

**AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

for

JACKSON HOLE GOLF AND TENNIS CLUB ESTATES THIRD FILING

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

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Grand Teton Lodge Company (hereinafter referred to as the “Declarant”) established that certain Declaration of Protective Covenants for Jackson Hole Golf and Tennis Club Estates Third Filing recorded in the Office of the Clerk of Teton County, Wyoming on January 31, 1975 at Book 37 of Photo, Pages 422 to 421, and all amendments and supplements thereto (collectively, the “First Declaration”). In Article 5, Section 3 of the First Declaration, the Association was granted the power to amend or modify any of the provisions of the First Declaration upon obtaining written consent of the owners of eighty percent (80%) of the lots subject to the First Declaration (the “Approving Members”). Pursuant to such granted power, the Association, after obtaining the written consent of the Approving Members, hereby amends Articles I through Article VI of the First Declaration by deleting Articles I through VI of the First Declaration in their entirety and substituting therefor the following:

ARTICLE I - CREATION OF THE COMMUNITY

1.1 Purpose and Intent. The Association intends by the recording of this Declaration to create a general plan of development, administration, maintenance and preservation for the real property described on **Exhibit “A”** and hereby referred to herein as the “Third Filing” or “Property” or “Properties”. An integral part of the development plan is the creation and ongoing administration of the Jackson Hole Golf and Tennis Club Estates Third Filing Homeowners Association, an association comprised of all owners of real property located in the Third Filing, to own, operate and/or maintain various common areas and community improvements and to administer and enforce this Declaration and the other Governing Documents referred to in this Declaration in perpetuity.

1.2 Binding Effect. All property described on **Exhibit “A”** shall be owned, conveyed and used subject to all of the provisions of this Declaration and any amendments or supplements thereto, which shall constitute a covenant running with the title to such property and shall be binding upon all Persons having any right, title, or interest in any portion of the Third Filing, and their heirs, successors, successors-in-title, and assigns. This Declaration shall be enforceable in perpetuity by the Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

1.3 Governing Documents. The Governing Documents consist of the following, as they may be amended:

(a) Articles of Incorporation. Shall be filed with the Wyoming Secretary of State and shall establish the Association as a non-profit corporation under Wyoming law.

(b) Bylaws. Shall be adopted by the Board of Directors and shall govern the Association’s internal affairs, such as voting, elections, meetings, etc.

(c) Declaration. Shall be recorded in the Public Records and shall create obligations which are binding upon the Association and all present and future owners of property in the Third Filing.

(d) Design Guidelines. Declarant shall create and shall establish the architectural standards and guidelines for improvements and modifications to Lots, including structures, landscaping and other items on Lots.

(e) Rules and Regulations. The Board shall adopt and shall govern the use of property, activities and conduct within the Property.

(f) Board Resolution. The Board shall adopt and shall establish the rules, policies and procedures for internal governance and Association activities and shall regulate the operation and use of Common Area.

Nothing in this Section shall preclude any amendment to the Declaration or other covenants applicable to any portion of the Property from containing additional restrictions or provisions which are more restrictive than the provisions of this Declaration and, in such case, the more restrictive shall control. The Association may, but shall not be required to, enforce any such covenants, restrictions or other instruments applicable to any portion of the Third Filing.

The Governing Documents apply to all Owners and occupants of real property within the Property, as well as to their respective tenants, guests and invitees. If a Lot is leased, the lease shall provide that the tenant and all occupants of the leased Lot are bound by and obligated to comply with the Governing Documents. The Association, the Declarant, and every Owner shall have the right to take legal action to enforce the Governing Documents. The Association shall have the specific enforcement powers and remedies described in Section 7.4 and elsewhere in the Governing Documents. If any court should determine that any provision of this Declaration is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications of such provision.

ARTICLE II - CONCEPTS AND DEFINITIONS

The terms used in the Governing Documents shall generally be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below.

2.1 Architectural Review Committee or ARC. The Architectural Review Committee or the ARC shall mean the Architectural Review Committee as defined in Section 4.2 herein.

2.2 Articles. The Articles shall mean the Articles of Incorporation for Jackson Hole Golf and Tennis Club Estates Third Filing Homeowners Association, filed with the Wyoming Secretary of State, as they may be amended.

2.3 Association. Shall mean the Jackson Hole Golf and Tennis Club Estates Third Filing Homeowners Association, a Wyoming nonprofit corporation, its successors or assigns. The Association may be referred to herein as “Jackson Hole Golf and Tennis Club Estates Third Filing Homeowners Association” or “Homeowners Association” or “Association”. If at any time the Association is not in good standing or becomes administratively dissolved in Wyoming, the “Association” and all other similar terms herein shall refer to the unincorporated association of the Owners for purposes of enforcing the Governing Documents.

2.4 Base Assessment. The “Base Assessment” shall mean those assessments levied on all Properties subject to assessment under Article VIII to fund Common Expenses for the general benefit of all Lots, as determined in accordance with Section 8.1.

2.5 Board of Directors or Board. Shall mean that body responsible for administration of the Association, selected as provided in the Bylaws and generally serving the same role as the board of directors under the Wyoming corporate law. The Board of Directors may be referred to herein as the “Board of Directors” or “Board”.

2.6 Bylaws. The “Bylaws” shall mean those Bylaws of Jackson Hole Golf and Tennis Club Estates Third Filing Homeowners Association, as they may be amended.

2.7 Common Area. The “Common Area” shall consist of all portions of the Property that are not designated as Lot on the Plat and those portions of the Property that are designated as “Common Area” or “Common Area Lot” on the Plat or as created by this Declaration, any Supplemental Declaration or Amendment to the Declaration, any Covenant to Share Costs or any contract or agreement for maintenance thereof entered into by the Association. Common Area shall include the Roadway System, and all other real and personal property, including easements of record and as shown on the Plat for access, alley access and utilities, which the Association owns, leases or in which it otherwise holds possessory or use rights for the common use and enjoyment of the Owners.

2.8 Common Expenses. The “Common Expenses” shall mean the actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents.

2.9 Community-Wide Standard. The “Community-Wide Standard” shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout Jackson Hole Golf and Tennis Club Estates Third Filing, or the minimum standards established pursuant to the Design Guidelines, the Master Rules and Regulations, and Board resolutions, whichever is the highest standard. Declarant shall establish initially such standard and it may contain both objective and subjective elements. The Community-Wide Standard may evolve as development progresses and as the needs and desires within Jackson Hole Golf and Tennis Club Estates Third Filing change.

2.10 Declaration. The “Declaration” shall mean this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Jackson Hole Golf and Tennis Club Estates Third Filing, as the same may be amended and supplemented from time to time as provided herein.

2.11 Design Guidelines. The “Design Guidelines” shall mean those architectural, design and construction guidelines and review procedures adopted pursuant to Article IV, as they may be amended.

2.12 Declarant. Grand Teton Lodge Company, its successors or assigns.

2.13 Governing Documents. A collective term referring to this Declaration and any applicable Supplemental Declaration, the Bylaws of the Association, the Articles, the Design Guidelines and the Master Rules and Regulations, as they may be amended pursuant to this Declaration.

2.14 Lot. “Lot” shall mean Lots 1 through 37 as shown on the Plat, together with such additional property as is subjected to this Declaration in accordance with Article X.

2.15 Master Rules and Regulations. The Master Rules and Regulations are the rules and regulations adopted by the Board pursuant to Section 3.2 hereof, as they may be amended pursuant to this Declaration.

