

AMENDED AND RESTATED BYLAWS
OF
THE EVERGREEN SWIMMING AND TENNIS CLUB, INC.

A Utah non-profit Corporation

ARTICLE I

DEFINITIONS

"Corporation" shall mean and refer to The Evergreen Swimming and Tennis Club, Inc., a Utah nonprofit Corporation, its successors and assigns.

"Shareholder" shall mean and refer to the holder of record, whether one or more persons or entities, of a share of the stock of the Corporation, but excluding those having such interest merely as security for the performance of an obligation. There is only one class of shares.

"Director" shall mean a member of the Board of Directors of the Corporation.

"Property" shall mean all real property owned or controlled by the Corporation and all improvements owned or controlled by the Corporation.

"Person" shall mean an individual, the partnership, a corporation, and a trust.

"Transfer Books" shall mean the stock certificate transfer ledger which contains to whom, when, and what number stock certificate was issued.

ARTICLE II

OFFICE

The Board of Directors (the "Board") shall designate and the Corporation shall maintain a principal office. The location of the principal office may be changed by the Board. The Corporation may also have offices in such other places as the Board may designate. The initial location of the principal office of the Corporation shall be the registered agent's address.

ARTICLE III

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Section 1. Eligibility. To be eligible to be a Shareholder of the Corporation a person must be the owner of at least one (1) share of the Corporation's stock.

Section 2. Sale of Shares. A Shareholder may sell her/his share of the Corporation's stock at any time but must do so in accordance with the procedures outlined in this Section 2. To sell his/her share of the Corporation's stock, the Shareholder has the responsibility of finding and selecting a buyer as well as negotiating the price with the buyer. The Secretary may assist in this process if needed. Once a buyer and price are determined, the Shareholder will contact the Secretary, fill out a Bill of Sale as provided by the Secretary, provide proof of ownership as required by the Secretary, and pay the transfer fee as determined by the Board to the Corporation.

Section 3. Annual Assessments. The Shareholders shall have the responsibility of determining the annual (and any other) assessments. The annual assessment shall be determined and approved by a majority of the Shareholders at the annual meeting ("Annual Meeting") of Shareholders. Any other assessments shall be determined at the Annual Meeting or at a special meeting ("Special Meeting") held for that purpose pursuant to notice. The Board shall provide notice of assessments indicating the manner, time, date, and place of payment. The assessment will be deemed delinquent if not paid by the due date. The notice shall be mailed or emailed by the Secretary of the Corporation, as instructed by the Board, to each Shareholder of record at the last known address on file with the Secretary. The notice shall identify the amount, time, manner of payment, and due date. Should any assessment remain unpaid beyond the due date, the Board shall assess late fees and interest in such amounts and at such times as it deems appropriate, and the delinquent Shareholder shall at that point temporarily lose the rights and privileges of a Shareholder until the levy and assessment has been paid together with any late charges and accrued interest.

Section 4. Termination. At any time should three-fourths (3/4) of the Shareholders at any Annual Meeting, or at a Special Meeting called for that purpose, find and determine that any Shareholder has or is committing acts which are not conducive to the orderly operation and objectives of the Corporation, are offensive to public morals, constitute a nuisance, or are in violation of rules now or hereafter promulgated by the Board or the Corporation, then such Shareholder shall no longer be eligible to enjoy the rights and privileges of a Shareholder and upon payment to her or him by the Corporation of the fair and reasonable value of her or his share, such Shareholder's share shall become the property of the Corporation.

In the event the Shareholder and the Corporation do not agree on the value of said share, for the purposes of ascertaining the fair and reasonable value thereof, the same shall be appraised by three (3) disinterested persons, one (1) to be selected by the Shareholder affected, one (1) by the Corporation, and the third by the two (2) so selected, and their decision as to the value of said share shall be final.

Section 5. Time and Place of Meeting. All meetings of the Shareholders of the Corporation shall be held at such time and at such place within Salt Lake County, State of Utah, as shall be determined by the Board, consistent with these bylaws.

Section 6. Annual Meetings. The Annual Meeting of the Shareholders of the Corporation shall be held each year on such date and at such time as shall be designated from time to time by the Board, consistent with these bylaws. The Annual Meeting shall be for the election of

Directors, the determination of the annual assessment, and the transaction of such other business as may properly come before it.

