

**BYLAWS
OF
SUNPEAK ASSOCIATION**
A Utah Non-profit Corporation

Pursuant to the provisions of the Utah Non-profit Corporation and Co-operative Association Act, the Board of Trustees of SunPeak Association, a Utah non-profit corporation, hereby adopts the following Bylaws for such non-profit corporation.

ARTICLE I

NAME AND PRINCIPAL OFFICE

1.01. Name. The name of the non-profit corporation is SunPeak Association, hereinafter referred to as the "Association".

1.02. Offices. The principal office of the Association shall be c/o Jack Johnson Company, 1910 Prospector Drive at Park City, County of Summit, State of Utah.

ARTICLE II

DEFINITIONS

2.01 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in the Master Declaration of Covenants, Conditions, and Restrictions for the SunPeak (which are recorded in the office of the Summit County Recorder in Book 668 beginning at page 485), shall have the same defined meanings when used in these Bylaws and the Articles of Incorporation.

ARTICLE III

MEMBERS

3.01 Annual Meetings. The annual meeting of Members

shall be held on the second Wednesday in September of each year at the hour of 6:00 o'clock p.m., beginning with the year in which the Articles of Incorporation are filed, for the purpose of electing Trustees and transacting such other business as may come before the meeting. If the election of Trustees shall not be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a special meeting of the Members to be convened as soon thereafter as may be convenient. The Board of Trustees may from time to time by resolution change the date and time for the annual meeting of the Members. The initial Board of Trustees, who shall serve until the election of Trustees by the Members at the first annual meeting, shall be those persons appointed by the Declarant as provided in the Master Declaration.

3.02 Special Meetings. Special meetings of the Members may be called by the Board of Trustees, the President, or upon the written request of Members holding not less than ten percent (10%) of the Total Votes of the Association, such written request to state the purpose or purposes of the meeting and to be delivered to the Board of Trustees or the President.

3.03 Place of Meetings. In the notice of any meeting, the Board of Trustees may designate any place in Summit or Salt Lake County, State of Utah as the place of meeting for any annual meeting or for any special meeting called by the Board. If no designation is made, the meeting shall be at the principal office of the Association.

3.04 Notice of Meetings. The Board of Trustees shall cause written or printed notice of the time, place, and purposes of all meetings of the Members (whether annual or special) to be delivered, not more than fifty (50) nor less than ten (10) days prior to the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at his registered address, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Development Parcel or Lot address shall be deemed to be his registered address for purposes of notice hereunder. Notice will be sent to those Members of record as of the July 1 immediately preceeding the meeting.

3.05 Members of Record. Upon purchasing a Development Parcel or Lot in a Subdivision (which shall include Units in a Condominium), each Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such property has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining Members entitled to notice of or to vote at any meeting of the Members, or any adjournment thereof, November 1 of each year shall be the record date for the following year as provided in Section 2.14 of the Master Declaration.

3.06 Quorum. At any meeting of the Members, the presence of Members holding, or holders of proxies entitled to cast, more than forty percent (40%) of the Total Votes of the Association shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the Members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a later date not more than seven (7) days from the date of the adjourned meeting. Notice of the date of the reconvened meeting shall be delivered at the adjourned meeting. At the reconvened meeting, the Members and proxy holders present shall constitute a quorum for the transaction of business.

3.07 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member himself or by his attorney thereunto duly authorized in writing. If a Membership is jointly held, the instrument authorizing a proxy to act must (if challenged) have been executed by all holders of such Membership or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

3.08 Votes. With respect to each matter submitted to a

vote of the Members, each Member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Development Parcel or Lot of such Member, established in accordance with the Master Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, the Declaration, or Utah law. The election of Trustees shall be by secret ballot. If a membership is jointly held, all or any holders thereof may attend each meeting of the Members, but all such holders present must act unanimously to cast the votes relating to their joint Membership. Cumulative voting is prohibited by the Articles of Incorporation.

3.09 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, form of proxies, and method of ascertaining Members present shall be deemed waived if no objection thereto is made at the meeting.

3.10 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

ARTICLE IV

BOARD OF TRUSTEES

4.01 General Powers. The property affairs, and business of the Association shall be managed by its Board of Trustees. The Board of Trustees may exercise all of the powers of the Association, whether derived from law or the Articles of Incorporation, except such powers as are by law, by the Articles of Incorporation, by these Bylaws, or by the Declaration vested solely in the Members. The Board of Trustees may by written contract delegate, in whole or in part, to a professional management organization or person such of its duties, responsibilities, functions, and powers as are properly delegable.