- 2.16 Member.** A Person subject to membership in the Association pursuant to Section 6.2.
- 2.17 Mortgage.** A mortgage, a deed to secure debt, or any other form of security instrument affecting title to all or any portion of the Properties. “Mortgagee” shall refer to a beneficiary of a deed of trust or holder of a Mortgage.
- 2.18 Occupant.** Any person other than an owner residing in or occupying a building on a Lot, which shall include but not be limited to lessees, invitees, guests, employees and licensees.
- 2.19 Owner.** One or more Persons who hold the record title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.
- 2.20 Person.** A natural person, a corporation, a partnership, a trustee, or any other legal entity.
- 2.21 Plat.** Shall mean the plat of Jackson Hole Golf and Tennis Club Estates Third Filing filed in the Office of the Teton County Clerk on January 7, 1975 as Plat No. 257.
- 2.22 Property or Properties.** The Roadway System and Lots 1 through 37 as described on the Plat, or a portion thereof.
- 2.23 Public Records.** The Official Records of the Office of the Clerk of Teton County, Wyoming.
- 2.24 Roadway System.** The roadways (including all cul-de-sacs) designated on the Plat including but not limited to Willow Drive, Paintbrush Drive and Aspen Drive. The Roadway System shall be designated as Common Area
- 2.25 Special Assessment.** Assessments levied in accordance with Section 8.3.
- 2.26 Specific Assessment.** Assessments levied in accordance with Section 8.4.

ARTICLE III – USE AND CONDUCT

3.1 Framework for Regulation and Conflicts Among Governing Documents. The Governing Documents establish, as part of the general plan of development for the Properties, a framework of affirmative and negative covenants, easements and restrictions which govern the Properties. However, within that framework, the Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology which inevitably will affect the Property, its Owners, Occupants and residents. Toward that end, this Article establishes procedures for modifying and expanding the initial Master Rules and Regulations. This Article is not intended to apply to administrative rules and regulations relating to the use and operation of the Common Area which the Board may adopt by resolution.

In the event of a conflict among provisions of the various Governing Documents, the following shall be the order of priority of the documents: (i) Articles; (ii) Bylaws; (iii) Declaration, and any amendments or supplements thereto; (iv) Design Guidelines; (v) Master Rules and Regulations; and (vi) the Board Resolutions. Any provision appearing in a document higher in priority to another document shall control. Any documents not included in this list shall have the priority stated in such document, if any.

3.2 Rule Making Authority.

(a) The Association shall prepare and adopt the initial Master Rules and Regulations. Thereafter, subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and its Members, the Board may modify, cancel, limit, create exceptions to, or expand the Master Rules and Regulations after sending notice by mail to all Owners concerning any such proposed action at least ten (10) days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken. Such action shall become effective after compliance with subsection (c) below unless disapproved at a meeting of the Members by fifty-one percent (51%) or more of the total votes entitled to vote on the matter. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon receipt of a petition of the Members as required for special meetings in the Bylaws. Upon such petition of the Members prior to the effective date of any Board action under this Section 3.2(a), the proposed action shall not become effective until after such meeting is held, and then subject to the outcome of such meeting.

(b) In addition, the Members, at an Association meeting duly called for such purpose, may vote to adopt rules which modify, cancel, limit, create exceptions to, or expand the Master Rules and Regulations then in effect. Any such action shall require a vote of fifty-one percent (51%) or more of the total votes entitled to vote on the matter.

(c) At least thirty (30) days prior to the effective date of any action taken under subsections (a) or (b) of this Section, the Board shall send a copy of the new rule or explanation of any changes to the Master Rules and Regulations to each Owner specifying the effective date. The Association shall provide, without cost, a copy of the Master Rules and Regulations then in effect to any requesting Member or Mortgagee.

(d) In the event of a conflict between the Design Guidelines and the Master Rules and Regulations, the Design Guidelines shall control.

3.3 Owners' Acknowledgement and Notice to Purchasers. All Owners are given notice that use of their Lot is limited by the Master Rules and Regulations as they may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a deed for their Lot acknowledges and agrees that the use and enjoyment and marketability of such Lot can be affected by this Declaration and that the Master Rules and Regulations may change from time to time. All purchasers of a Lot are on notice that changes may have been adopted by the Association that are not recorded in the Public Records. Copies of the current Master Rules and Regulations may be obtained from the Association.

3.4 No Mining, Excavating or Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing geothermal resources, oil, gas, or other hydrocarbons, minerals, rocks, stones, gravel, sand, top soil, or earth. Nothing contained herein shall be construed to limit the rights of the owner of a mineral interest severed from the surface of any portion of the Properties prior to the recording of this Declaration and nothing contained in this Declaration shall be construed to limit the rights of the Declarant to develop the Property.

3.5 Protection of Owners and Others. No rule shall be adopted in violation of the following provisions, except as may be specifically set forth in this Declaration (either initially or by amendment):

- (a) **Similar Treatment.** Similarly situated Owners shall be treated similarly.
- (b) **Displays.** The rights of Owners to display religious and holiday signs, symbols, and decorations inside structures on their Lot of the kinds normally displayed in dwellings located in single-family residential neighborhoods shall not be abridged, except that the Association may adopt time, place, and manner restrictions with respect to displays visible from outside the dwelling.
- (c) **Signs.** No rules shall regulate the content of political signs; however, rules may regulate the time, place and manner of posting such signs (including design criteria).
- (d) **Household Composition.** No rule shall interfere with the freedom of Owners to determine the composition of their households pursuant to the Teton County Land Development Regulations, as amended and/or rewritten from time to time.
- (e) **Activities Within Dwellings.** No rule shall interfere with the activities carried on within the confines of the Lots to the extent in compliance with local laws and ordinances, except that the Association may prohibit activities within Lots not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that: (i) create monetary costs for the Association or other Owners; (ii) create a danger to the health or safety of Occupants or Owners of other Lots; (iii) generate excessive noise or traffic; (iv) create unsightly conditions visible outside the structures on Lots; or (v) create an unreasonable source of annoyance to persons outside of such Lot.
- (f) **Allocation of Burdens and Benefits.** No rule shall alter the allocation of financial burdens among the various Lots or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of the Common Area, or from denying use privileges to those who are delinquent in paying assessments, who abuse the Common Area or who violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided by Article VIII.
- (g) **Alienations.** No rule shall prohibit leasing or transfer of any Lot, or require consent of the Association or Board for leasing or transfer of any Lot.

(h) **Abridging Existing Rights; Grandfather Clause.** If any provision of this Declaration or any rule would otherwise require Owners to dispose of personal property which they maintained in or on the Lot prior to the effective date of such rule or provision, or to vacate a Lot in which they resided prior to the effective date of such rule or provision, and such property was maintained or such occupancy was in compliance with this Declaration and all rules previously in force, such rule or provision shall not apply to any such Owners without their written consent. Notwithstanding any other provision in this Declaration or in the Governing Documents, the intent of the Association herein is to exempt all non-conforming improvements and landscaping existing within each Lot as of the Effective Date from the regulations of Article IV of this Declaration, the Design Guidelines and any other approvals required by the Governing Documents.

(i) **Rights to Develop.** No rule or action by the Association or Board shall impede the Declarant's right to develop the Properties.

The limitations in subsections (a) through (i) of this Section 3.5 shall only limit rulemaking authority exercised under Section 3.2; they shall not apply to amendments to this Declaration adopted in accordance with Article XI.

