

BY-LAWS
OF
HIDEAWAY VALLEY
PROPERTY OWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

AS AMENDED June 16, 1990

ARTICLE I.
OFFICE

The Principal office of the Association shall be:

P O Box 575711
Salt Lake City, UT 84175-5711

ARTICLE II.
MEETINGS OF MEMBERS

Section 2.1 - Annual Meeting The annual meeting of the members shall be held in April of each year, to run consistent with the Association's fiscal year, at such place as shall be stated in the notice of meeting or in a duly executed waiver of notice; provided, however, that whenever such a date falls upon a legal holiday, the meeting shall be held on the next succeeding business day and further provided that the Board of Trustees may, by resolution, fix the date of the annual meeting at such other date as the Board may deem appropriate. At such meeting, the current members shall elect trustees for one two (2) year term to serve until their successors shall be elected and shall qualify. For the annual meeting in 1991, the top three (3) elected trustees will serve two (2) year terms and the other two (2) trustees will serve one (1) year terms. Thereafter, each annual meeting election of trustees will be for two (2) year terms with one half (1/2) of the trustees being elected each year. Only current members, on all lots owned, of the Association shall be elected trustees.

The term "current members" shall mean those members who have paid the current dues at least 30 days prior to any regular, annual or special meeting and are not in default with respect to any dues owed to the Association.

Section 2.2 - Special Meetings. Special meetings of the members may be called by the President, by a majority of the Board of Trustees, or by any number of members whose holding shall not be less than one-third (1/3) of the memberships of the Association.

Section 2.3 - Notice of Meetings. Notice of all annual and special meetings of the members shall be given in accordance with the statutes of the State of Utah. Whenever all of the members shall meet in person or by proxy, such meetings shall be valid for the purposes without call or notice, or waiver of call and notice. No notice of any meeting of members shall be necessary if waiver of notice be signed by all members, whether before or after the time of the meeting.

Section 2.4 - Presiding Officer. The President, and in his absence a Vice President, shall preside at all such meetings.

Section 2.5 - Voting Requirements. At any regularly scheduled or special meeting, the current members present in person or represented by proxy at such meeting shall constitute a quorum and shall decide by a vote of the majority any question brought before such meeting, including the election of trustees unless the question is one upon which, by express provision of the statutes of the state of Utah or of the Articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast by the members either in person or by proxy. All proxies shall be in writing and they shall be marked as such on the envelope, postmarked and delivered unopened to a credentials committee consisting of the President, a Vice President and Secretary of the Association at least ten (10) days prior to said annual meeting. Proxies for special members meetings must be postmarked and delivered unopened to a credentials committee at least five (5) days prior to the holding of such special members meetings. All proxies not meeting these conditions shall be void. All designated proxy voters must be current members. If instructed, the Secretary shall enter a record of

such proxies in the minutes of the meeting. On all matters presented to a vote of the members, the holder of each membership shall have one vote per lot.

No matter shall be deemed to have been approved by the members unless it shall have been presented to and received the affirmative vote of the majority of the members. In the case of a membership owned as joint tenants, each such joint tenant shall have a number of votes determined by dividing the number of votes attributable to the membership by the number of joint tenants who own the membership.

Section 2.6 - Registered Members. At the annual meetings of the members, only such persons shall be entitled to vote in person or by proxy as appear as current members upon the transfer books of the Association on the 30th day before such annual members' meeting and/or special meeting. The Board of Trustees may, by resolution, fix a date in advance of the date of special members' meetings upon which a member must appear as a member of record of the Association's transfer books in order to be entitled to vote at such special members' meetings; provided, however, that said date shall in no event be fixed at less than ten (10) nor more than thirty (30) days prior to the date set for such meeting.

Section 2.7 - Quorum. Any validly called meeting shall result in the authority of the current members who are present by proxy or person at the meeting, to conduct the business of the Association, which has been included in the meeting notice. It shall not be necessary at any meeting, in order to conduct business included in the meeting notice, to have a quorum or any specified percentage of total property owner membership represented at the meeting. At any such meeting, properly noticed, a majority of those present by proxy or person, voting in favor of any noticed proposition shall be sufficient and valid to constitute an affirmative vote entitling the Board of Trustees to act upon any such proposition and resolution.