Section 7. Special Meetings. Special Meetings of Shareholders may be called at any time by the President, or two (2) or more members of the Board, or upon written request of the holders of at least ten percent (10.0%) of the then-current outstanding shares of the Corporation. Written notice of a Special Meeting stating the place, date, time, and purpose shall be given. The notice shall be given to each Shareholder of record in the same manner as notice of the Annual Meeting. No business other than that specified in the notice shall be transacted at any such Special Meeting.

Section 8. Notice of Shareholders Meetings. The Secretary shall give written notice stating the place, day and hour of an Annual or Special Meeting, and in the case of a Special Meeting, the purpose or purposes for which the meeting is called, which shall be delivered not less than ten (10) nor more than forty (40) days before the date of the meeting, either personally, by mail, or by electronic mail to each Shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Shareholder at her or his address as it appears on the books of the Corporation, with postage thereon prepaid.

Section 9. Record Date. The Board may fix a date not less than ten (10) nor more than forty (40) days prior to any meeting as the record date for the purpose of determining Shareholders entitled to notice of and to vote at such meeting of the Shareholders. The Transfer Books may be closed by the Board for a stated period not to exceed forty (40) days for the purpose of determining Shareholders entitled to vote in an Annual Meeting or in order to make a determination of Shareholders for any other purpose.

Section 10. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum ("Quorum") at a meeting of Shareholders. If a Quorum is not represented at a meeting, a majority of the shares so represented may adjourn the meeting. At a meeting resumed after any such adjournment, even if there shall not be a quorum present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Shareholders in such number that less than a quorum remains.

Section 11. Voting. The Board shall determine the method of voting subject to the approval of a majority of the Shareholders present in person or by proxy at any given meeting. The holder of an outstanding share entitled to vote at a meeting may vote at such meeting in person or by written proxy. Except as may otherwise be provided for in the Articles of Incorporation, every Shareholder shall be entitled to one vote for each share standing in her or his name. The vote for such Share shall be exercised as the joint owners of the Share among themselves determine but in no event shall more than one vote be cast with respect to any Share. Any person casting the vote for a jointly-owned Share shall be presumed to have the concurrence of all other joint Shareholders. Except as herein or in the Articles of Incorporation otherwise provided, all corporate action shall be determined by a majority of the votes cast at a meeting of Shareholders by the holders of shares entitled to vote thereon. No Shareholder who is delinquent

in its dues, assessments, or other indebtedness shall be allowed to vote until the Shareholder is no longer delinquent.

Section 12. Proxies. At any Annual or Special Meeting, a Shareholder may vote in person or by proxy executed in writing by the Shareholder or by her or his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution.

Section 13. Meetings by Telecommunication. Shareholders may participate in any Annual or Special Meeting of the Shareholders by any means of communication by which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

Section 14. Shareholder Action Without a Meeting. Notwithstanding the foregoing provisions in this Article, any action required or permitted to be taken at a meeting of the Shareholders may be taken without a meeting if the Board delivers a proposed resolution to all Shareholders entitled to vote on the matter and if a majority of the outstanding shares of the Corporation entitled to vote to approve the action provide written consent. Notice of a proposed resolution may be delivered to the Shareholders by mail or by email at the address on file with the Corporation. Such consent may be given electronically, including but not limited to email or other electronic communication methods approved by the Board.

A resolution shall be deemed approved when the Board receives affirmative written consent from the majority of the outstanding shares of the Corporation entitled to vote. The Corporation shall maintain records of all consents received in accordance with applicable record-keeping requirements.

An electronic transmission consenting to an action under this section is considered to be written, signed, and dated if the electronic transmission is delivered with information from which the corporation can determine: (A) that the electronic transmission is transmitted by the Shareholder, proxyholder, or other person authorized to act for the shareholder or proxyholder; and (B) the date on which the electronic transmission is transmitted. Any Shareholder who does not respond within a seven (7) calendar days of delivery of the proposed resolution, shall be deemed to have abstained from voting on the matter.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors (the "Board"). The Board may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as the Board deems proper, including the hiring of a Property manager.