3.6 Domestic Animals. Except as specifically permitted herein or by the Master Rules and Regulations, no animals, reptiles, primates, fowl or insects of any kind shall be kept, raised, bred, maintained or boarded within or upon any part of the Properties. Notwithstanding the foregoing, each Lot shall be entitled to a maximum of no more than a total of four (4) Household Pets, of which no more than two (2) may be dogs. The term Household Pet(s) means generally recognized Household Pets such as dogs, cats, birds, rodents, and non-poisonous reptiles. Litters of puppies or kittens may remain on the Properties for no more than 90 days, after which time the foregoing limit shall prevail. Household Pets may not be kept for any commercial purpose, and may not cause an unreasonable amount of noise or odor; and may not otherwise become a Nuisance to other Owners. All Owners or Occupants with Household Pets shall keep the animals restrained and controlled at all times so they do not cause a Nuisance to others and do not harass or endanger others. Pets shall be fed indoors or, if fed outdoors shall be fed in a manner as not to become a wildlife attractor. Food for Household Pets shall be stored in a secure area that cannot be accessed by bears or other wildlife. "Nuisance" shall mean any noisy animal, any vicious animal, any non-domestic household pet, or any animal which chews, tears, digs in or scratches, litters or soils, destroys, or in any other manner injures clothing, garbage containers, gardens, flower beds, lawns, trees, shrubbery, or any other Lot within the Property. Excessive, continued, or untimely barking, molesting passersby, chasing vehicles, habitually attacking other animals, trespassing upon private property in such a manner as to damage property shall also be deemed a "Nuisance". "Noisy animal" means any animal which habitually, constantly, or frequently disturbs the sleep, peace, or quiet of any person. The Board shall have, and is hereby given, the right and authority, but not the obligation, to determine in its sole discretion that Household Pets are being kept for commercial purposes, or are otherwise a Noisy animal or a Nuisance, or that an Owner is otherwise in violation of this Section, and to take such action or actions as it deems reasonably necessary to remedy the violation. Without limiting the generality of the foregoing, the Board may decide to contact Teton County for investigation and removal of such animal prior to instituting enforcement actions provided for herein or it may require the owner to confine such animal indoors and may assess penalties for each incident in the amount of \$200.00 per animal. Any costs associated with responding to complaints of a Noisy animal or Nuisance pet may be levied against an Owner or Occupant as a Specific Assessment. On the third violation of an Owner or if the Association is alerted that an animal caused a severe injury within the Properties (a "Final Offense"), the Board may require that the Noisy animal or Nuisance pet be permanently removed from the Properties and the Board shall have the right, in its sole discretion, to terminate the right of an Owner to keep Household Pets on its Lot. If such Owner fails to remove such animal within seventy-two hours after it

received notice from the Association of the Final Offense, the Association shall have the right to enter a Lot and remove the subject animal, it being understood that such action shall not be deemed a trespass and the Association shall assess the Owner for the cost of such removal. No Owner of any animal or animals impounded shall have the right to bring any action against the Association or any member thereof, for the impoundment of such animal(s).

No owner or custodian of any animal who is visiting or working on the Properties shall be permitted to allow such animals to run free. No pet or animal shall be restrained by leash, cord, chain, rope, or other attachment fixed to any vehicle, post, tree, or other structure or object within the Property. Contractors, sub-contractors and any other person providing services to an Owner may not bring pets onto the Property.

The Owner of a Property where a Household Pet is kept, as well as the legal owner of the pet (if not such Owner), shall be jointly and severally liable for any and all damage and destruction caused by the pet, and for any clean-up of roads or other property necessitated by such Household Pet.

3.7 Wildlife. No elk, deer, moose, bison, bear, or other big game animals shall be fed hay or any other food, manufactured or otherwise, within the Properties in order to prevent migrating animals from interrupting their migrations to winter range and to prevent such animals from becoming habituated to unnatural food sources.

3.8 Vehicle Parking, Storage, Operation and Repair.

(a) “Permitted Vehicles” shall mean all passenger automobiles and one ton or smaller pick-up trucks. Only Permitted Vehicles may be parked within the Lots.

(b) Parking of vehicles is strictly prohibited on the Roadway System. No boat, trailer, bus, motor home, camper (on or off road supporting vehicles), motorcycle, snowmobile, go cart, recreational vehicle, golf cart, truck larger than one ton, industrial or commercial vehicle (both cabs or trailers), abandoned or inoperable vehicle (as defined below) or any other similar vehicles (collectively, the “Prohibited Vehicles”) shall be parked or stored on a Lot for more than 10 cumulative days per year and no vehicle of any kind shall be maintained, repaired, repainted, serviced or rebuilt on a Lot. This restriction shall not prevent the non-commercial washing and polishing of vehicles and boats, together with activities normally incidental thereto. All Prohibited Vehicles shall be stored off-site or within the enclosed garages on the Properties.

(c) Notwithstanding the foregoing, Prohibited Vehicles may be temporarily parked on driveways on a Lot for loading, delivery or emergency purposes, but only for the time required to accomplish such purpose, and as necessary for the construction or maintenance of the Properties upon compliance with the Master Rules and Regulations.

(d) An “abandoned or inoperable vehicle” shall mean any motorized vehicle which does not display a current valid motor vehicle license and registration tag or which does not have an operable propulsion system within the vehicle. If the Board determines that a vehicle is abandoned or inoperable, or is otherwise in violation of the provisions of this Section, a written notice of violation describing said vehicle shall be personally delivered to the vehicle owner (if such owner can be reasonably ascertained) or shall be conspicuously placed upon the vehicle (if the owner cannot be reasonably ascertained), and if the offending vehicle is not removed within seventy-two (72) hours thereafter, the Board shall have the right enter such Lot to remove and store the offending vehicle, or cause the vehicle to be removed and stored, and the costs associated with such activity shall be levied

against the Owner of the Lot where the offending vehicle is located as a Specific Assessment, all without liability on the part of the Board.

(e) Motorcycles, motorized trail bikes, mini-bikes, dirt bikes, all-terrain vehicles, mopeds, go-carts, snowmobiles and similar motorized vehicles licensed for operation on public roads may be used or operated on the Properties pursuant to the Master Rules and Regulations.

3.9 Hunting; Fireworks. No hunting or discharge of firearms shall be permitted on any portion of the Property. No discharge of firecrackers and other fireworks shall be permitted on any portion of the Properties; provided, however, the Board shall have no obligation to take action to prevent or stop such discharge.

3.10 Nuisance. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owners in the enjoyment of their Lot(s), or in their enjoyment of Common Area. Without limiting any of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Properties and improvements located thereon, shall be placed or used upon any Lot.

3.11 Garbage. The collection and disposal of garbage and trash shall be in strict compliance with such rules as may be adopted by the Board and Teton County. Except for the maintenance of accumulated waste plant materials in an appropriate composting container approved by the ARC, no rubbish, debris, ashes or trash of any kind shall be placed or permitted to accumulate on any Lot.

3.12 Propane Tanks. Buried propane tanks shall be permitted within the Properties provided such tanks are in compliance with the Teton County Land Development Regulations and the location of such tank(s) has been approved by the ARC prior to installation. Except for those tanks permitted pursuant to the Master Rules and Regulations, all other fuel tanks or similar storage receptacles of any kind are prohibited from being erected, placed or buried within the Properties.

3.13 Exterior Standards. Except for those improvements permitted by the grandfather provision set forth in Section 3.5(H), no outside recreational equipment, playground equipment, yard art, statues, containers for plant materials, clothes lines, wood piles, storage piles or semi-permanent/permanent structures, including but not limited to gazebos, jacuzzi/hot tubs, above-ground pools and outdoor kitchens/fireplaces, shall be permitted on any Lot unless such items: (i) are in compliance with any rules or provisions set forth in the Master Rules and Regulation, if any; (ii) are visually shielded from adjacent Lots; and (iii) such Owner has obtained the prior approval for the location and shielding from the ARC before such items are placed, erected and/or installed on a Lot.

ARTICLE IV - ARCHITECTURE AND LANDSCAPING

4.1 General. No structure shall be placed, erected, or installed upon any Lot, and no improvements (including staking, clearing, excavation, grading and other site work, exterior alterations of existing improvements, and planning or removal of landscaping materials, native trees or shrubs) shall take place except in compliance with this Article, the Design Guidelines promulgated pursuant to Section 4.3 and the Teton County Land Development Regulations. All dwellings constructed on any portion of the Property shall be designed by and built in accordance with the plans and specifications of a licensed architect.