Section 2.8 - Waiver of Irregularities. All inaccuracies and/or irregularities in calls, notices of meetings and in the manner of voting, form of proxies, credentials and method of ascertaining those present shall be deemed waived if no objection is made at the meeting.

ARTICLE III. BOARD OF TRUSTEES

Section 3.1 - Responsibilities. The business and property of the Association shall be managed by its Board of Trustees (hereinafter designated and referred to as the "Board of Trustees"). The Board of Trustees may, however, enter into such management agreement or agreements with third persons as it may deem advisable.

Section 3.2 - Vacancies. In case of any vacancy in the Board of Trustees, the remaining members of the Board may elect a successor trustee or trustees to hold office until the next meeting of the members.

Section 3.3 - Regular Meetings. A regular annual meeting of the Board of Trustees shall be held immediately after the adjournment of each annual members' meeting at the place at which such members' meeting was held. Regular meetings, other than the annual meeting, shall be held at regular intervals at such places and at such times as the Board of Trustees may from time to time by resolution provide.

Section 3.4 - Special Meetings. Special meetings of the Board of Trustees shall be held whenever called by the President, the Vice President, or by a majority of the Board. By unanimous consent of the Trustees, special meetings of the Board may be held without call or notice at any time or place. Notice of all calls and meetings of the Board of Trustees shall be as provided in the by-laws.

Section 3.5 - Quorum. A quorum for the transaction of business at any meeting of the trustees shall consist of a majority of the trustees then in office.

Section 3.6 - Committees. The Board of Trustees may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two (2) or more of the members of the Association, which, to the extent provided in said resolution, shall have and

may exercise the powers in said resolution set forth. Such committee or committees shall have such name or names as may be determined from time to time by resolution of their proceedings and report the same to the Board of Trustees when required. The President may appoint persons to fill vacancies on each of said committees occasioned by death, resignation, removal or inability to act for any extended period of time.

Section 3.7 - Compensation. Trustees shall not receive any stated salary for their services.

Section 3.8 - Additional Facilities. The Board of Trustees shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the interest of the members.

Section 3.9 - Removal of Trustees. All Trustees shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Board of Trustees.

ARTICLE IV. OFFICERS

Section 4.1 - Selection of Officers. The trustees shall elect or appoint the officers of the Association. Such election or appointment shall regularly take place at the first meeting of the trustees immediately following the annual meeting of the members; provided, however, that election of officers may be held at any other meeting of the Board of Trustees.

Section 4.2 - Additional Officers. The Board of trustees may appoint such other officers, in addition to the officers herein below expressly named, as they shall deem necessary, who shall have such authority to perform such duties as may be prescribed from time to time by the Board of Trustees or by the President.

Section 4.3 - Removal. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Board of Trustees.

Section 4.4 - President. President shall be Chief Executive Officer of the Association and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Association all membership certificates, conveyances, mortgages and contracts and shall do and perform all acts and things which the Board of Trustees may require of him. He shall receive such compensation for his services as may be fixed or approved by the Board of Trustees. President shall be invited to attend meetings of each committee.

Section 4.5 - Vice President. In the event of the President's absence or inability to act, the Vice President shall have the powers of the President. He shall perform such other duties as the Board of Trustees may impose upon him and shall receive such compensation as may be fixed or approved by the Board of Trustees.

Section 4.6 - Secretary. The Secretary shall keep the minutes of the Association, its membership books and such books and records as the by-laws or any resolution of the Trustees may require him to keep. He shall be the custodian of the seal of the Association and shall affix the seal to all papers and instruments requiring it. He shall perform such other services as the Board of Trustees may impose upon him and shall receive such compensation as the Board of Trustees may fix or approve. One or more Assistant Secretaries may be elected, who shall, in the event of the Secretary's absence or inability to act, perform the duties and functions of the Secretary.

Section 4.7 - Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Trustees and shall, when requested by the President to do so, report the state of the finances of the Association at each annual meeting of the members and at any meeting of the trustees. He shall perform such other services as the Board of Trustees may require of him and shall receive compensation as the Board of Trustees may fix or approve.

ARTICLE V.

SEAL

The seal of the Association shall be impressed as follows:

ARTICLE VI.

MEMBERSHIP CERTIFICATES

Section 6.1 - Form of Certificates. The Association shall issue certificates evidencing each membership.