Section 2. Restrictions. Outside of the ordinary course of business of the Corporation, the Board shall not have the power to (1) acquire property for or on behalf of the Corporation or (2) dispose of the Corporation's property, either real or personal, except upon the approval of a majority of the Shareholders present and voting at a scheduled meeting held for that purpose,

which meeting shall be noticed and conducted as set forth in these bylaws.

Section 3. Number, Tenure and Qualifications. The Board shall be composed of not less than five (5) adult members ("Directors") from different Shareholder households. The number of Directors may be changed from time to time by amendment to these Bylaws but no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. As further explained in Article V below, four (4) of the Directors shall be the following officers of the Corporation: President, Vice-President, Secretary, and Treasurer; each of whom shall be elected at the Annual Meeting of the Shareholders by a majority vote, except as provided in Sections 8 and 9 of this Article. The fifth Director shall be the retiring President who will serve as an ex officio member of the Board for a period of one year following her or his term of office and will be counted as a Director and allowed to vote as a Director.

The elections of Directors shall be staggered in order to cause the Directors to have overlapping terms of service for purposes of continuity. The Directors currently serving on the Board shall continue serving until the next election date specified in this Section for that Director. The Director to serve as Treasurer shall be elected at the 2022 Annual Meeting, and every three (3) years thereafter, for a term of three (3) years. The Director to serve as Secretary shall be elected at the 2024 Annual Meeting, and every three (3) years thereafter, for a term of three (3) years. The Director to serve as Vice President shall be elected at the 2022 Annual Meeting, and annually thereafter, to serve for a term of three (3) years as follows: the first year as Vice President, the second year as President, and the third year as an ex officio member of the Board as described above. The Secretary and Treasurer may each serve up to two (2) consecutive terms. No other Director may serve longer than one (1) three-year term without first spending at least one year not serving as a Director.

Section 4. Meetings. In addition to the Annual Meeting, meetings of the Board may be called by order of the President or by two or more of the Directors. The Secretary shall give notice of the time, place and purpose of each meeting at least five (5) days before the meeting to each Director, PROVIDED, HOWEVER, that attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business, but less than a quorum may adjourn any meeting from time to time until a quorum shall be present, whereupon the meeting may be held, or adjourned, without further notice. At any meeting at which every Director shall be present, even though without any notice, any business may be transacted.

Section 6. Manner of Acting. At all meetings of the Board each Director shall have one vote. The act of a majority present at a meeting shall be the act of the Board, provided a quorum is present.

Section 7. Vacancies. A vacancy in the Board shall be deemed to exist in case of death, resignation, or removal of any Director, or if the authorized number of Directors be increased, or if the Shareholders fail at any meeting of Shareholders at which any Director is to be elected, to elect the full authorized number to be elected at that meeting. A majority of the Directors or

Shareholders shall constitute a quorum for the transaction of business.

Section 8. Removals. Directors may be removed for cause by a two thirds (2/3) vote of the Shareholders holding the shares outstanding and entitled to vote. Such vacancy shall be filled by the Directors then in office, though less than a quorum, to hold office until the next Annual Meeting or until her or his successor is duly elected and qualified, except that any Directorship to be filled by reason of removal by the Shareholders may be filled by election by the Shareholders at the meeting at which the Director is removed. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of her or his term of office.

Section 9. Resignation. A Director may resign at any time by delivering written notification thereof to the President or Secretary of the Corporation. Resignation shall become effective upon its acceptance by the Board of Directors; provided, however, that if the Board of Directors has not acted thereon within ten days from the date of its delivery, the resignation shall upon the tenth day be deemed accepted.

Section 10. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless her or his dissent shall be entered in the minutes of the meeting or unless he shall file her or his written dissent to such action with the person acting as the Secretary for the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 11. Compensation. By resolution of the Board, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board, and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as Director, subject to the rules and regulations governing the payment of Directors under applicable law. No such payment shall preclude any Directors from serving the Corporation in any other capacity and receiving compensation therefore.

Section 12. Informal Action by Directors. Any action required to be taken at a meeting of the Directors, or any action which may be taken at a meeting of the Directors or of a committee, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the Directors or all the members of the committee, as the case may be, either before or after the action is taken and delivered to the Corporation. Such consent shall have the same effect as a unanimous vote. Action taken by written consent of Directors without a meeting is effective when the last Director signs the consent, unless the consent specifies a later effective date.