No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. Any Owner may remodel, paint and/or redecorate the interior of the improvements on its Lot without approval. However, modifications to the interior of screened porches, patios, and similar portions of improvements on a Lot visible from outside the structure, including but not limited to gazebos, jacuzzi/hot tubs, above-ground pools and outdoor kitchens/fireplaces, shall be subject to approval.

4.2 Architectural Review.

(a) **Architectural Review Committee.** The Architectural Review Committee (“ARC”) shall consist of no less than three (3) members who shall be appointed by the Board to serve staggered terms of three years; provided, however that only one member of the ARC may be a Director unless there is an insufficient number of volunteers from the general membership of the Association for such committee.

(b) **Fees; Assistance.** The ARC may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, landscape architects, engineers or other professionals. The Association may employ architects, landscape architects, engineers, or other persons as deemed necessary to perform the review. The Board shall include the compensation of such persons, if any, in the fee charged by the ARC.

4.3 Guidelines and Procedures.

(a) **Design Guidelines.** The Association shall prepare and adopt the Design Guidelines. The Design Guidelines are intended to provide guidance to Owners and their builders regarding matters of particular concern to the ARC in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the ARC and compliance with the Design Guidelines does not guarantee approval of any application. The Design Guidelines set forth the requirements for any improvements undertaken on a Lot.

The Design Guidelines may set forth the requirements for any grading done on a Lot and may also include an approved landscape “plant palette”. Such plant palette shall be designed to include the existing mix, distribution and densities of the plants on site.

The Board shall have the authority to amend the Design Guidelines after sending notice by mail to all Owners concerning any such proposed action at least ten (10) days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken. Such action shall become effective unless disapproved at a meeting of the Members by fifty-one percent (51%) or more of the total votes entitled to vote on the matter. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon receipt of a petition of the Members as required for special meetings in the Bylaws. Upon such petition of the Members prior to the effective date of any Board action under this Section, the proposed action shall not become effective until after such meeting is held, and then subject to the outcome of such meeting.

Any amendments to the Design Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved or structures for which the review process has commenced. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may remove requirements previously imposed. The Association shall make the Design

Guidelines available to Owners and builders who seek to engage in development or construction within the Properties.

(b) **Procedures.** Prior to applying for a Teton County, Wyoming building permit or commencing any work within the scope of this Article on a Lot (“Work”), an Owner shall submit to the ARC an application for approval of the proposed Work in such form as the Design Guidelines or the ARC may specify. Such application shall include plans and specifications (“Plans”) showing site layout, grading, driveway specifications (including without limitation location, width, surface and infill materials and grading), structural design, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation, and other features of proposed construction, as applicable. The Design Guidelines and the ARC may require the submission of such additional information as may be reasonably necessary to consider any application. The Plans shall be in such form and shall contain such information as may be reasonably required pursuant to the Design Guidelines.

In reviewing each submission, the ARC may consider any factors it deems relevant, including without limitation, harmony of external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements.

The ARC shall, within thirty (30) days after receipt of a completed application for sketch plan review and for final plan review (whether from an Owner or the Board, as the case may be) and all required information, respond in writing to the applicant at the address specified in the application. The response may (i) approve the application, with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application. The ARC shall specify the reasons for any objections and/or offer suggestions for curing any objections. Additionally, the ARC may or may not, in its sole discretion, adopt any recommendations for approval or disapproval as given by the Board. An Owner may appeal a disapproval of an application to the Board for resolution.

In the event that the ARC fails to respond in writing in a timely manner, approval shall be deemed to have been given. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted. Notice shall be deemed to have been given at the time the envelope containing the response is deposited with the U.S. Postal Service. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery to the applicant.

If construction does not commence on a project for which Plans have been approved within two years after the date of approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to reapply for approval before commencing the proposed improvements.

The ARC may, by resolution, exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

No flowers, shrubs, trees, grasses, or other landscaping shall be allowed on any portions of the Properties, except in accordance with the landscape plant palette set forth in the Design Guidelines. The Board may make amendments to the plant palette and such amendments shall apply upon adoption of such amendment.

(c) **Obligation to Complete Construction.** Regardless of the type of improvement being constructed on a Lot, once construction has commenced, it must be completed within eighteen (18) months from the date construction commenced unless otherwise specified in the notice of approval or unless the ARC grants an extension in writing, which it shall not be obligated to do. Completion of improvements shall mean that a certificate of occupancy has been issued by the local governing body empowered to do so and that the improvements are in a condition suitable for immediate occupancy by the Owner or its Occupant.

4.4 No Waiver of Future Approvals. Each Owner acknowledges that the persons reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features until work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the ARC may refuse to approve similar proposals in the future. Approval of applications or plans, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

4.5 Variances. The ARC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with review process identified in the Design Guidelines. No variance shall (a) be considered by the ARC unless submitted to the ARC in an application which provides proof that all Owners of adjacent Lots have been notified of such variance request (electronic notice shall be acceptable); (b) be contrary to this Declaration; or (c) preclude the ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

4.6. Limitation of Liability. The standards and procedures established by this Article are intended as a mechanism for maintaining and enhancing the overall aesthetics of the Property; they do not create any duty to the Declarant, the Association, the Board or any Person. Review and approval of any application pursuant to this Article may be made on the basis of aesthetic considerations only, and the ARC shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all dwellings are of comparable quality, value or size, of similar design, or aesthetically pleasing or otherwise acceptable to neighboring Owners.

Declarant, the Association, the Board, any committee, or member of any of the foregoing shall not be held liable for soil conditions, drainage or other general site work; any defects in plans revised or approved hereunder; any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents; or any injury, damages, or loss arising out of the manner or quality or other circumstances of approved construction on or modifications to any Lot. In all matters, the Association shall indemnify the Board, the ARC, and the members of each as provided in Section 7.6.

4.7 Certificate of Compliance. Any Owner may request that the ARC issue a certificate of architectural compliance certifying that there are no known violations of this Article or the Design Guidelines. The Association shall either grant or deny such request within 30 days after receipt of a written request and may charge a reasonable administrative fee for issuing such certificates. Issuance of such a certificate shall preclude the Association from taking enforcement action with respect to any condition as to which the Association had notice as of the date of such certificate.

4.8 Standard of Construction. All improvements to the Properties made by the Declarant have been or will be constructed in accordance with all applicable city, county, state and federal building codes. Declarant does not warrant that its improvements to the Properties exceed, in any manner, the minimum building standards required by applicable city, county, state and federal laws.

4.9 Enforcement. Any structure, improvement or landscaping placed or made in violation of this Article or the Design Guidelines shall be deemed to be nonconforming. Upon written request from the Declarant, the ARC or the Board, Owners shall, at their own cost and expense, remove such structure or improvement and restore the property to substantially the same condition as existed prior to the nonconforming work or such that it complies with an approved application. Should an Owner fail to remove and restore as required, the Declarant, the Association or its designees shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. All costs, together with interest at the maximum rate then allowed by law, may be assessed against the benefited Property and collected as a Specific Assessment.

All approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Property, unless approval to modify any application has been obtained. In the event that any Person fails to commence and diligently pursue to completion all approved work, the Association shall be authorized, after notice to the Owner of the Property and an opportunity to be heard in accordance with the Bylaws, to enter upon the Property and remove or complete any incomplete work and to assess all costs incurred against the Property and the Owner thereof as a Specific Assessment.

Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Design Guidelines may be excluded from the Properties, subject to the notice and hearing procedures contained in the Bylaws. In such event, neither the Declarant nor the Association or either of its officers, or directors shall be held liable to any Person for exercising the rights granted by this paragraph.

In addition to the foregoing, the Association shall have standing to pursue all available legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ARC.

4.10 Development and Use Restrictions. All development of the Properties shall conform to the following requirements:

(a) **Teton County Land Development Regulations.** Conformity with any and all laws of the United States of America, the State of Wyoming and Teton County, including the applicable land development regulations of Teton County, Wyoming, shall be required, in addition to the requirements of this Declaration.

