

**BY-LAWS and COVENANTS of
HIDDEN LAKE ASSOCIATION**

As of May 1, 2023

Article I

General Activities

1. The activities and the pursuits of the Association as set out in the Articles of the Association, and not for the profit of any member. This shall not preclude the payment of reasonable compensation to a member for services actually rendered to the Association.

Article II

Board of Directors

NUMBER OF DIRECTORS: The Association shall have a Board of Directors which shall consist of not less than five (5) or more than eleven (11) members as the Board of Directors may from time to time determine.

QUALIFICATION: In order to qualify as a director, a person must also be a General Member and also a Water Member of the Association, or in the event that such member is an entity, such person must be the legal representative of such entity. An Associate Member cannot qualify as a director. In the event a director is absent three (3) times or more in any calendar year from a properly called meeting of the Board of Directors without an excuse acceptable to the Board of Directors, the Board of Directors may declare the chair vacant.

TERM: Each member of the Board of Directors shall serve for a term of not more than three years or until their successors are duly elected and shall qualify. A member may not serve in the capacity for more than two elective terms (6 years) combined and then have a one year Hiatus before eligibility to serve again on the Board of Directors. The Board of Directors shall be elected by the members at their annual meeting of members in accordance with the requirements and qualifications as set out in the Bylaws of the Association and in the Code.

VACANCIES: All vacancies in the Board of Directors shall be filled by appointment by the Board of Directors and the person thus appointed shall serve until that withdrawing Director's term is completed.

POWERS: Pursuant to Part 8 the Code, all Association powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of the Board of Directors.

QUORUM: Subject only to the limitations on powers as set out in Article II, a majority of the Board of Directors elected or appointed shall form and constitute a quorum and such quorum

shall be authorized to transact the business and exercise the corporate powers of the Association.

AGENTS: The Board of Directors may appoint agents and their employees, fix their salaries and duties, and remove them at will.

BYLAWS: The Board of Directors shall have the power to make, alter and repeal Bylaws provided, however, that such Bylaws shall not be in conflict with the Amended and Restated Articles of Incorporation or the Code.

MEETINGS: A general meeting of the Board of Directors shall be held immediately following each annual meeting of members for the purpose of electing officers of the corporation for the ensuing year and dealing with any other matters within the purview of the Board of Directors. Regular meetings of the Board of Directors shall be held at such intervals or at such times and places as the Board of Directors may determine. Special meetings of the Board of Directors may be called from time to time by the President; in his absence by the Vice-President or by a majority of the Directors.

NOTICE: Other than meetings called pursuant to emergency powers as set out in the Code, notice of all Meetings of Directors shall be given to each member in accordance with the Bylaws. Meetings may be held at the principle place of business of the Association or at such other place as the Board of the Directors shall determine.

Article III

Meetings of the Board of Directors

1. The Directors may hold meetings determined by the Board of Directors.
2. Subject to the limitation on powers as set out in Article II of the Articles, the act of a majority of Board members present at any meeting at which a quorum is present shall be the act of the Board of Directors.
3. A telephone or electronic vote relating to a proposal may only be conducted by the President, or in his absence, the Vice President. A telephone or electronic vote of a proposal may only be conducted under exigent circumstances when a regular or special meeting cannot be timely called. A telephone or electronic vote shall be presented as a formal motion to include a second. Any voting director may make a motion to conduct a telephone or electronic vote. When a telephone or electronic vote is conducted, every voting director must be contacted and his/her vote recorded. If the President, or in his absence the Vice President, cannot contact a director, he/she shall make at least three attempts to contact said director. All contacts and attempted contacts of all directors shall be documented by date and time and recorded in the minutes of the next meeting. The votes shall be entered in the minutes as a "resolution in writing" as required in Article III, "actions without meetings" in the Articles of Incorporation.

Article IV

Officers

1. The Board of Directors shall appoint officers of the Association in accordance with the Bylaws. Such officers, once appointed, shall be vested with the duties and powers as set out in the Bylaws and in the Code.
2. Any two offices, except the offices of President and Vice President, may be held by the same person.
3. A member may not serve in the capacity of either President or Vice-President for more than two terms or six (6) consecutive years combined.
4. Any officer elected or appointed by the Board of Directors may be removed at any time by an affirmative vote of the majority of the Board of Directors, or by a majority vote of the memberships authorized to vote.

