

HIDDEN LAKE ASSOCIATION RULES AND REGULATIONS

As of the 1st Day of February, 2015

The Board of Directors has determined that it is necessary to promulgate rules and regulations to protect corporate property, preserve the assets of the corporation, provide for the safety of members and their guests, provide for the quiet enjoyment of property in and around the Development, and to otherwise govern the conduct and affairs of the members and their guests. These rules and regulations are hereby created pursuant to Article XVIII of the Bylaws.

Revocation of Prior Rules and Regulations

All Rules and Regulations of the corporation existing immediately prior to the effective date hereof are hereby revoked and are hereby replaced in their entirety by these Rules and Regulations. The date upon which these Rules and Regulations are effective shall be 14 days after publication of these Rules and Regulations to the members of the corporation, such publication as provided in Article XXII of the Bylaws.

Member Responsibility

It is the responsibility of each member to inform their family members and guests of the obligations as set out in the Articles, Bylaws and in these Rules and Regulations of the corporation, and to require each family member and guest to comply with all such obligations.

The member is personally responsible for all violations of the obligations set out in the Articles, the Bylaws and the Rules and Regulations, whether such violations are committed by himself or herself, by family members, or by guests. Charges of violations shall be answered by the member.

It is the responsibility of each member to report violations of the Rules and Regulations and, where appropriate, to enforce the same.

Civic, County, State and Federal Rules

All civic, county, state and federal laws and regulations shall be observed and obeyed in and around the Development. Violations shall be reported to the Summit County Sheriff's Office or to the appropriate law enforcement agency, as circumstances may require. Members responsible for accepting complaints shall also be notified.

Violations

It is an offense under these Rules and Regulations, punishable by the imposition of a fine chargeable as a Special Assessment against the member, to violate: 1) any rule or regulation of the corporation; 2) any provision of the Bylaws; or 3) any provision of the Articles.

Traffic and Vehicles

The speed limit on all roads in the Development shall be 15 MPH. No vehicle shall be operated in such a manner as to exceed this speed limit.

When a vehicle, motorcycle, ATV, or bicycle approaches an oncoming vehicle, motorcycle, ATV, bicycle, pedestrian, or animal, the driver shall slow to 5 MPH for the distance commencing 30 feet prior to passing such oncoming traffic, and continuing at such reduced speed until 30 feet after passing such oncoming traffic.

The Board of Directors has adopted the Utah State law governing the use of OHVs.

Age and Education Requirements - No one under 8 years of age is allowed to operate any OHV on association property. Operators 8 through 15 years of age may operate an OHV provided they possess an Education Certificate issued by Utah State Parks and Recreation or equivalent from their home state. Members or guests 16 years of age or older may operate an OHV if they possess either a valid driver's license or an OHV Education Certificate.

Registration - OHVs are NOT required to be registered while being operated on association property or private property.

Equipment Requirements - All OHVs are required to have certain equipment in working order while being operated on Hidden Lake Association property, including:

- Brakes sufficient to stop and hold the machine;
- A headlight and taillight while being operated between sunset and sunrise;
- A muffler and spark arrestor (snowmobiles are exempt from the spark arrestor requirement);
- A machine in proper and safe working order.

Helmet Requirements - Properly fastened helmet, having at least a "DOT Approved" safety rating for motorized use are required for all OHV operators and passengers under the age of 18 years. A properly fitting, safety rated helmet is the most important piece of safety gear available to an OHV rider. Hidden Lake Association strongly encourages the use of helmets by adult riders. Setting the example begins here.

Prohibited Uses - It is illegal for any person to use an OHV in connection with acts of vandalism, harassment of wildlife or domestic animals, or in the commission of a crime. It is also violation for anyone to operate any OHV in such a manner as to damage the environment by excessive pollution of air, land, or water, or to abuse the watershed, impair plant or animal life, or create excessive noise. Driving under the influence of alcohol or drugs is illegal on public and private property. This includes operation of OHVs.

Snowmobiles, ATVs, motorcycles, and other motorized vehicles must travel only on designated roads in the Development and shall not travel on corporation or other private property without the owner's permission.

Hunting and Firearms

Hunting is prohibited within the Development.

No firearms may be discharged within the Development. Notwithstanding this prohibition, the President may authorize the necessary lawful shooting of destructive animals.

Subject to the preceding paragraph, bows, paintball guns, and other projectile propelling devices shall not be discharged in the Development.