(b) **Authorized Use.** The Lots shall be used only for single family residential use and home occupations as are permitted by the Teton County Land Development Regulations in effect and as amended from time to time and further provided such home occupations do not constitute a nuisance or violate any other provision of this Declaration.

(c) **Authorized Structures.** No building or structure shall be constructed on any Lot, except one single family residence and one other accessory structure as approved and permitted by the Teton County Land Development Regulations and the ARC. Notwithstanding the foregoing, in no event shall the principal residence constructed on any Lot be less than two thousand four hundred (2,400) square feet of enclosed dwelling area. In no event may any structure on a Lot be more than 18 feet maximum in height. The ARC will specifically address and analyze the approval/denial of the height and location of the chimney in relation to the entire structure when determining approval of a building. An accessory structure may not be constructed prior to the construction of the main residence on a Lot. For purposes of this subsection, the term “enclosed dwelling area” shall mean the total enclosed area within a dwelling, excluding basements, garages, terraces, decks, open porches and like areas. The term “enclosed dwelling area” does include an enclosed porch if the roof of such porch forms an integral part of the roof line of the dwelling.

(d) **Setbacks.** All buildings and structures shall comply with the setback requirements set forth in the Teton County Land Development Regulations, as amended from time to time. The ARC shall have the right to further restrict the setback and placement of improvements within a Lot after taking into consideration the location of such improvements, the orientation of such improvements to the natural environment and view and the proximity and view corridors of the neighboring structures.

(e) **Restrictions on Leasing.** An accessory structure or a guest suite/apartment within the main residence may not be independently rented or leased apart from the main residence on a Lot. The term of a lease within the Properties may not be less than 90 days.

4.11 Construction. Mobile, prefabricated and modular homes are prohibited. Previously-put-to-use materials designed for architectural detailing on the outside of structures may be permitted by the ARC, in the ARC’s sole discretion.

4.12 Height, Size and Floor Area Limitations; Principal Residence Constructed First. Building height, size and floor area limitations shall be as determined by the Land Development Regulations of Teton County, Wyoming and the Design Guidelines, whichever is more restrictive. Notwithstanding the foregoing, as provided for above in Section 4.10(c), in no event shall the principal residence constructed on any Lot be less than two thousand four hundred (2,400) square feet of enclosed dwelling area. In no event may any ancillary structure(s) be constructed and/or inhabited on a Lot prior to the completion of construction of the principal residence on a Lot.

4.13 Utilities; Prohibition Against Water Wells and Septic Systems. Electrical, water and telephone utility lines will be installed underground to the property line of each Lot. Connections from improvements on a Lot to the underground utility lines shall be completed at the Owners’ expense, and shall be constructed underground. Above ground utility installations are prohibited. All Lots on the Plat shall be required to connect to the Gros Ventre Utility Company and shall be prohibited from having thereon a private well for domestic water or a septic and leach field system for disposal of domestic wastewater and sewage.

4.14 Temporary Structures Prohibited. No temporary structures, such as trailers, tents, shacks or other similar buildings, shall be permitted on any Lot; provided, however, that this prohibition shall not apply to shelters used by a contractor during construction of the principal residence and ancillary structure(s), it being clearly understood that such temporary shelters may not, at any time, be used as residences or be permitted to remain on the Lot after completion of construction of such improvements.

4.15 Satellite Dishes. A one meter or smaller diameter satellite dish shall be permitted on any Lot; it being the understanding that any dishes that are larger than the foregoing and/or additional satellite dish(es) are prohibited. All permitted dishes shall be located under the eave of all residences within the Properties and must be visually shielded from adjacent Lots with location and shielding approved by the ARC before such satellite dish is installed.

4.16 Berms. No berms shall be constructed or maintained on any Lot unless the ARC, in its sole discretion, approves such construction and maintenance and finds the same to be beneficial between adjacent Properties. In connection with the foregoing, the Board may request, at the expense of the Owner seeking approval, information relating to the possible impact of the berm on other Lots, which information may include appropriate engineering studies.

4.17 Improvement of Wetlands-Wildlife Habitat. Notwithstanding any provision herein to the contrary, the Board may allow development outside of the setbacks for the sole purpose of improving wetlands and/or wildlife habitat. Only wildlife habitat creation/enhancement approved by the ARC shall be allowed in these areas. Any proposal for wetland improvement or wildlife habitat improvement shall be reviewed and approved by the Wyoming Game and Fish Department and/or any other governmental authority having jurisdiction before submittal to the Board.

4.18 Noxious Weeds and Exotic Plant Species. Sources of all sod, seed and landscaping materials shall not contain noxious weeds or exotic species disfavored by Wyoming Weed and Pest organization. The Association shall adopt and enforce a program to eradicate noxious weeds present or occurring on the Properties.

4.19 Fencing and Gates. No fence, gate, hedge, or wall shall be erected or maintained within a Lot, except in compliance with the Design Guidelines and ARC approval.

4.20 Landscaping; Trees. All landscaping within a Lot shall be in compliance with the Design Guidelines. Unless a tree is confirmed dead by a certified arborist, no trees with a 6” or greater diameter shall be removed from any Lot except upon approval of the ARC. Any animal habitat cover-type vegetation that is removed or fatally damaged in the construction process should be replaced on the Lot. Notwithstanding any other provision of this Declaration or the Design Guidelines, an Owner shall obtain approval from the ARC prior to the installation of landscaping on a Lot, which approval may be withheld in its sole discretion. When considering approval of a tree and/or its placement on a Lot, the ARC shall pay specific attention to view corridors of adjacent and nearby Lots and the size of such tree at maturity.

ARTICLE V – MAINTENANCE AND REPAIR

5.1 Maintenance of Lots; Landscaping Maintenance; Driveway Maintenance. Each Owner of a Lot shall maintain his or her Lot and any and all improvements thereon in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants. Notwithstanding the foregoing, the maintenance of any and all landscaping within the Property shall be performed as follows: (i) the Association shall install and maintain any and all landscaping within the the Common Area in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants, and all costs associated therewith shall be assessed to the Owners as a base Assessment; and (ii) any and all landscaping situated on the Lots shall be installed and maintained by the Owners of the Lots in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants. The Owners shall be prohibited from relocating existing landscaping and/or installing new landscaping upon such Owner’s Lot until such Owner obtains prior written approval from the ARC for such work (which shall take into consideration view corridors of

adjacent and nearby Lots), which may be withheld in its sole discretion, and provided such relocation and/or maintenance is in conformance with the Design Guidelines. Responsibility for maintenance of landscaping under this Section shall include responsibility for watering of lawns and other landscaping as needed to maintain it in a healthy condition.

If an Owner does not maintain his or her Lot and/or landscaping located thereon, if applicable, to the appropriate standards, or if an Owner installs non-compliant landscaping materials on such Owner's Lot, the Association shall have the right to perform such maintenance on the Owner's behalf or to remove such landscaping and restore the affected area to its natural state, and the costs of such maintenance shall be assessed to the Owner as a Specific Assessment. The Association shall have the obligation to maintain the Common Area and any improvements located thereon in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants, and the costs associated therewith shall be the obligation of the Association.

5.2 Maintenance of Vacant Properties. Each Owner of a Lot that is unimproved is responsible for maintaining the landscape on such unimproved property in a healthy and vigorous condition. Required maintenance shall include, but not be limited to, necessary irrigation to control fire danger, treatment to control weeds and other steps recommended by the Board to maintain the natural landscape of the Lot in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants. If an Owner does not maintain his or her unimproved Lot to the appropriate standards, the Association shall have the right to perform such maintenance on the Owner's behalf and the cost of such maintenance shall be assessed to the Owner as a Specific Assessment.