Article V

President

1. The President shall:
 1. be chief administrative officer of the Association;
 2. preside, when present, at all meetings of the members and Directors;
 3. be ex-officio member of all committees;
 4. exercise all powers and perform all acts that are required to be exercised or performed by the President pursuant to the Code;
 5. have general supervision of all activities and pursuits of the Association; and
 6. ensure that all orders and resolutions of the Board are carried into effect.
2. The President shall, if authorized by resolution of the Board of Directors:
 - a. execute, on behalf of the Association, bonds, mortgages and other contracts that require a seal of the Association.
 - b. execute, on behalf of the Association, bonds, mortgages and all contracts not requiring a seal of the Association.
 - c. perform any other act or requirement to effect the purposes and powers of the Association.

Article VI

Vice President

1. The Vice-President in the absence or disability of the President, shall perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall prescribe.

Article VII

Secretary

1. The Secretary shall:
 - a. attend all meetings of the Board and all meetings of the members;
 - b. record all votes and the minutes of all proceedings in a book to be kept for that purpose;
 - c. perform like duties for committees when required;
 - d. give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors;
 - e. perform other duties as may be prescribed by the Board of Directors or President;
 - f. publish on the Association's official website the minutes of the annual meeting of the members within thirty (30) days following the annual meeting of the members; and
 - g. maintain a list of the resolutions passed by the Board of Directors that require further action outside the Board Meeting. This list is to be considered as unfinished business and shall be on the agenda of each subsequent Board Meeting until actions are completed or the resolutions repealed.

Article VIII

Treasurer

1. The Treasurer shall:
 - a. have custody of the corporate funds and securities;
 - b. keep full and accurate account of receipts and disbursements in books belonging to the Association;
 - c. serve as a member of the Ways and Means Committee, unless and until such standing committee is abolished by action of the Board of Directors;
 - d. deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors;
 - e. disburse the funds of the corporation if and as may be ordered by the Board of Directors, taking proper vouchers for such disbursements; and

f. render to the President and the Directors on the Association's official website and at the regular meetings of the Board of Directors, an account of all his/her transactions as Treasurer and of the financial condition of the Association.

g. document all accounting practices, fiscal policy, and procedures that follow accepted standards to benefit setting the guidelines for current and future members who maintain HLA financials. As new accounting practices are introduced these standards shall be updated.

h. manage long range budget planning of future year's projects shall take place outside of the annual budget meeting. The proposed expenses for projects spanning more than one annual budget cycle will be forecasted and tracked with an understanding that these are estimates only. While no approval shall be given for more than a single year's worth of project funding, having a strategic plan of expenses for multi-year projects will identify early adjustments to future annual budgets, detail funding requirements that will be incurred including dues and assessments and help avoid potential annual budget shortfalls. Ad-hoc forecasts are made, but the true understanding of those forecasts are not verifiable until reviewed with current fiscal position.

i. develop internal controls and processes for handling cash, checks, deposits, and the approval and disbursement of funds including the documentation to support the approval. Requests for funding from the Presidential discretionary line item shall indicate the HLA area that made the request. In addition, the type of expense allowances that HLA will cover, including minimums and maximums that can be claimed will be documented. These controls and allowances shall be made known and accessible to all members of HLA, not just BOD members. A Director may only authorize spending and approve reimbursement from their specific treasury account.

j. require that all expenses have an approver who is not the payee. In no case shall the requestor and the payee be the same individual. Failure to submit payment of invoices or Check Request per the requirements set forth by the procedures shall result in the request being denied with no exceptions. All expense reimbursements show a clear separation of payee and approver. Failure to have separate approver/payee for an HLA expenses shall result in denial of payment, with no exceptions. The Director of Ways & Means shall be the defacto approver where evidence of the purchase is from personal funds and the payee is the director who would normally approve the purchase. This shall be noted in the Check Request Form to provide clarity. Reimbursement by the treasurer to an approved payee will occur twice a month on the 1st and 15th.

k. comply with Federal, State and Local requirements for reimbursement to contracted labor and/or services to include that each contracted service is properly licensed, insured and bonded.

l. prepare and make available the reserve analysis consistent with Utah state law.

m. provide to the Board of Directors the Association investment portfolio at the annual budget meeting. Adjustments to the investment portfolio shall be directed by the Board. If reserve funds are approved by the Board to be invested such investment will be consistent with Utah state law. As directed by the Board the Ways and Means Director may request an outside service for advice on the best investment policy.

n. direct that HLA funds are for the sole purpose of HLA operations. Charitable Contributions are prohibited.

o. receive training on the accounting policies, procedures and standards used by HLA as directed by the Ways and Means Committee.

p. request through the BOD that the association members indemnify the BOD for their actions, including the handling of financials.