4.02 Number, Tenure, and Qualifications. The number of Trustees of the Association shall initially be three, and no greater than seven. The expansion or contraction of the Board shall be made by the affirmative vote of the Board. Trustees shall hold office for two year terms, or until their successors are elected and qualified, provided, however that the initial Board of Trustees shall serve only until the first annual meeting when they shall stand for election by the Members. All Trustees, excepting the initial Trustees, shall be Members of the Association. Candidates for Board membership must be Owners of a Development Parcel or Lot as set forth in Section 2.19 of the Master Declaration.

4.03 Regular Meetings. The regular annual meeting of the Board of Trustees shall be held without other notice than this

Bylaw immediately after, and at the same place as, the annual meeting of the Members. The Board of Trustees may provide by resolution the time and place, within Summit County or Salt Lake City, State of Utah, for the holding of additional regular meetings without other notice than such resolution.

4.04 Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of any Trustee. The person or persons authorized to call special meetings of the Board of Trustees may fix any place, within Summit or Salt Lake County, State of Utah, as the place for holding any special meeting of the Board of Trustees called by such person or persons. Notice of any special meeting shall be given at least ten (10) days prior thereto by written notice delivered personally, or mailed to each Trustee at his registered address, or by Telegram. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to have been delivered when the telegram is delivered to the telegraph company. Any Trustee may waive notice of a meeting.

4.05 Quorum and Manner of Acting. A majority of the then authorized number of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the Trustees present at any meeting at which a quorum is present shall be the act of the Board of Trustees. The Trustees shall act only as a Board, and individual Trustees shall have no powers as such.

4.06 Compensation. No Trustee shall receive compensation for any services that he may render to the Association as a Trustee; provided, however, that a Trustee may be reimbursed for expenses incurred in performance of his duties as a Trustee to the extent such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a Trustee.

4.07 Resignation and Removal. A Trustee may resign at any time by delivering a written resignation to either the President or the Board of Trustees. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Trustee may be removed at any time, for or without cause, by the affirmative vote of seventy-five percent (75%) of the Total Votes of the Association at a special meeting of the Members duly called for such purpose.

4.08 Vacancies and Newly Created Trusteeships. If vacancies shall occur in the Board of Trustees by reason of the death, resignation, or disqualification of a Trustee, or if the authorized number of Trustees shall be increased, the Trustees then in office shall continue to act, and such vacancies or newly created Trusteeships shall be filled by a vote of the Trustees then in office, though less than a quorum, in any way approved by such Trustees at the meeting. Any vacancy in the Board of Trustees occurring by reason of removal of a Trustee by the Members may be filled by election at the meeting at which such Trustee is removed.

Any Trustee elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor or for the term of the newly created Trusteeship, as the case may be.

4.09 Informal Action by Trustees. Any action that is required or permitted to be taken at a meeting of the Board of Trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees. Meetings can be conducted by telephone conferences in which all members are able to hear each other.

ARTICLE V

OFFICERS

5.01 Officers. The officers of the Association shall be a President, a Vice President, a Secretary/Treasurer, and such other officers as may from time to time be appointed by the Board of Trustees.

5.02 Election, Tenure, and Qualifications. The officers of the Association shall be chosen by the Board of Trustees annually at the regular annual meeting of the Board of Trustees. In the event of failure to choose officers at such regular annual meeting of the Board of Trustees, officers may be chosen at any regular or special meeting of the Board of Trustees. Each such officer (whether chosen at a regular annual meeting of the Board of Trustees or otherwise) shall hold his office until the next ensuing regular annual meeting of the Board of Trustees and until his successor shall have been chosen and qualified, or until his death,

or until his resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices, except that the President may not also be the Secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office. Excepting the initial officers who shall be appointed by the Developer, the President, Vice President, Secretary, and Treasurer shall be and remain Members of the Association during the entire term of their respective offices. No other officer need be a Member.

5.03 Subordinate Officers. The Board of Trustees may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Trustees may from time to time determine. The Board of Trustees may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities, and duties. Subordinate officers need not be Members of the Association.

5.04 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to the President or the Board of Trustees. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the Board of Trustees at any time, with or without cause.

5.05 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board of Trustees at any regular or special meeting.

5.06 President. The President shall be the 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. The President shall be invited to attend meetings of each committee.

5.07 The Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Trustees.

5.08 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, or any resolution of the Board of Trustees may require him to keep. He shall be the custodian of the seal of the Association, if any, and shall affix such seal, if any, to all papers and instruments requiring the same. He shall perform such other duties as the Board of Trustees may require of him. The

offices of Secretary and Treasurer may be combined and held by one person.