ARTICLE VI – THE ASSOCIATION AND ITS MEMBERS

6.1 Function of Association. The Association shall be the entity responsible for management, maintenance, operation and control of the Common Area as described herein and shall also be the primary entity responsible for enforcement of the Governing Documents. The Association shall also be responsible to provide all duties and obligations of the Association as set forth in this Declaration and the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of Wyoming.

6.2 Membership. Every Owner of a Lot shall be a Member of the Association. There shall be only one membership per Lot. If a Lot is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, partner, member, manager or trustee, or by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association except where such privileges may be restricted by the Master Rules and Regulations or by the Association.

6.3 Voting. The Association shall have one class of membership. Members shall have one equal vote for each Lot in which they hold the interest required for membership under Section 6.2. All votes shall be cast as provided in Section 6.3(a).

(a) **Exercise of Voting Rights.** The vote for each Lot owned by a Member shall be exercised by the Owner of the Lot. In any situation where there is more than one Owner of such Lot, the

vote for such Lot shall be exercised as the co-Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the Lot's vote shall be suspended if more than one Person seeks to exercise it. The Board may suspend a Lot's vote if such Member is more than sixty (60) days delinquent in paying for Assessments due and owing.

(b) **Commencement of Voting Rights.** Voting rights as to each Lot shall vest upon the commencement of assessment obligations for such Lot, as defined in Section 8.6.

6.4 Association Board of Directors. The Association shall have not less than five (5) nor more than seven (7) directors. The number of directors may be changed as provided in the Bylaws. The Directors shall serve staggered terms as provided in the Bylaws.

ARTICLE VII – ASSOCIATION POWERS AND RESPONSIBILITIES

7.1 Acceptance and Control of Association Property.

(a) The Association, through action of its Board, may acquire, hold, and dispose of real property and tangible and intangible personal property. The Board may enter into leases, licenses, or operating agreements for portions of the Common Area, for such consideration or no consideration as the Board deems appropriate, to permit use of such portions of the Common Area by community organizations and by others, whether nonprofit or for profit, for the provision of goods or services for the general benefit or convenience of owners, occupants and residents of the Property.

(b) The Declarant and its designees may convey or dedicate real or personal property to the Association and the Association shall accept all such conveyances or dedications. Upon Declarant's written request, the Association shall reconvey to Declarant any unimproved portions of the Common Area which Declarant originally conveyed to the Association for no consideration, to the extent conveyed by Declarant in error or needed by Declarant to make minor adjustments in property lines.

7.2 Maintenance of Common Area.

(a) The Association shall maintain the Common Area in accordance with the Community-Wide Standard, which obligation shall include, but need not be limited to:

(i) all portions of infrastructure and landscaping within the Roadway System and Common Area; and

(ii) such portions of any additional property as may be dictated by this Declaration, any Supplemental Declaration, a Covenant to Share Costs, or any contract or agreement for maintenance thereof entered into by the Association.

The Association may maintain other property it does not own, including, without limitation, property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall not be liable for any damage or injury occurring on or arising out of the condition of property it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities. The Association may enter into contracts or agreements for maintenance of the Common Area.

(b) The Association shall maintain the facilities within the Roadway System and Common Area in continuous operation, except for any periods necessary, as determined in the sole

discretion of the Board, to perform required maintenance or repairs, unless at least fifty-one percent (51%) or more of the Members in the Association agree in writing to discontinue such operation.

(c) The costs associated with maintenance, repair and replacement of the Common Area shall be a Common Expense; provided, the Association may seek reimbursement from the owner(s) of, or other Person responsible for, certain portions of the Common Area pursuant to this Declaration, the Covenant to Share Costs, other recorded covenants, or agreements with the owner(s) thereof.

7.3 Insurance.

(a) **Required Coverages.** The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(i) Blanket property insurance covering “risks of direct physical loss” on a “special form” basis (or comparable coverage by whatever name denominated) for all insurable improvements within the Common Area to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership. If such coverage is not generally available at reasonable cost, then “broad form” coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement costs of the insured improvements under current building ordinance and codes;

(ii) Commercial general liability insurance on the Common Area insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage (including primary and any umbrella coverage) shall have a limit of at least One Million dollars (\$1,000,000.00) per occurrence with respect to bodily injury, personal injury, and property damage; provided, should additional coverage and higher limits be available at reasonable cost which a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits. If the policy does not contain “severability of interest” in its terms, the Association shall acquire an endorsement to preclude the insurer’s denial of a Property Owner’s claim because of negligent acts of the Association or of other Homeowners;

(iii) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(iv) Directors and officers liability coverage with policy limits deemed prudent by the Board;

(v) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount and including such persons as determined in the Board’s best business judgment to be reasonable. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Person serving without compensation; and

(vi) Such additional insurance as the Board, in its best business judgment, determines advisable.

Premiums for all insurance on the Common Area shall be assessed by the Board as a Common Expense.

(b) **Policy Requirements.** The Association shall arrange for periodic review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the Teton County, Wyoming area. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 7.3(a). In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Property as a Specific Assessment.

All insurance coverage obtained by the Board shall:

- (i) Be written with a company authorized to do business in the State of Wyoming;
- (ii) Be written in the name of the Association as trustee for the benefited parties.
- (iii) Not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;
- (iv) Contain an inflation guard endorsement;
- (v) Include an agreed amount endorsement if the policy contains a co-insurance clause;
- (vi) Provide a waiver of subrogation under the policy against any Owner or household member of an Owner;
- (vii) Include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;
- (viii) Include an endorsement precluding cancellation, invalidation, or condition to recovery under the policy on account of any act or omission of any one or more individual Owners, unless such Owner is acting within the scope of its authority on behalf of the Association;
- (ix) Provide that the policy will be primary, even if an Owner has other insurance that covers the same loss; and
- (x) Provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest as a member of the Association in the Common Area (provided, this provision shall not be construed as giving an Owner any interest in the Common Area other than that of a Member).

In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(i) A waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, its attorneys, the Owners and their tenants, servants, agents, and guests;

(ii) An endorsement requiring at least forty-five (45) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal (with the exception that only ten (1) days notice shall be required for cancellation resulting from nonpayment);

(v) A provision vesting in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any related to the loss.

(c) **Restoring Damaged Improvements.** In the event of damage to or destruction of property which the Association is obligated to insure, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes. Notwithstanding any other provision of the Governing Documents, in no event shall fencing located within the Properties be repaired by the Association.

Damaged improvements on the Common Area shall be repaired or reconstructed unless at least fifty-one percent (51%) of the total votes in the Association decide within sixty (60) days after the loss not to repair or reconstruct. If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such sixty (60) day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If a decision is made not to restore the damaged improvements, and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by the Association for the benefit of its Members or the Owners as appropriate, and placed in a capital improvements account.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 7.3(a).

7.4 Compliance and Enforcement.

(a) Every Owner and occupant of a Property shall comply with the Governing Documents. The Board may impose sanctions for violation of the Governing Documents after notice and a hearing in accordance with the procedures set forth in Section 6.13 of the Bylaws. Such sanctions may include, without limitation:

(i) Imposing reasonable monetary fines (which shall not, except in the case of nonpayment of assessments or the fine so imposed, constitute a lien upon the violator's Property). In the event that any occupant, guest or invitee of a Property violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; provided however, if the fine is not paid by the violator within the time period set by the Board, the Owner associated with the guest or invitee shall pay the fine upon notice from the Board. The fine, in either circumstance, shall be a Specific Assessment against the Owner;

(ii) Suspending an Owner's right to vote;

(iii) Suspending any Person's right to use any Common Area within the Properties; provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from a Property;

(iv) Suspending any services provided by the Association to an Owner or the Owner's Property if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association;

(v) Exercising self-help or taking action to abate any violation of the Governing Documents in a non-emergency situation;

(vi) Requiring an Owner, at its own expense, to remove any structure or improvements on such Owner's Property in violation of Article IV and to restore the Property or any structure located thereon to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass. Any costs incurred by the Board in bringing a non-confirming Property or any structure located thereon into compliance shall be assessed to such Owner as a Specific Assessment;

(vii) Without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of Article IV and the Design Guidelines from continuing or performing any further activities in The Property; and

(viii) Levying Specific Assessments to cover costs incurred by the Association to bring a Property into compliance with the Governing Documents.