Article IX

Committees

The Board of Directors may by resolution or resolutions designate one or more committees to assist in the management of the business of the Association. Each committee shall keep regular minutes of their proceedings and shall report to the Board of Directors when required. Each committee so designated shall consist of one or more Directors of the Association together with other committee members as may be selected from the members at large. Committee membership shall be for an amount of time as determined from time to time by the Board of Directors.

2. The following eight standing committees are established to assist the Board of Directors in the conduct of its business: 1) Public Safety; 2) Social & Recreation; 3) Roads and Right-of-ways; 4) Water; 5) General Maintenance; 6) Special Projects; 7) Ways & Means, Membership; 8) Fire Mitigation.

3. The members of the eight standing committees shall be appointed each year by the Board of Directors at a Board meeting to be held within forty-five (45) days after the annual meeting of members. The standing committees shall meet as required by the standing committee chairman.

4. The Public Safety Committee shall act for the Board of Directors in matters of safety, security, gate operations, signage, compliance with corporation rules and regulations, police protection and medical assistance. This committee shall keep members of the Association of informed of the methods to be used to obtain these services.

5. The Social & Recreation Committee shall act for the Board of Directors in matters pertaining to social and recreational activities for the members. This committee shall govern and regulate the use of the Association Park and related facilities.

6. The Roads and Right-of-way Committee shall act for the Board of Directors in matters of maintenance of the roads and bridges situated on Association property. This committee shall provide for the safe passage of the members and public safety vehicles on Association roads.

7. The Water Committee shall act for the Board of Directors in matters of maintenance, repair and improvements to the water system of the Association. This committee shall perform regular and special water sampling as required by state regulatory agencies and initiate, maintain, and represent the Association on all water matters, including water filings, connections, disconnections and inspections.

8. The General Maintenance Committee shall act for the Board of Directors in matters of general maintenance of Association property. This committee shall provide for the maintenance of Association fences and removal of trees, brush and other obstructions on Association property. The General Maintenance Director will track service points and provide to the membership by way of the Association website a listing of each member and their

associated service points by December 31st of the year in which the work was completed. It is the member's responsibility to review and correct a service point error with the General Maintenance Director by January 31st of the previous year. Only the General Maintenance Director is authorized to make corrections to a members service points.

9. The Special Projects Committee shall act for the Board of Directors in matters pertaining to special projects undertaken by the Association under the direction of the Board of Directors, as approved and directed from time to time.

10. The Ways and Means Committee shall, under the direction of a Director, oversee the finances of the Association and shall recommend fees, charges and assessments to cover the financial responsibilities of the Association. The Treasurer of the Association shall be a member of this committee. One or more members of the Board of Directors shall be appointed to serve as additional members of the committee. This committee shall maintain Forest Service and B.L.M., use permits, contracts for lights and other utilities, and shall administer any contracts entered into by the Association with private contractors or public agencies, including the payment of fees as required. It shall also perform regular reviews of the Articles and Bylaws and make recommendations to the Board of Directors regarding any amendments thereto. This committee shall also endeavor to have all lot owners in the Association become members of the Association, and encourage the members to attend all annual and special meetings of the members.

11. The Fire Mitigation Committee shall act for the Board of Directors in matters pertaining to fire mitigation and shall cooperate with federal, state and county fire officials in maximizing the Association's resistance to fire. This committee shall advise individual members on actions members may take on their property to maximize fire mitigation.

12. Any committee, including the standing committees, may be abolished by majority vote of the Board of Directors

Article X

Annual Budget

The Board of Directors shall prepare and submit an annual budget and financial report (herein referred to as the Annual Report) to the members at the annual meeting of members. Such Annual Report shall include, among other matters: 1) determination of General Member and Associate Member Fees assessed to the General Members and Associate Members pursuant to the Bylaws; 2) determination of Water Member Fees assessed to the Water Members pursuant to the Bylaws;

3) a determination of any other fees, charges or special assessments and special projects assessed to the members 4) a full accounting for all revenues and expenditures of the association for the preceding year; 5) a statement describing the current financial condition of the association, and 6) any other matters approved by the Board of Directors.