Section 6.2 - Issuance. All membership certificates shall be signed by the President or Vice President and by the Secretary or an Assistant Secretary, and the seal of the Association shall be impressed thereon. The name of the initial owner of each certificate shall be entered on its stub. Each owner of a lot (hereinafter designated a "lot") in the Project shall be issued a membership certificate for each lot owned by him. The conveyance or other disposition by a member of all of such member's entire ownership interest in a lot shall be entitled to cancel the certificate evidencing such membership whether or not said certificate is surrendered and reissue the same to the new owner or owners of such lot upon such terms and conditions as the Board of Trustees may, in each case, direct.

Section 6.3 - Transfer. Except as provided in Section 6.1, membership certificates shall be transferred on the books of the Association by assignment made by the owners, his attorney-in-fact or legal representative, and by delivery of the certificate to the Secretary of the Association for transfer, together with such further supporting documents as the Association may reasonably require. Each certificate surrendered for transfer shall be marked "Cancelled" by the Secretary and the cancelled certificate shall be affixed to its stub.

Section 6.4 - Lost Certificates. Should the owner of any membership certificate make application to the Association for the issuance of a duplicate certificate by reason of the loss or destruction, together with a bond in such amount and with such surety or sureties as are acceptable to the Secretary of the Association, agreeing to indemnify the Association against such loss as the Association may suffer by reason of the issuance of a duplicate certificate or the refusal to recognize the certificate that was allegedly lost or destroyed. The duplicate certificate shall be marked "Duplicate", and the stub of the certificate lost or destroyed shall indicate the issuance of the duplicate. The Board of Trustees may, in its discretion, waive the requirement of a surety or sureties on the bond.

ARTICLE VII.

DIVIDENDS

There shall be no dividends paid or payable by the Association. It is hereby acknowledged that the Association is organized as a non-profit corporation under the Utah Non-Profit Corporation Cooperative Association Act solely and strictly as an association of property owners to act as an agent for said owners in the management of the Project. It is not intended that the Association realize any profit on any transactions.

ARTICLE VIII.

ANNUAL STATEMENT

The Board of Trustees shall present at each annual meeting, and when called for by a vote of the members at any special meetings of the members, a full and complete statement of the business and condition of the Association.

ARTICLE IX.

FISCAL YEAR

The fiscal year of the Association shall be fixed by a resolution of the Board of Trustees.

ARTICLE X.
BUILDING RULES

The Board of Trustees shall have the power to adopt and establish, by resolution, such building, management and operational rules as the Board of Trustees may deem necessary for the maintenance, operation, management and control of the Project, and the Board may from time to time, by resolution, alter, amend or repeal such rules. Members who shall also be the owners of lots in the Project, shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all members of the Association and upon all owners and occupants of the Project.

ARTICLE XI.
AMENDMENTS

The By-Laws may be altered or repealed by the affirmative vote of a majority of the current members at any regular meeting of the members or at any special meeting of the members if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

ARTICLE XII.
PROJECT MANAGER

* The Board of Trustees may employ a Project Manager for the Project which may be either an individual, partnership or corporation under a Management Agreement containing such terms and conditions as the Board shall deem to be in the best interest of the members. Said Project Manager shall be responsible for managing the project, for and on behalf of the Association, in accordance with the By-Laws and said Management Agreement.

ARTICLE XIII.
LEGAL ACTION

If the Association deems it necessary to seek legal action against an Association member and the member proven to be in default, the member in default shall pay all legal fees encountered by the Association in the Action.

Dated: November 11, 1990

Paula Hunsaker
Paula Hunsaker - Trustee - President

Carol L. Clark
Carol L. Clark - Trustee - Vice President, Sec.

Darrell T. Lucas
Darrell T. Lucas - Trustee

Boyd Williams
Boyd Williams - Trustee

ACKNOWLEDGEMENT

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

BEFORE ME, a Notary Public in and for said County and State, on this day personally appeared Paula Hunsaker, Carol L. Clark, Darrell T. Lucas, and Boyd Williams, known to me to be the persons whose names are on the Amended Articles of Incorporation, and that they have acknowledged to me that they have executed said Amended By-Laws for the purposes and consideration therein expressed, and as the act of Hideaway Valley Property Owners Association.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 11th day of November, 1990.

Karen L. Hart
Notary Public

Residing at Salt Lake County, UT

MY COMMISSION EXPIRES:

4-12-93