Section 13. Meetings by Telecommunication. Directors may participate in any meeting of the Directors by any means of communication by which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

Section 14. Committees and Assignments. The Board shall have authority to establish

and to dissolve from time to time one or more committees for special purposes as the Board shall deem prudent. Both Shareholders and non-Shareholders may serve as members of any such committees. The Board shall appoint a committee chairperson to manage and direct the work of the committee, who shall report and be accountable to the Board. The Board may make such specific assignments and responsibilities among the Directors as it deems prudent.

ARTICLE V

OFFICERS

Section 1. Number. The officers of the Corporation shall be a President, Vice President, Treasurer, Secretary, and an ex officio President. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. No person may hold more than one office.

Section 2. Election and Term of Office. All the officers of the Corporation shall be elected by the Shareholders and shall be elected at the Annual Meeting of Shareholders as set forth in Article IV Section 3.

Section 3. Removal. Any officer or agent may be removed by the Board whenever in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Corporation. She/He shall, when present, preside at all meetings of the Shareholders and of the Board. She/He may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board, certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments which a majority of the Shareholders have authorized the Board to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties as may be prescribed by the Board from time to time.

Section 6. Vice President. In the absence of the President or in the event of her or his death, inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an assistant Secretary, certificates for shares of the Corporation; and shall perform such other duties as from time to time may be assigned to him by the President or by the Board.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the proceedings of the Shareholders and of the Board in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provision of these bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation (if any) and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized; (d) keep a register of the post office address, email address, and telephone number of each Shareholder which shall be furnished to the Secretary by such Shareholder; (e) sign with the President, or a Vice President, certificates for shares of the Corporation, the issuance of which shall have been authorized by resolution of the Board; (f) have general charge of the stock transfer books of the Corporation; and (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board or as may be required by law.

Section 8. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these bylaws; (c) provide current financial statements to the Shareholders at the Annual Meeting of Shareholders; (d) execute all annual corporate and tax filings and (e) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board or as may be required by law.

Section 9. Reports. All officers shall make such reports to the Board as to the conduct of their duties at each meeting of the Board and at the regular Annual Meeting of Shareholders as requested, and shall perform such other duties as the Board may direct.

ARTICLE VI

CONTRACTS, LOANS, CHECKS, DEPOSITS, AND AUDIT

Section 1. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. However, the Board may enter into any contract that involves more than \$10,000 in value or extends beyond a period of one (1) year only with Shareholder approval.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a vote of a majority of the shareholders of the Corporation. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by an officer or agent of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. Monthly bank statements shall be reviewed by the President of the Club before giving them to the Treasurer.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

Section 5. Audit. The Board shall choose a willing, volunteer member who is qualified in general accounting or a paid professional to perform an annual audit to inspect the Club's books and records.

ARTICLE VII

CERTIFICATES FOR SHARES AND THEIR TRANSFER

Section 1. Issuance of Shares. No shares of the Corporation shall be issued unless authorized by the Board, or by a committee designated by the Board to the extent such committee is empowered to do so. No fractional shares shall be allowed or issued.

Section 2. Certificates for Shares. Certificates representing shares of the Corporation shall be in such form as shall be determined by the Board. Such certificates shall be signed by the President or Vice President and by the Secretary and sealed with the corporate seal (if any). Each certificate for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefore upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 3. Transfer of Shares. Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation by the holder of record thereof or by her or his legal representative, who shall furnish proper evidence of authority to transfer, or by her or his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given to any Shareholder or Director of the

Corporation under the provisions of these bylaws or provisions of applicable Utah law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X

BYLAWS

Section 1. Amendments. These bylaws may be altered, amended or repealed and new bylaws may be adopted by a two-thirds affirmative vote of the entire Board subject to approval by a majority affirmative vote of the Shareholders at any Annual or Special Meeting; OR by the majority vote of the Shareholders present and voting at a scheduled meeting.

Section 2. When Bylaws Silent. It is expressly recognized that when the bylaws are silent as to the manner of performing any corporate function, the Board shall have authority to perform the same insofar as such corporate function is not inconsistent with the bylaws or the provisions of applicable law. Approval shall be by a vote of a majority of the Board who are voting in person or by proxy at a meeting duly called for this purpose.