1. The Annual Report shall be presented to the members for: 1) ratification of the operations of the association for the preceding year; and 2) review of the budget for the coming year. Such ratification of the operations of the association shall be made by vote of the members of the association so entitled to vote.
2. The Reserve Fund and Analysis shall be determined and conducted in accordance with Utah State statute 57-8a-211. Minimum funding level shall be \$100,000. The Fund shall be reviewed by the Board of Directors during the preparation of the annual budget. If the Fund does not meet the minimum funding level, the Board of Directors shall assess each General Member, each Associate Member and each Water Member and make part of the annual budget an amount sufficient to return the Fund to the minimum funding level within 3 years.

Article XI

Members

QUALIFICATION OF MEMBERS: No person shall be entitled to become or shall actually become a General Member or Water Member of the Association without first owning Hidden Lake property/Lot in the Association. A person who owns legal title to or is purchasing under contract at least one lot in the Association shall be required to hold a General Membership in the Association. A person owning contiguous property to the Association may apply for Associate Membership. All applications for membership shall comply with the requirements as set out in these Bylaws of the Association. Each person prior to becoming a member of the Association must pay any fees which have been or may be fixed by the Board of Directors.

TYPES OF MEMBERSHIP: Membership in the Association shall be divided into three types of membership, such classes consisting of General Members, Water Members and Associate Members. Each type of membership shall have such rights and obligations associated with their respective memberships as are set out in the Bylaws of the Association.

GENERAL MEMBERSHIP: The Association will issue a General Membership for any one member who owns a Lot in the Association. Any one member will be entitled to only hold one General Membership regardless of how many lots they own. Any member who acquires or holds a General Membership shall be a General Member. Any Member that has more than one lot with a cabin on every lot will be required to hold a General Membership for each lot.

Upon a need for a special assessment to the General Membership any multiple lot owners will be assessed the special assessment for each lot that member owns.

A General Member shall be entitled, at the annual meeting of members or at any special meeting of the members or at any other time set out by the Board of Directors on any matter within the province and powers of a General Member or on such other matters as set out in the Bylaws, to one vote only, regardless of the amount of lot's he/she may own, if the General Membership Fee is paid for in full.

No General Member shall be required to purchase, acquire or hold a Water Membership or to become a Water Member.

The Board of Directors shall be entitled to set out in the Bylaws of the Association any additional rights or obligations accruing to a General Member, together with any matters regulating the affairs of the General Members, and all such General Members shall be subject to such Bylaws and be administered to all General Members equitably and fair.

If any General Member of the Association ceases to own a lot in the Association, such General Membership shall be immediately revoked and such person shall no longer be a General Member of the Association or be entitled to exercise any rights of a General Member. In the event such person, at the time of revocation of the General Membership, owes the Association any amount of fees, fines or any other assessments or charges, the rights of the Association to recover such amounts from the former General Member shall survive such termination of membership and the Association shall also be entitled to require any new or prospective General Member who applies for or obtains membership in the Association in connection with the same lot in the Association to pay such amounts as may be outstanding from the former General Member, together with any other fees as may be fixed by the Board of Directors, prior to becoming a General Member of the Association or obtaining the status of member of the Association.

Multiple Owners- In the case of a lot which has multiple owners only one owner shall be the primary representative of that lot to represent their votes at the annual meeting or special meetings called by the Board of Directors.

WATER MEMBERSHIP: The Association shall be entitled to issue Water Memberships. Only General Members may apply for a Water Membership. The Board of Directors shall be entitled to limit from time to time, in their absolute discretion, the number of Water Memberships issued by the Association. The Board of Directors is not required to create a sufficient number of Water Memberships such that there is one Water Membership available for each General Member.

Each Water Membership owned or held by a Water Member entitles the Water Member to one hook up to the culinary water system of the Association, such water hook up to be connected to one and only one dwelling house in the Association.

A Water Member shall be entitled, at the annual meeting of members or at any special meeting of the members or at any other time as set out in the Bylaws, on any matter within the province and powers of a Water Member or on such other matters as set out in the Bylaws, to one vote for each Water Membership owned by such Water Member.

The Board of Directors shall be entitled to set out in the Bylaws of the Association any additional rights or obligations accruing to a Water Member, together with any matters regulating the affairs of the Water Members, and all such Water Members and Water Memberships shall be subject to such Bylaws.