Fires and Fireworks

Open pit fires within the Development must be contained within fire pits. Fire pits must be of suitable construction sufficient to meet or exceed county fire standards.

Fires must be kept under sufficient control such that the flames do not exceed 3 feet in height.

A means of dousing the fire in the fire pit must be in the immediate vicinity of the fire pit. An active water hose or a functional fire extinguisher shall be deemed a sufficient means of dousing the fire.

Fires are prohibited at Hidden Lake and on other corporate property.

No fire shall be left unattended or burning overnight.

When conditions exist that cause increased or elevated fire danger, open pit fires may be restricted or prohibited by order of the President. Notice of such order by the President shall be effective when a notice containing details of such restrictions or prohibitions is posted on the bulletin boards at the gate entrances to the Development, or otherwise published to the members in accordance with the provisions as set out in the Bylaws.

Use of fireworks is prohibited within the Development.

Animal Control

The Board of Directors has adopted the Summit County Ordinance regulating animals. All animal complaints will be made to the Summit County Department of Animal Control by the complaining member or a member's guest. Animal control issues will not be heard by the Board of Directors.

Noise and Nuisance

Chain saws, power saws, maintenance and construction equipment may operate only between the hours of 8:00 am and 10:00 pm.

Music shall not be played at a volume that it becomes unreasonably annoying to other persons within the Development.

Motorized vehicles operated within the Development must be equipped with muffler systems that produce noise levels no louder than those systems that are standard equipment on the vehicle.

Yelling, shouting, or other excessive noises between the hours of 10:00 pm and 8:00 am are prohibited.

ATVs, off highway vehicles and motorcycles shall not be operated for recreational purposes between the hours of 10:00 pm and 8:00 am. Limited travel between cabins or emergency travel during such hours is approved.

Garbage and Litter Control

Littering in and around the Development is prohibited generally.

Members shall not keep inoperative automobiles, unsightly piles of construction materials or other refuse in or around the Development.

Garbage, household refuse, and animal remains shall be placed in secure containers and shall be removed from the Development with reasonable frequency.

Paper, plastic, cans, bottles, and all other items commonly recognized as litter must be deposited in secure containers and shall not be discarded on corporation or private property.

All persons visiting Hidden Lake shall carry their refuse back to their own property for proper disposal and removal.

Water and Water System

Water owned by the corporation and supplied by the corporation's delivery system may be used only for culinary purposes. Any other use of such water is prohibited.

Without limiting the foregoing, water shall not be used for watering livestock, washing vehicles, watering trees or plants, or to settle dust on roads, driveways, or parking areas, or any other non-culinary use.

No person shall turn on the water servicing a lot unless such person has been authorized by the Board of Directors, or is a member of a committee authorized by the Board of Directors.

All shut-off valves, switching valves, pumps, and other equipment and devices connected to or forming part of the corporation's water system shall be operated only by authorized persons designated by the Board of Directors or a committee authorized by the Board of Directors. The operation of such valves, pumps, equipment or other devices by unauthorized persons is strictly prohibited. Any person who violates this regulation and causes loss or damage to the water system or to other corporation property shall, in addition to any fine levied against such member, be financially responsible for such loss or damage.

Gates and Access

All gates on corporation property shall be kept closed and locked.

No person shall ride or hang on any part of the manual or electronic security gate systems.

Any person holding open, forcing open or otherwise manipulating any part or system of the electric security gates will incur the full cost of the required contractor response, system check, repairs and replacement parts for any external, internal or mechanical damages to any of the mechanisms or parts of the gate.

Gates shall not be left open or unlocked, even for short periods of time, except under authority of a board member for the purpose of corporation business or maintenance. Any member discovering any gate inoperable, unlocked or open shall immediately notify the Public Safety chair, a committee member or board member.

Key boxes lock boxes or similar devices containing Fobs or keys to gates in the Development, or other devices otherwise providing access to the Development, shall be prohibited from being attached to gates, fences or barriers near the gates, or deposited on or around the gates. Prohibited key boxes, lock boxes or other similar devices shall be removed by order of the President. Notwithstanding this prohibition, key boxes or other devices placed at gates by the corporation, for fire, ambulance, police or other government agencies are exempt from this prohibition.

Any person, without a Fob and unknown to a member, requesting entry to the Development, shall not be allowed entry to the Development unless a member is satisfied, on inquiry of the person requesting entry, that such person is a member, a guest of a member, or otherwise entitled to entry to the Development.

