supervision.

ARTICLE 14 AMENDMENT

15.1 By the Board. These Bylaws may be amended or repealed, in whole or in part, by a majority vote of the Board of Directors at any regular Board meeting or at a special Board meeting called for that purpose, unless 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, or unless otherwise prohibited by Utah Code Title 16, Chapter 6a or the Utah Community Association Act.

15.2 By the Members. These Bylaws may be amended or repealed, in whole or in part, by a majority vote of the Members at any annual meeting of the Members or at any special meeting of the Members called for that purpose.

15.3 By Developer. Developer has the right to unilaterally alter, amend or repeal these Bylaws, in whole or in part, for any purpose during the Developer Control Period, with or without notice to the Members.

15.4 Validity. No amendment made by the Board or Members during the Developer Control Period shall be effective unless the Developer provides its prior express written consent to such amendment, which consent is within Developer's sole and absolute discretion.

15.5 Effective Date. Any amendment to these Bylaws shall be effective upon the date such amendment is duly adopted as provided for herein, and recorded as required by Utah Code § 57-8a-216(3), which date the Secretary shall certify on the amendment and file with the Association's records. The Board shall provide notice to Members of any amendment to these Bylaws, however, the receipt of such notice shall not be a prerequisite to the validity of the amendment.

ARTICLE 15 GENERAL PROVISIONS

16.1 Notices; Electronic Notice. Any notice required to be sent under these Bylaws will be deemed to have been properly sent when delivered by Electronic Transmission, or when deposited in U.S. Mail to the last known address of the person who is entitled to receive it. In addition to keeping the Board informed as to their current mailing address, Lot Owners must maintain a current email address with the Board for such purpose. In the absence of a specific instruction from the Member, the Member's current email address will be used to provide notice to the Member. In addition to keeping the Board informed as to their current mailing address, Lot Owners must maintain a current email address with the Board for such purpose.

16.2 Indemnification. Each Director and officer of the Association now or hereafter serving as such shall be indemnified by the Association against any and all claims and liabilities to which he has or shall become subject while or after serving by reason of serving as Director or officer, or by reason of any action alleged to have been taken, omitted, or neglected by him as such Director or officer; and the Association shall reimburse each such person for all legal expenses reasonably incurred by him in connection with any such claim or liability; provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of his own willful misconduct or gross negligence. The right of indemnification shall not be exclusive of any rights to which any Director or officer of the Association may otherwise be entitled by law.

16.3 Dates and Times. In computing any time period prescribed or allowed by these Bylaws, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday (either federal or Utah state), in which event the period runs until the end of the next day that is not a Saturday, a Sunday, or a legal holiday. The deadline of the last day of the period so computed shall be 5:00 P.M., Mountain Time.

16.4 Waivers. No provision contained in these Bylaws shall be deemed to have been waived by reason of any failure to enforce or follow it, no matter how many violations which may occur.

16.5 Construction and Interpretation. These Bylaws shall be construed wherever possible as consistent with the Declaration and the Act. Conflicts between documents shall be resolved as set forth in the Declaration.


16.6 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

16.7 Titles and Headings. The titles and headings in these Bylaws are for convenience only and do not define, limit, or construe the contents of these Bylaws.

CERTIFICATION

The undersigned hereby certifies that he/she is the duly elected/appointed Secretary of Rusted Hills Owners Association, a Utah nonprofit corporation, and these Bylaws constitute the Bylaws of the Association as duly adopted by the Board of Directors on June 3rd, 2021.

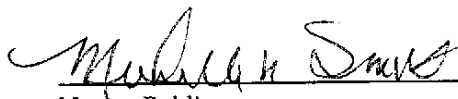
IN WITNESS WHEREOF, I have hereunto set my hand on June 3rd, 2021.



Secretary

STATE OF UTAH)
 :SS
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 3rd day of June, 2021, by Robert C. Dennett as Secretary of Rusted Hills Owners Association, a Utah corporation, on behalf of the Association.



Notary Public