The owner of a Water Membership shall be entitled to sell or otherwise transfer such Water Membership only to a member who is a General Member of the Association. Any other attempted transfer of such Water Membership shall be void and shall entitle the Association to cancel such Water Membership without any compensation to the former Water Member so attempting to transfer the Water Membership. If any Water Member of the Association ceases to own a lot in the Association or ceases to be a General Member, such Water Membership shall

be immediately revoked and such person shall no longer be a Water Member of the Association or be entitled to exercise any rights of a Water Member. In the event such person, at the time of revocation of the Water Membership, owes the Association any amount of fees, fines or any other assessments or charges, the rights of the Association to recover such amounts from the former Water Member shall survive such termination of membership and the Association shall also be entitled to require any new Water Member who obtains membership in the Association in connection with the same lot in the Development to pay such amounts as may be outstanding from the former Water Member, together with any other fees as may be fixed by the Board of Directors, prior to becoming a Water Member of the Association.

ASSOCIATE MEMBERSHIP: The Association shall be entitled to issue one Associate Membership for each property contiguous to the Association. Any member who acquires or holds an Associate Membership shall be an Associate Member.

An Associate Member shall not be entitled, at the annual meeting of members or at any special meeting of the members or at any other time as set out in the Bylaws, on any matter within the province and powers of an Associate Member or on such other matters as set out in the Bylaws, to vote or hold a position on the Board of Directors. An Associate Member may serve on a committee as so appointed by the Board of Directors.

An Associate Member is entitled to attend all functions, events, meetings and speak on matters concerning that member or the Association. An Associate Member is entitled to utilize all Association facilities, properties and roadways.

No Associate Member shall be allowed to purchase, acquire or hold a Water Membership or to become a Water Member. The Board of Directors shall be entitled to set out in the Bylaws of the association any additional rights or obligations accruing to an Associate Member, together with any matters regulating the affairs of the Associate Members, and all such Associate Members shall be subject to such Bylaws.

No Associate Member shall be entitled to transfer their membership in the Association. If any Associate Member of the Association ceases to own a contiguous property to the Association, such Associate Membership shall be immediately revoked and such person shall no longer be an Associate Member of the Association or be entitled to exercise any rights of an Associate Member. In the event such person, at the time of revocation of the Associate Membership, owes the Association any amount of fees, fines or any other assessments or charges, the rights of the Association to recover such amounts from the former Associate Member shall survive such termination of membership and the Association shall also be entitled to require any new or prospective Associate Member who applies for or obtains membership in the Association in connection with the contiguous property to the Association to pay such amounts as may be outstanding from the former Associate Member, together with any other fees as may be fixed by the Board of Directors, prior to becoming an Associate Member of the Association or obtaining the status of member of the Association.

Article XII

Assessment of Member Fees

1. The Board of Directors shall in each calendar year, meet prior to the annual meeting of members and itemize the membership fees disbursement based on the budget established for each class of membership. Each General Member in the Association will be charged for a General Membership. Each Water Member will be charged for each water membership owned. Deduction of fees of up to \$10 per hour for a maximum of \$100 per assessed lot may be made based on the Service Points Program for work completed on approved projects by the General Maintenance Director. Service hours must be completed by persons 16 years of age and older.
2. In addition to any General Member Fees, Associate Member Fees or Water Member Fees fixed and assessed by the Board of Directors, the Board of Directors may, from time to time, fix any other fees, charges or assessments (herein called Special Assessments). All assessments will be will be proportional and equitable to each class of member. Special Assessments may be fixed and levied to provide for capital reserves, acquisitions, emergencies, Association operations, capital projects or any extraordinary event, and may be assessed to any one or more class of membership. General Members, Associate Member Fees and Water Members may be required to pay Special Assessments. The Board of Directors shall set out the terms of any Special Assessment in detail at such time as any Special Assessment is made. Any deficiency or overage of money from a Special Assessment shall be accounted for in the following years billing invoices.
3. Any person, qualified to become a General Member or Associate Member, applying for General Membership or Associate Membership in the Association during any calendar year, shall be required to pay a General Member Fee or Associate Member Fee, as determined by the Board of Directors, together with any Special Assessments associated with such General Membership or Associate Membership, prior to becoming a General Member or Associate Member.
4. Any person, qualified to become a Water Member, applying for Water Membership in the association during any calendar year, shall be required to pay a Water Member Fee, as determined by the Board of Directors, together with any Special Assessments associated with such Water Membership, prior to becoming a Water Member.
5. In connection with the assessment of any fees, charges or assessments made by the Board of Directors, the Board of Directors shall fix a date (herein called the Record Date) in connection with each such assessment, whereon all members of record as of such Record Date shall be the member liable for the fees, charge or assessment, as the case may be.