ARTICLE XI

INDEMNIFICATION

Section 1. Indemnification of Third-Party Actions. The Corporation may, to the maximum extent and in the manner permitted by the Utah law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (except not an action by or in the right of the Corporation) by reason of the fact that such person is or was a Director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another Corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with the action, suit, or proceeding, if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that her or his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that her or his conduct was unlawful.

Section 2. Indemnification of Corporation Actions. The Corporation may, to the maximum extent and in the manner permitted by Utah law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a Director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another

Corporation, partnership, joint venture, trust, other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the Corporation; except that no indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable to the Corporation unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court considers proper.

Section 3. Determination. To the extent that a Director, officer, employee, or agent of the Corporation has been successful on the merits or otherwise, in defense of any action, suit, or proceeding referred to in Section 1 and 2 hereof, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorney's fees) which such person actually and reasonably incurred in connection therewith. Any other indemnification under Section 1 and 2 hereof shall be made by the Corporation as authorized in the specific case upon a determination that indemnification of the Director, officer, employee, or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 1 and 2 hereof. Such determination shall be made either (1) by the Board by a majority vote of a quorum of Directors, or (2) by the Shareholders by a majority vote of a quorum of Shareholders at any meeting duly called for such purpose.

Section 4. General Indemnification. The indemnification and advancement of expenses provided by this Article shall not be construed to be exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any Article of Incorporation, Bylaw, agreement, vote of Shareholders or disinterested Directors, or otherwise, both as to action in her or his official capacity and as to action in another capacity while holding such office.

Section 5. Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this Article may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the Director, officer, employee, or agent that he/she shall repay the amount advanced if it is ultimately determined that he/she is not entitled to be indemnified by the Corporation as authorized by this Article.

Section 6. Scope of Indemnification. The indemnification and advancement of expenses authorized by this Article is intended to permit the Corporation to indemnify to the fullest extent permitted by the laws of the State of Utah, any and all persons whom it shall have power to indemnify under such laws from and against any and all of the expenses, disabilities, or other matters referred to in or covered by such laws. Any indemnification or advancement of the expenses hereunder shall, unless otherwise provided when the indemnification or advancement of expenses is authorized or ratified, continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators.

Section 7. Insurance. The Corporation may purchase and maintain insurance on behalf of

any person who is or was a Director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another Corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of her or his status in any such capacity, whether or not the Corporation would have the power to indemnify him or her against the liability under the provisions of this Article of the law of the State of Utah as the same may hereafter be amended or modified.

ARTICLE XII

GOVERNING RULES

The Board, in its sole and absolute discretion, by majority affirmative vote, may from time to time establish such governing rules and management policies as it deems appropriate for the efficient, safe, and orderly operation of the Property and other corporate assets.

ARTICLE XIII

RESTRICTIONS ON SHARES

The shares of the Corporation shall be held, sold and conveyed subject to easements, restrictions, covenants, conditions and management policies which are for the purpose of protecting the value and desirability of the Property and be binding on parties having any right, title or interest in the shares, their heirs, successors and assigns, and shall inure to the benefit of both the Corporation and each Shareholder thereof.

ARTICLE XIV

PROPERTY RIGHTS

Section 1. Shareholders' Easement of Enjoyment. Subject to the rules and regulations as established by the Shareholders and the Board, every Shareholder shall have a right and easement of enjoyment in and to the Property as it now exists or may be modified, which shall be appurtenant to and shall pass with each share of the Corporation's stock, subject to the following provisions:

(a) The right of the Corporation to charge reasonable fees for the use of the Property and any recreation or other facility situated upon the Property;

(b) The right of the Corporation to suspend the voting rights and right to the use of the Property and any facilities by a Shareholder for any period during which any assessment against such Shareholder's share remains unpaid and/or for any infraction of its rules and regulations as set forth in these bylaws and as may be published by the Board.

(c) The right of the Corporation to dedicate or transfer all or any part of the Property to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Shareholders. No such dedication or transfer shall be effective unless an instrument

approved by two--thirds (2/3) of the Shareholders as defined herein agreeing to such dedication or transfer has been approved.

ARTICLE XV

MAINTENANCE

Section 1. Responsibility for Maintenance. The Corporation shall be responsible for providing maintenance, repair and replacement for the Property including but not limited to land, any buildings or facilities owned by the Corporation, including, but not limited to, parking, pool, clubhouse, courts, landscaping, all fencing, gates, and other improvements.