In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents without the necessity of compliance with the procedures set forth in the Bylaws:

(i) Exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), and entry onto such Lot for such purposes shall not be considered a trespass; and

(ii) Bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both.

In addition to any other enforcement rights, if an Owner fails to properly perform his or her maintenance responsibility after written notice specifying the maintenance required and a reasonable opportunity to perform such maintenance, the Association may record a notice of violation in the Public

Records or perform such maintenance responsibilities and assess all costs incurred by the Association against the Property and the Owner as a Specific Assessment. Except in an emergency situation, the Association shall provide the Owner reasonable notice and an opportunity to cure the problem prior to taking enforcement action authorized herein.

All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

(b) The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

(i) the Association's position is not strong enough to justify taking any or further action;

(ii) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;

(iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

(iv) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed a waiver of the Association's right to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction, or rule. The Association, by contract or other agreement, may enforce applicable city and county ordinances and permit Teton County to enforce ordinances within the Property for the benefit of the Association and its Members.

7.5 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board or delegated to the ARC without a vote of the membership.

The Board may institute, defend, settle, or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Area, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute litigation on behalf of or in the name of the Association or its Members.

In exercising the rights and powers of the Association, making decisions on behalf of the Association, and conducting the Association's affairs, Board members shall be subject to, and their actions shall be judged in accordance with, the standards set forth in the Bylaws.

7.6 Indemnification of Officers, Directors and Others. The Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under Wyoming law or the Bylaws.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association).

The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

7.7 Enhancement of Safety. Each Owner and their respective guests and invitees shall be responsible for their own personal safety and the security of their property in the Property. The Association may provide for a security patrol within the Properties, and the Association may, but shall not be obligated to, maintain or support certain other activities within the Properties designed to enhance the safety of the Properties. The Association shall not in any way be considered insurers or guarantors of security within the Properties, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any patrol, systems, or measures, including any mechanism or system for limiting access to the Properties, cannot be compromised or circumvented, nor that any such patrol, systems, or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the patrol or system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants and all occupants of its Property that the Association, its Board and committees, and the Declarant are not insurers of safety and that each Person using the Properties assumes all risks of personal injury and loss or damage to property, including the Property and the contents of their Property, resulting from acts of third parties.

7.8 Provision of Services. The Association shall be authorized but not obligated to enter into and terminate, in the Board's discretion, contracts or agreements with other entities, including Declarant, to provide services to and facilities for the Members of the Association and their guests, lessees and invitees and to charge use and consumption fees for such services and facilities. By way of example, some services and facilities which might be offered include landscape maintenance, pest control, utilities, and similar services and facilities. Nothing in this Section shall be construed as a representation by the Association as to what, if any, services shall be provided. In addition, the Board shall be permitted to modify or cancel existing contracts for services in its discretion, unless the provision of such services is otherwise required by the Governing Documents. Non-use of services provided to all Owners or Lots as a Common Expense shall not exempt any Owner from the obligation to pay assessments for such services.

7.9 Consolidation of Services. The Association is encouraged to consolidate local service providers so as to minimize traffic and other impacts to the Properties.

7.10 Relationships with Other Properties. The Association may enter into contractual agreements or covenants to share costs with any neighboring property to contribute funds for, among other things, shared or mutually beneficial property or services and/or a higher level of Common Area maintenance.

ARTICLE VIII – ASSOCIATION FINANCES

8.1 Budgeting and Allocating Common Expenses. At least sixty (60) days before the beginning of each fiscal year (as such term is defined in the Bylaws), the Board shall prepare a budget of the estimated Common Expenses, including any and all expenses associated with the enhancement of safety and the provision of services as set forth in Sections 7.7 and 7.8, for the coming year, including any contributions to be made to a reserve fund pursuant to Section 8.2. The budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Properties and the amount to be generated through the levy of Base Assessments and Special Assessments against each.

The Association is hereby authorized to levy Base Assessments against all Properties subject to assessment under Section 8.6 to fund the Common Expenses. Such assessments shall be uniform as between Properties. In determining the Base Assessment rate per Lot, the Board may consider any assessment income expected to be generated from any additional Property reasonably anticipated becoming subject to assessment during the fiscal year.

The Board shall send a copy of the final budget, together with notice of the amount of the Base Assessment to be levied pursuant to such budget, to each Owner not less than ten (10) nor more than sixty (60) days prior to the effective date of such budget. Such budget and assessment shall automatically become effective unless subject to the limitation on increases of assessments provided for in Section 8.5.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time the Association may retroactively assess any shortfalls in collections.

The Board may revise the budget and adjust the Base Assessment from time to time during the year, subject to the notice requirements and the limitations on increases of assessments provided for in Section 8.5.

8.2 Budgeting for Reserves. Pursuant to the Bylaws, the Board shall cause a study of the reserve account at least every two years. The Board shall prepare and review at least annually a reserve budget for the Common Area and other assets of the Association. The budgets shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in the Common Expense budget adopted pursuant to Section 8.1 a capital contribution to fund reserves in an amount sufficient to meet the projected need with respect both to amount and timing by annual contributions over the budget period.

8.3 Special Assessments. In addition to other authorized assessments, the Association may, subject to the limitations of Section 8.5, levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied: (i) against the entire membership, if Special Assessment is for Common Expenses; or (ii) against an individual Property if such Special Assessment is for an unbudgeted expense relating to less than all of the Properties. Special

Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved. The Board shall provide notice of the Special Assessment by first class mail to the Owners not less than thirty (30) days prior to the Special Assessment becoming due.

8.4 Specific Assessments. The Association shall have the power to levy Specific Assessments against a particular Property as follows:

(a) Costs, including overhead and administrative costs, of providing services to a Property upon request of an Owner pursuant to any menu of special services which may be offered by the Association (which might include items identified in Section 7.8). Specific Assessments for special services may be levied in advance of the provision of the requested service; and

(b) To cover costs incurred in bringing a nonconforming Property into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of a nonconforming Property, their agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the nonconforming Property Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws, before levying any Specific Assessment under this subsections (b).

8.5 Limitation of Increases of Assessments. Notwithstanding any provision to the contrary, and except for assessment increases necessary for emergency situations or to reimburse the Association pursuant to Section 8.4, the Board may not impose a Base Assessment that is more than ten percent (10%) greater than each of those assessments for the immediately preceding fiscal year, nor impose a Special Assessment which in the aggregate exceeds fifty percent (50%) of the budgeted Common Expenses for the current fiscal year, without a majority vote of the Members present at the meeting at which a quorum is present, by vote or proxy, or action without meeting by written ballot in lieu thereof be conformance with the Bylaws.

For purposes of this Section, “quorum” means fifty-one percent (51%) or more of the total voting power of the Association subject to the applicable assessment. For purposes of this Section, the term “Base Assessment” shall be deemed to include the amount assessed against each Property plus a pro rata allocation of any amounts the Association received through any subsidy or maintenance agreement, if any, in effect for the year immediately preceding the year for which the assessment is to be increased.

An emergency situation is any one of the following:

(a) An extraordinary expense required by an order of a court;

(b) An extraordinary expense necessary to repair or maintain the Properties or any part of them for which the Association is responsible where a threat to personal safety on the Properties is discovered; or

(c) An extraordinary expense necessary to repair or maintain the Properties or any part of them for which the Association is responsible which could not have been reasonably foreseen by the Board in preparing and distributing the pro forma budget pursuant to Section 8.1. However, prior to the imposition or collection of such an assessment, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. Such resolution shall be distributed to the Members with the notice of such assessment.