Article XIII

Delinquency, Suspension and Forfeiture

1. All General Member Fees, Associate Member Fees and Water Member Fees, together with any Special Assessments levied by the Board of Directors prior to the annual meeting of the members (herein collectively called Annual Fees) shall be paid by the respective member on or before April 1st of the year in which the Annual Fees are due. Any other

Special Assessments levied by the Board of Directors after the annual meeting of members (herein collectively called Post Meeting Assessments) shall be paid by the respective member within the time limits as specified by the Board of Directors at the time such Post Meeting Assessments are levied.

2. Failure to pay Annual Fees by April 1st of the year in which the Annual Fees are due or by the beginning of the annual meeting shall require the Treasurer to declare, at the opening of the annual meeting of the members, the General Member, the Associate Member or the Water Member, as the case may be, delinquent.
3. Failure to pay Post Meeting Assessments within the time limits as specified by the Board of Directors at the time such Post Meeting Assessments are levied shall require the Treasurer to declare, at the expiry of such time limits, the General Member, Associate Member or the Water Member, as the case may be, delinquent.
4. In the event a General Membership or a Water Membership is declared delinquent, the right to vote by such membership shall be suspended commencing immediately upon the declaration by the Treasurer that such membership is delinquent. At such time as all delinquent Annual Fees and Post Meeting Assessments are paid in full, together with any reinstatement charges as may be assessed by the Board of Directors, all rights to vote by such membership shall be reinstated immediately upon such payment in full.
5. The Treasurer shall notify the member of such delinquency and a \$50 delinquency assessment, and advise the Board of Directors of such notification. Failure to pay Annual Fees by June 1st of the year in which the Annual Fees are due shall require the membership forfeited and such notification will be made to the member by the Treasurer. A forfeited membership may not be reinstated until a reinstatement fee, in the amount of \$100, together with all delinquent Annual Fees and Post Meeting Assessments and the delinquency assessments are paid in full to the Association.
6. The Board of Directors may disconnect the water servicing lots in the Association owned by the member whose Water Membership has been forfeited. Once the service has been disconnected, re-connection of the water shall not occur until a re-connection fee of \$50 is paid to the Association.
7. Delinquent membership forfeits any right to vote. The Board of Directors shall restrict or prohibit the member and the member's guests from use of Association property and have all authorization codes and FOBs issued to such member that operate the Association's entrance gates removed from the activation system to prohibit vehicular access. Once authorization codes and FOBs have been deactivated, re-activation of the authorization codes and FOBs shall not occur until a re-activation fee of \$50 is paid to the Association.
8. In the event a forfeited membership has not been reinstated by meeting the above requirements within two years from the date the Treasurer declared said membership delinquent, the Board of Directors shall vacate the membership. In the case of a Water Member, once vacated, the membership may be issued as a new membership with the required dues and fees.

Article XIV

Membership Meetings

1. The annual meeting of the members shall be held upon the date set forth in the Articles or upon such date as the Board of Directors may determine in accordance with the Articles, provided however, that such a meeting shall be held prior to the first day of June in each year.
2. Special meetings for members may be called for any purpose or purposes. Notices for such meetings stating the purpose, time and place of such meeting shall be delivered in accordance with the notice provisions as set out in the Articles and Bylaws.
3. A majority of General Memberships in the Association, represented in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the members, either annual or special. There is no requirement to have a majority of Water Memberships in the Association represented in person or by proxy, to constitute a quorum for the transaction of business at any meeting of the members, either annual or special.
4. Election of the Board of Directors shall take place at the annual membership meeting at which a majority of General Memberships are represented either in person or by proxy.
5. The General Members, Associate Members and Water Members may, at the annual meeting of members, make recommendations with respect to the pursuits and activities of the Association, which recommendation shall be communicated to the Board of Directors.

Article XV

Proxies

1. Members, except Associate Members, shall be entitled to be represented at any meeting by written proxy, such proxy delivered to the Secretary prior to the meeting.
2. In order for a proxy to be declared valid: 1) it must be delivered to the Secretary prior to the opening of the meeting for which it is intended to be exercised; 2) the member so designating such proxy must not be declared delinquent; 3) such proxy shall be in writing, designating another member, person or attorney as agent; and 4) the written proxy shall be signed by the member so designating such proxy.