5.09 The 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 Board of Trustees. He shall perform such other duties as the Board of Trustees may require of him. The offices of Secretary and Treasurer may be combined and held by one person.

5.10 Compensation. No officer shall receive compensation for any services that he may render to the Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of his duties as an officer to the extent such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as an officer.

ARTICLE VI

COMMITTEES

6.01 Designation of Committees. The Board of Trustees may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee designated hereunder shall include two (2) or more of the members of the Association. No committee member shall receive compensation

for services that he may render to the Association as a committee member; provided, however, that a committee member may be reimbursed for expenses incurred in performance of his duties as a committee member to the extent that such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a committee member.

6.02 Proceedings of Committees. Each committee designated hereunder by the Board of Trustees may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board of Trustees.

6.03 Quorum and Manner of Acting. At each meeting of any committee designated hereunder by the Board of Trustees, the presence of members constituting at least a majority of the authorized membership of such committee shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board of Trustees hereunder shall act only as a committee, and the individual members thereof shall have no powers as such.

6.04 Resignation and Removal. Any member of any committee designated hereunder by the Board of Trustees may resign

at any time by delivering a written resignation to the President, the Board of Trustees, or the presiding officer of the committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board of Trustees may at any time, with or without cause, remove any member of any committee designated by it hereunder.

6.05 Vacancies. If any vacancy shall occur in any committee designated by the Board of Trustees hereunder, due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided, that two (2) or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board of Trustees.

ARTICLE VII

INDEMNIFICATION

7.01 Indemnification. Each Trustee and officer of the corporation now or hereafter serving as such, shall be indemnified by the Association against any and all claims and liabilities to which he has or shall become subject by reason of serving or having served as such trustee or officer, or by reason of any action alleged to have been taken, omitted, or neglected by him as such Trustee or officer; and the Association shall reimburse each such person for all legal expenses reasonably incurred by him in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed

for, any expense incurred in connection with any claim or liability arising out of his own wilful misconduct or gross negligence.

7.02 Vote of Committee. The amount paid to any officer or Trustee by way of indemnification shall not exceed his actual, reasonable, and necessary expenses incurred in connection with the matter involved, and such additional amount as may be fixed by a committee of not less than three (3) nor more than five (5) persons selected by the Board of Trustees who shall be members of the Association but not officers or directors or related to officers or directors and any determination so made shall be binding on the indemnified officer or Trustee.

7.03 State Law. The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any Trustee of the Association may otherwise be entitled by law.

ARTICLE VIII

FISCAL YEAR AND RECORDS

8.01 Fiscal Year. The fiscal year of the Association shall begin on the first day of January each year and shall end on the 31st day of December next following, except that the first fiscal year shall begin on the date of incorporation.

8.02 Records. The Board of Trustees shall maintain complete records of all business transacted by the Board or the Association, including records of budgets, income and expenditures, contracts with third parties, insurance policies and other information pertaining to the operation of the Association. An annual budget will be presented at the Annual Meeting for

consideration by the Members, provided that the power to levy assessments is vested in the Trustees.

ARTICLE IX

RULES AND REGULATIONS

9.01 Rules and Regulations. The Board of Trustees may from time to time adopt, amend, repeal, and enforce reasonable rules and regulations governing the use and enjoyment of the SunPeak, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Members shall be provided with copies of all rules and regulations adopted by the Board of Trustees, and with copies of all amendments and revisions thereof.

ARTICLE X

AMENDMENTS

10.1 Amendments. Except as otherwise provided by law, by the Articles of Incorporation, by the Declaration, or by these Bylaws, these Bylaws may be amended, altered, or repealed and new bylaws may be made and adopted by the Members upon the affirmative vote of at least fifty-one percent (51%) of the Total Votes of the Association; provided, however, that such action shall not be effective unless and until a written instrument setting forth (i) the amended, altered, repealed, or new bylaw, (ii) the number of votes cast in favor of such action, and (iii) the Total Votes of the Association, shall have been executed and verified by the current President of the Association and recorded in the official

records of the Association.

IN WITNESS WHEREOF, the undersigned Trustees and Secretary of SunPeak Association, have executed these Bylaws on the _____ day of May 26, 19 93.

G. Clifford
Linda Clifford

J. A. Johnson
Jack Johnson

C. C. Myers
C.C. Myers

Attest:

G. Clifford
Secretary