8.6 Authority to Assess Owners; Date of Commencement of Assessments; Time of Payment. The Association is hereby authorized to levy assessments as provided for in this Article and elsewhere in the Governing Documents. The obligation to pay the assessments provided for herein has commenced. Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Property and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his or her Property, the Board may require the outstanding balance on all assessments to be paid in full immediately.

8.7 Personal Obligation.

Each Owner, by accepting a deed or entering into a recorded contract of sale for any portion of the Properties, is deemed to covenant and agree to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of eighteen percent (18%) per annum or such other rate as the Board may establish, subject to the limitations of Wyoming law), late charges as determined by Board resolution, costs, and reasonable attorneys' fees, shall be the personal obligation of each Owner and a lien upon each Property until paid in full. Upon a transfer of title to a Property, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Neighborhood Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

No Owner may exempt himself from liability for assessments by non-use of Common Area, abandonment of his Property or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a certificate in writing signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

8.8 Lien for Assessments. The Association shall have a lien against each Property to secure payment of delinquent assessments, as well as interest, late charges (subject to the limitations of Wyoming law), and costs of collection (including attorneys' fees). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or non-judicial foreclosure as provided for by Wyoming law.

The sale or transfer of any Property shall not affect the assessment lien or relieve such Property from the lien for any subsequent assessments. However, the sale or transfer of any Property pursuant to foreclosure of the first Mortgage shall not extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure, such liens to become a deficiency judgment against the foreclosed owner. The subsequent Owner to the foreclosed Property shall not be personally liable for assessments on such Property due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Properties subject to assessment under Section 8.7, including such acquirer, its successors and assigns.

ARTICLE IX - EASEMENTS

9.1 Easements in Common Area. The Declarant grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitation contained in any deed conveying such property to the Association;
- (c) The Board's right to:
 - (i) adopt rules regulating the use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;(ii)suspend the right of an Owner to use recreational facilities within the Common Area (A) for any period during which any charge against such Owner's Property remains delinquent, and (B) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation of the Governing Documents after notice and a hearing pursuant to the Bylaws;
 - (ii) dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Declaration; and
 - (iii) mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (d) The right of use and enjoyment of the Common Area to the members of his or her family, lessees, and social invitees, as applicable, shall subject to reasonable regulation by the Board. An Owner who leases his or her Property shall be deemed to have assigned all such rights to the lessee of such Property for the period of the lease.

9.2 Easements for Drainage, Utilities, Roads, Snow Storage, Etc.

- (a) All dedications, limitations, restrictions and reservations of easements, including those for drainage, shown on the Plat are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth in this Declaration.
- (b) The Declarant grants to the Association and all utility providers, perpetual non-exclusive easements within the Roadway System and all other road and utility easement areas described on the Plat for the Properties (but not through a structure) to the extent reasonable necessary for the purpose of:

(i) Installing utilities, roadways and other infrastructure, including without limitation, cable and other systems for sending and receiving data and/or other electronic signals; security and similar systems; roads, walkways, pathways and trails; drainage systems and signage; to serve the Properties;

(ii) Inspecting, maintaining, repairing and replacing such utilities and infrastructure to serve the Properties; and

(iii) Access to read utility meters.

(c) Declarant also reserves for itself the non-exclusive right and power to grant and record in the Public Records such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described on the Plat; including, but not limited, to the right to grant to a governmental entity, to a special improvement district, or to any person non-exclusive easements over the Roadway System.

(d) All work associated with the exercise of the easements described in subsections (b) and (c) of this Section shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Property nor shall it unreasonably interfere with the use of any Property and, except in an emergency, entry onto any Property shall be made only after reasonable notice to the Owner or occupant.

(e) All Properties and the Common Area are burdened with a snow storage and drainage easement to provide for the orderly removal and storage by the Association of snow from the Common Area and the associated drainage from any melting thereof.

9.3 Easements to Serve Additional Property. The Declarant hereby reserves for itself and its duly authorized agents, successors, assigns, and mortgagees, an easement over the Common Area, including the Roadway System, for the purposes of enjoyment, use, access, and development of any property annexed into the development and/or any property that is adjacent to the Property, whether or not such property is made subject to the Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area, including the Roadway System, for construction of roads and for connecting and installing utilities on such property.

Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of their respective actions in connection with development of such property. Declarant further agrees that if the easement is exercised for permanent access to such property and such property or any portion thereof benefiting from such easement is not made subject to this Declaration, Declarant and its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of any maintenance which the Association provides to or along any roadway providing access to such property.

9.4 Easements for Maintenance, Emergency and Enforcement. The Declarant grants to the Association easements over the Common Areas and Properties as necessary to enable the Association to fulfill its maintenance responsibilities in Article V and under Section 7.2. The Association shall also have the right, but not the obligation, to enter upon the Common Area and any Property but not to enter any structure thereon, for emergency, security, and safety reasons, to perform maintenance and to inspect for the purpose of ensuring compliance with and to enforce the Governing Documents. Such right may be

exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

9.5 Easements for Cross-Drainage. Every Property shall be burdened with easements for natural drainage of storm water runoff from other portions of the Properties; provided, no Person shall alter the natural drainage on any Property to increase materially the drainage of storm water onto adjacent portions of the Properties without the consent of the Owner(s) of the affected property and the Board.

9.6 Easement for Emergency Vehicles. The Properties are hereby burdened with an easement allowing all policemen, firemen, ambulance personnel, and similar emergency personnel entry to perform their duties, including the enforcement of traffic regulations.

9.7 Title to and Use of Roadway System. The Roadway System as shown on the Plat shall be conveyed to the Association and is hereby designated as Common Area. Each Owner and occupant of an Lot and each of their guests or invitees are hereby granted a non-exclusive easement and right-of-way to use the Roadway System for vehicular and pedestrian ingress, egress, access to and from their Property. The Roadway System shall be subject to the provisions of this Declaration. The Association shall have the right to control vehicular circulation through the Properties by such means as establishing speed limits, by installing speed bumps or by any other means reasonably adopted by the Association.

9.8 Reserved Golf Course Easements. The landscaping plan for the areas of any Lot within fifty (50) feet of the boundary of the Jackson Hole Golf Course shall be in general conformity with the overall landscaping plan for the golf course fairway, tee or green area established by the golf course architect, and all landscaping plans submitted for approval will be judged on the foregoing basis. No fences shall be permitted on the boundaries bordering the golf course or the ponds and such Lot boundaries must be landscaped to blend into the golf course landscaping.

Until such time as a residence is constructed on any lot within fifty (50) feet of the boundary of the Jackson Hole Golf Course, the Declarant, its agents, successors and assigns, reserve an easement to permit any authorized registered golf course players and their caddies to enter upon a Lot to recover a ball or play a ball, subject to the official rules of the course, without such entering and playing being deemed a trespass. After a residence is constructed, such easement shall be limited to the recovery of balls only and not play. Registered players or their caddies shall not be entitled to enter upon any such Lot with a golf cart or other vehicle, nor spend an unreasonable amount of time on such Lot, or in any way commit a nuisance while on such Lot. After construction of a residence on such Lot, an "Out of Bounds" marker shall be placed on such Lot at the expense of the Declarant.

The Declarant reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over, under an area seven and one-half (7 1/2) feet in width along each side of such stream, ditch or waterway and ten (10) feet in width around each pond in the estates for the purpose of cleaning and maintaining the same. The foregoing right may be exercised by any licensee of the Declarant, but this reservation shall not be considered an obligation of the Declarant to maintain such stream or ponds.

ARTICLE X.

ARTICLE X – AMENDMENT OF DECLARATION

10.1 By Members. Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of at least 2/3rds or more of the Members.

10.2 Validity and Effective Date. No amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant. If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording in the Public Records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within thirty (30) days of its recordation, or such amendment shall be presumed to have been validly adopted.