Articles XVI

Voting

1. At a meeting of the members, as herein provided, a vote by the majority of the General Members represented either in person or by valid proxy shall decide any question within the province and powers of the General Members, except as otherwise provided in these Bylaws, or the Code.
2. General Members shall be entitled to only one vote regardless of how many lots he/she may own on any questions with in the province and powers.
3. Any water matter requiring a vote at any annual or special meeting of the members shall require the approval of a majority of only the Water Members in attendance at such

meeting. Each Water Member then in attendance, either in person or by valid proxy, shall be entitled, on such water matter, to one vote for each Water Membership owned by such Water Member.

4. Associate Members are not entitled to vote.

ARTICLE XVII

General and Associate Memberships Responsibility

It is a General Member and Associate member's responsibility to ensure all guest are aware of all Bylaws and Rules and Regulations to ensure Hidden Lake Association is protected from any damages.

1. Any General Member or Associate Member or any guest of such member who causes loss or damage to association property shall, in addition to any fine levied against the member pursuant to the Rules and Regulations, be financially responsible for such loss or damage.
2. If a General Member or Associate Member is suspicious of any person or activity, such member shall make a record of descriptions of persons, vehicles, license numbers, and activities, and report such to appropriate law enforcement officials and to a member authorized to receive complaints.
3. If a General Member or Associate Member observes or becomes aware of a violation of the Rules and Regulations, or violations of civic, county, state or federal laws or regulations, such observations shall be reported to a member authorized to receive complaints or, if appropriate, to the County Sheriff's Office or other law enforcement officials, as quickly as possible.
4. Roads and roadways within the Association are property of the Association intended for the legitimate and responsible use of all members in good standing, and their guests. The Board of Directors shall be entitled, by action of the Board of Directors, to prohibit; 1) members not in good standing; 2) members who have been declared delinquent; 3) members whose memberships have been forfeited; 4) guests of members who have been declared delinquent; 5) guests of members whose memberships have been declared forfeited; or 6) persons who are not members of the association from use of Association property, including roads and roadways in the Association.

ARTICLE XVIII

Water Membership Responsibility

1. Water Memberships shall not be issued to provide water to property situated outside the Association.
2. Water Master or his Designee will have authority enter on to private property solely for the purpose of official water business to include meter reading, repairs or water disconnects.

3. Water Members are required to maintain the water systems on their lot to keep them in a leak free condition. Leaks, once discovered, must be repaired. The Association, by action of the Board of Directors or the Water Committee may turn the water off servicing any lot where a leak is detected.
4. When water leaks are discovered by a Water Committee member, that committee member shall be authorized to turn the water off at the water meter and valve located at the property line. Such water shall remain off until such time as the Water Committee is notified and the leak is repaired.
5. Water Members shall fix, at their cost, all leaks in the water system that occur from their cabin/home to the water meter and/or Association valve situated at or near their property line. The Association shall fix, in a timely manner, all leaks in the water system that occur at or upstream from the water meter and valves situated at or near the property lines of the Water Members.
6. Any Water Member who causes loss or damage to the water system or to other association property shall, in addition to any fine levied against the member pursuant to the Rules and Regulations, be financially responsible for such loss or damage.

Article XIX

Renting

No nightly rentals as defined by Summit County.

Article XX

Rules and Regulations

The Board of Directors shall implement the rules and regulations that are voted and approved by the membership, governing the affairs of the members and their guests. The Board of Directors shall, in connection with the Rules and Regulations, as per state law, have the power to impose fines, collect fines, and enforce restrictions, prohibitions and forfeitures due to non-payment of outstanding fines. The Board of Directors shall set out in the Rules and Regulations the procedures associated with the imposition of fines, the collection procedures associated with outstanding fines, and procedures associated with any restrictions, prohibitions and forfeitures due to non-payment of outstanding fines.

Article XXI

General Provisions

1. All checks or demands for money or notes, contracts and conveyances shall be signed by such officers as the Board of Directors may from time to time designate.
2. The fiscal year of the Association shall be fixed by resolution by the Board of Directors.
3. All Association records shall be kept in a central depository or with a licensed commercial records management center and not in the possession of any individual member.

4. General Members and Associate Members, upon reasonable notice, shall be entitled to inspect the following records of the Association: A current list of the full name and last known business address, residence or mailing address and phone number of each Member; A copy of the Articles of Incorporation, Bylaws, Rules and Regulations, and all amendments thereto; Copies of the Association federal, state and local income tax returns and reports, if any; Copies of any prepared financial statements of the Association for the three most recent years; Minutes of every meeting of the Members as well as any written consents of Members actions taken by Members without a meeting. Any other information as set out by the Board of Directors from time to time.
5. Any record request listed in 4 above may be satisfied by authorizing the requesting member to inspect any record that is listed on the association's official website.