Roads and Roadways

No vehicle shall be operated on roads or roadways in the Development in such a manner that 1) causes damage or unreasonable wear to the road or roadway; 2) causes unreasonable dust; or 3) causes damage to the road or roadway during times when the roads are wet and susceptible to damage.

Members shall not operate vehicles on roads to and around Hidden Lake when such roads are muddy or snow covered. Notwithstanding the foregoing, snowmobiles may travel on roads to and around Hidden Lake when sufficient snow exists.

Vehicles shall not be parked on roads or roadways in a manner that precludes safe and unobstructed passage, nor in such a manner that blocks access to another member's property. Vehicles in violation may be towed, moved, removed or otherwise relocated without notice and at the cost of the owner.

All signs and control devices erected by the corporation shall be obeyed by all members and guests. Signs and control devices erected without Board of Directors authorization shall be removed and discarded without notice.

Complaint Procedures

Members or guests aware of or observing violations of the Rules and Regulations may take one or more of the following actions: 1) Advise the alleged offenders of the complaint or alleged violation, and warn of possible penalties, in an effort to gain voluntary compliance by the alleged offender, especially if the violation is of a minor nature; and 2) Report complaints and alleged violations to members authorized to receive complaints. Any such report shall be made to and documented by a member authorized to receive complaints, for further transmittal to the chairman of the Public Safety Committee (PSC). Such complaint and report shall contain sufficient details as may be available to document date, time, place, type of violation, identity or description of alleged offenders, and the names of witnesses, if any.

All members of the Board of Directors, any member designated by the President, and all officers of the corporation are authorized to receive complaints. Upon receiving a complaint, the Director, member or officer, as the case may be, shall forward the documented complaint to the PSC for action.

Upon receipt of a documented complaint, the PSC shall 1) record such complaint in the records of the corporation, and keep such records of all complaints for necessary action and future reference; 2) notify the President and the Board of Directors of the complaint and alleged violations.

Upon receipt of notification of a complaint or alleged violation, the Board of Directors shall examine the report, together with any other information provided or available, and may, by action of the Board of Directors, elect to 1) notify the member of such complaint, warn of possible penalties, and attempt to obtain voluntary compliance with the rules and regulations of the corporation; or 2) propose a fine to be levied against the member in connection with such complaint, providing notice of such proposed fine in accordance with the Bylaws.

A member for whom a fine is proposed is entitled, within 30 days of the receipt of notice of the proposed fine, to give notice to the Board of Directors of such member's choice to challenge the fine or deny the allegations. Such challenge shall be by hearing, scheduled before the Board of Directors, such hearing to occur as soon as reasonably possible after the Board of Directors receives notice from the member of such challenge. At such hearing, the member shall be entitled to hear any evidence in support of such proposed fine, and to present evidence and witnesses on his or her behalf. Upon the completion of the presentation of evidence, the Board of Directors shall, by majority vote, 1) sustain the complaint and proposed fine; 2) sustain the complaint and amend the amount of the proposed fine, or 3) reject both the complaint and the proposed fine. If the complaint is sustained and the proposed fine is sustained or amended, the fine as finally determined by the Board of Directors shall be levied against the member. If the complaint and the proposed fine are rejected, the Board of Directors shall levy no fine. In the event the member for whom a fine is proposed does not, within the 30 days as provided above, give notice of a challenge, the Board of Directors may, at an ensuing meeting of the Board of Directors, levy the fine as proposed, or levy a lesser fine by action of the Board of Directors.

Fines

Fines for violations of the rules and regulations shall be set by the Board of Directors, and shall be a minimum of \$10.00 for each violation, and a maximum of \$500.00 for each violation. Fines, and their amounts, shall be consistently and reasonably applied based on, among other factors, the seriousness of the violation, a history of the past violations by the member or guests, or other reasonable factors consistently and reasonably applied. Such fine as levied shall be enforceable as a Special Assessment against all lots owned by such member, as defined in the Bylaws, and shall be enforced as a Special Assessment pursuant to the enforcement powers and procedures as set out in the Bylaws. In the event a fine, sustained or otherwise, remains unpaid following the grievance hearing for a period longer than 180 days from the date the appeal is heard by the Board of Directors, the Board of Directors shall pursue a lien against the member's property in the amount of the fine and all associated legal costs.

Definitions

All definitions as set out in the Bylaws shall apply in these Rules and Regulations as if set out herein in detail.