Section 2. Shareholder Responsibility. Each Shareholder shall be responsible for maintaining the Property in a clean and safe environment.

ARTICLE XVI

ADDITIONAL COVENANTS

Section 1. Recreational Use. The Property shall be used for recreational purposes only or for such other purposes as the Board may determine.

Section 2. Nuisance and Firearms. No noxious or offensive activity shall be carried on within the Property nor shall anything be done or permitted which shall constitute a public nuisance therein. No firearms shall be permitted within the Property.

ARTICLE XVII

CREATION OF LIEN FOR ASSESSMENTS

Section 1. Creation of the Lien for Assessments. Each Shareholder, by acceptance of a Share is deemed to covenant and agree to pay to the Corporation:

(i) annual assessments or charges, and

(ii) special assessments for capital improvements and for such other purposes as the Board from time to time deems appropriate, such assessments to be established and collected as hereinafter provided. The annual and any special assessments, together with any late charges, interest, costs and reasonable attorneys' fees shall be a charge on the Share and shall be a continuing lien upon the Share against which each such assessment is made and shall be a personal liability of each Shareholder.

Section 2. Purpose of Assessments. The assessments levied by the Board or the Corporation shall be used exclusively to promote the recreation, health, safety and welfare of the Shareholders; to improve and maintain the Property and to provide all other services and maintenance required of the Corporation and for such other and further purposes as the Board or a majority of the Shareholders may deem advisable.

Section 3. Annual Assessment. The Shareholders shall have the responsibility of determining the annual assessment, and may take into account such expenses, taxes, or other charges as it deems appropriate.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Board may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Property, including fixtures and personal property related thereto, or for any other purpose to be determined by the Board, provided that any such special assessment shall have the assent of a majority of the votes of Shareholders who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Reserves. In its discretion, the Corporation may require that any assessment not be expended by the Corporation in the year of its collection or it may provide that the assessments be treated as a contribution to the capital of the Corporation in the following years and maintained in a separate capital account until expenditure of such funds is appropriate. The Corporation may, in its discretion, hold such assessment funds until the year in which the expenditure of such funds is appropriate.

Section 6. Uniform Rate of Assessment. Annual and special assessments shall be fixed at a uniform rate for each Shareholder.

Section 7. Effects of Nonpayment of Assessments: Remedies of the Corporation. Any assessment not paid in accordance with the requirements set forth by the Board pursuant to Article III Section 3 shall incur late charges as determined by the Board. Late charges and interest rates will be determined by the Board. At any time after one hundred and twenty (120) days from the due date, the Corporation may bring an action at law against the Shareholder(s) personally obligated to pay the same or foreclose the lien against the Share as a personal property lien pursuant to Utah law. No Shareholder may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Property, abandonment of his/her Share or assignment of his/her voting right or right to use of the Property, or for any other reason. The Shareholder(s) of any delinquent assessment shall pay all costs of enforcement or collection of the assessment(s), including reasonable attorney's fees and court costs, with or without the filing of a lawsuit.

Section 8. Priority of the Lien for Assessments. The lien of the assessments provided for herein shall be prior to and superior to the lien of any lien or encumbrance. The sale or transfer of any Share shall not affect the assessment lien, and shall be subject to the same.

ARTICLE XVIII

GENERAL PROVISIONS

Section 1. Enforcement. The Corporation or any Shareholder shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, management policies and reservations and charges now or hereafter imposed by the provisions of these bylaws. Failure by the Corporation or by any Shareholder to enforce any covenant or

restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Shareholders shall not have a cause of action against the Corporation should it decide not to enforce any restriction.

Section 2. Severability. Invalidation of any one of the terms, conditions or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 3. Rights of Shareholders. The property rights of a Shareholder described in these bylaws are subject to these bylaws and such other rules and regulations as from time to time established by the Board and no Shareholder shall be permitted to have the right to claim sole use or easement of enjoyment as to any part of the Property or facility owned by the Corporation. Any Shareholder shall be entitled to such right of use and easement of enjoyment as to any part of the Property subject to these bylaws and other rules and regulations as the Corporation may from time to time establish.