Article XXII

Definitions

The following terms used in these Bylaws shall have the meanings described below:

“Articles” means the Articles of Incorporation of Hidden Lake Association, a Utah nonprofit corporation, together with any amendments thereto or restatements thereof, as such exist from time to time;

“Code” means the Utah Revised Nonprofit Corporation Act of the State of Utah (or successor thereto), as amended from time to time;

“Association” means Hidden Lake Association, a Utah nonprofit corporation, as such entity may from time to time be constituted and means a subdivision of real property called Hidden Lake Subdivision generally located approximately seven miles east of the town of Oakley the state of Utah, a plat copy of which is on record in the office of the County Clerk of Summit County, State of Utah;

“Fiscal year” means the year on which the accounting and income tax records of the Association are kept as determined by the Board of Directors;

“Member” means any person admitted to the Association as a General Member, as an Associate Member or as a Water Member, by (a) transfer of all of a Member's interest, if such transfer is not prohibited by operation of the Articles or Bylaws of the Association, or (b) by subscription accepted in accordance with the terms of the Articles and Bylaws.

“Person” means an individual, firm, corporation, partnership, a limited liability company, Association, trust, estate, pension, profit-sharing plan, or any other entity;

“Principal Office” means the registered or designated Utah office of the Association at which the records of the Association are kept.

“Transfer” means to sell, assign, transfer, give, donate, pledge, deposit, alienate, bequeath, devise, encumber or otherwise dispose of to any person other than the Association.

“Transferee” means any person to whom a transfer is made.

Article XXIII

Notice and Publication

Regarding any matter where notice or publication is required, notice shall be effected in any one of the following manners:

By depositing a notice in the United States mails, postage prepaid, addressed to the last known address of said members, at least ten (10) days prior to the date of such notice;

Email sent to the last known email address of said members, at least five (10) days prior to the date of such notice;

Fax, sent to the last known fax number of said members, at least five (10) days prior to the date of such notice;

Hiddenlakeutah.com: Website notice posted at least ten (10) days prior to the date of such notice;

ARTICLE XXIV

Cross Connection Control Policy

Hidden Lake Association Water System Number #utah 22029

CROSS CONNECTION CONTROL POLICY

A policy related to "cross connection control and backflow-prevention control" at the Hidden Lake Association water system.

PART I: CROSS CONNECTION CONTROL AND BACKFLOW PREVENTION (1) It shall be against Hidden Lake water system policy, at any connection supplied with water from the Hidden Lake water distribution system, to do any of the following: (a) To install or use any physical connection or arrangement of piping or fixtures, which may allow any fluid or substances unsuitable for human consumption to enter the potable water distribution system, as required by Section 608.1 through 608.5 of the International Plumbing Code.

(b) To install any connection, arrangement, or fixtures without a Backflow Prevention Device or approved Assembly unless arranged otherwise by the Board Member over Water.

(c) To incorrectly install any Backflow Prevention Device or Assembly required by Section 608.6 and 608.1 of the International Plumbing Code as adopted by the state of Utah. (2) Any person found in violation of this policy shall be subject to reprimand or other appropriate disciplinary action as determined by the Board Member over Water. (3) Administration of this policy shall be referenced by "Cross Connection Control Program of Utah, November 2003". A copy of the manual shall be available at the office of (Hidden Lake Association, P.O. Box 90, Oakley, UT 84055)

(4) Backflow prevention assemblies required by the policy will be required to be tested at least annually. The Board Member over Water shall prepare and maintain a Backflow Assembly Information sheet on all such devices and Test results shall be maintained for a period of no less than five (5) years.

PART II: This policy shall take effect on June, 25, 2010, A copy of the policy shall be placed in the office in the Water Board water system r and will be reviewed for all new construction projects on a case by case basis.

Signed: Signed: Date:

2-e9/o

Garl L. Fink, Water Master

Dean Carr, President

ARTICLE XXV

Amendment

1. These bylaws may be altered, amended, or repealed by action of the Board of Directors and a Vote by the General Membership.
2. All amendments to the Bylaws or the Rules and Regulations shall be published to the members at least fourteen (14) days prior the effective date of such amendments. All such Existing Bylaws shall be replaced by these Amended By-Laws of the Association, effective as of the Effective Date and the Existing Bylaws shall have no more effect.