

**ARTICLES OF INCORPORATION
OF
MOUNTAINSIDE MASTER ASSOCIATION, INC.**

The undersigned adult natural person, acting as incorporator, hereby establishes a nonprofit corporation pursuant to the Utah Revised Nonprofit Corporation Act, Utah Code Annotated §16-6a-101, et seq. (the "Act") and adopts the following articles of incorporation:

**ARTICLE I
NAME**

The name of the corporation is Mountainside Master Association, Inc.

**ARTICLE II
DURATION AND MEMBERS**

The corporation shall have perpetual existence. The Owners of Units shall constitute the members of the corporation.

**ARTICLE III
REGISTERED OFFICE AND AGENT**

The address of the initial registered office of the corporation is 2750 W. Rasmussen Road, Suite 206, Park City, Utah 84098. The name of its initial registered agent at such address is Kurt Krieg.

**ARTICLE IV
DEFINITIONS**

4.1 Master Declaration.

As used herein, "Master Declaration" means the Master Declaration of Covenants, Conditions, Restrictions and Easements for Mountainside Village and Resort, as the same may be amended from time to time, recorded in the Official Records of Wasatch County, Utah.

4.2 Other Definitions.

Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given to them in the Master Declaration.

**ARTICLE V
PURPOSES AND POWERS**

5.1 Purposes.

The Master Association's purposes are:

- (a) to manage, operate, insure, construct, improve, repair, replace, alter and maintain the Master Common Areas;
- (b) to provide certain facilities, services and other benefits to the Owners;
- (c) to administer and enforce the covenants, conditions, restrictions, reservations and easements created by the Master Declaration;

(d) to levy, collect and enforce the Assessments, charges and liens imposed pursuant the Master Declaration;

(e) to enter into agreements with other persons, including, without limitation, easements, licenses, leases and other agreements for facilities and services that serve the Master Association;

(f) to take any action that it deems necessary or appropriate to protect the interests and general welfare of Owners;

(g) to regulate and manage the Resort; and

(h) to execute and record, on behalf of all Owners, any amendment to this Master Declaration which has been approved by the vote or consent necessary to authorize such amendment.

5.2 Powers.

(a) Unless expressly prohibited by law or any of the Governing Documents, the Master Association may (i) take any and all actions that it deems necessary or advisable to fulfill its purposes; (ii) exercise any powers conferred on it by the Act or any Governing Document; and (iii) exercise all powers that may be exercised in Utah by nonprofit corporations.

(b) Without in any way limiting the generality of paragraph 5.2(a) above, the Master Association may, but is not obligated to:

(i) to the extent not provided by a public, quasi-public or private utility provider, provide certain facilities and services to the Owners, such as (A) recreational facilities and services, (B) water, sewer, gas, electric, cable television and other utility services, (C) parking facilities, and (D) trash collection facilities and services for residential purposes only;

(ii) acquire, sell, lease and grant easements over, under, across and through Master Common Areas which are reasonably necessary to the ongoing development and operation of the Resort;

(iii) borrow monies and grant security interests in the Master Common Areas and in the assets of the Master Association as collateral therefor;

(iv) make capital improvements, repairs and replacements to the Master Common Areas; and

(v) hire and terminate managers and other employees, agents and independent contractors.

5.3 Restrictions on Purposes and Powers.

The purposes and powers of the Master Association described in Sections 5.1 and 5.2 above are subject to the following limitations:

(a) The Master Association shall be organized and operated exclusively for nonprofit purposes as set forth in Section 528 of the Internal Revenue Code of 1986, as amended, or in any corresponding provision of any future law of the United States of America providing for exemption of similar organizations from income taxation.

(b) No part of the net earnings of the Master Association shall inure to the benefit of any Owner, except as expressly permitted in paragraph 5.3(c) below with respect to the dissolution of the Master Association.

(c) The Master Association shall not pay any dividends. No distribution of the Master Association's assets to Owners shall be made until all of the Master Association's debts are paid, and then only upon the final dissolution of the Master Association as permitted in the Master Declaration. Upon payment of all of the Master Association's debts and final dissolution, any remaining assets of the Master Association shall be distributed among the Owners in accordance with the terms and conditions of the Act.

ARTICLE VI **MEMBERSHIP AND VOTING**

6.1 Voting.

(a) The Master Association shall have voting members as set forth herein, the Master Declaration and the Bylaws, but shall not issue shares of stock evidencing such membership. Membership shall be determined pursuant to the Master Declaration, these Articles and the Bylaws of the Master Association. Membership in the Master Association shall be transferred as provided in the Master Declaration and the Bylaws. No member may resign from the Master Association except in conjunction with such member ceasing to be an Owner as provided in the Master Declaration.

(b) At any meeting of the Master Association, the percentage interest of a Unit Owner appurtenant to a Unit may be voted in connection with issues presented to the Owners for vote.

(c) The votes allocated to the Units of the Resort are equal to the percentage interests in the Master Common Areas set forth in the Master Declaration.

(d) The Owner of each Unit shall be entitled to the number of votes allocated to it in accordance with paragraphs 6.1(a) and (b) above, regardless of the number of Owners of the Unit. If the Owners of a Unit cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a particular Unit, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Unit, unless objection thereto is made by an Owner of that Unit to the person presiding over the meeting at the time the vote is cast. If more than the number of allocated votes is cast for any particular Unit, none of such votes shall be counted and all of such votes shall be deemed null and void other than to determine whether a quorum exists.

(e) In any case in which the Act or this Master Declaration requires the vote of a stated percentage of the Owners or approval of an act or transaction, such requirement shall be fully satisfied by obtaining, with a meeting, consents in writing to such transaction from Owners who collectively hold at least the stated percentage of required votes or without a meeting, the written consent of all Owners entitled to vote with respect to such matter. Such written consents shall be subject to the following conditions:

(i) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

(ii) Any change in ownership of a Unit which occurs after consent has been obtained by the Owner having an interest therein shall not be considered or taken into account for any purpose.

(iii) Unless consent of all Owners having an interest in the same Unit is secured, the consent of none of such Owners shall be effective.

ARTICLE VII
BOARD OF DIRECTORS

7.1 Board of Directors.

(a) The business and affairs of the Master Association shall be controlled, conducted and managed by the Board of Directors, except as otherwise provided in the Act, the Master Declaration, these Articles or the Bylaws.

(b) Except as provided by law or in the Master Declaration, these Articles or the Bylaws, the Board of Directors may act on behalf of the Master Association in all instances. The Board of Directors may not however, act on behalf of the Master Association to (i) amend the Master Declaration; (ii) terminate the Master Association, the Master Declaration or the Resort; (iii) elect directors to the Board of Directors, other than to fill a vacancy for the unexpired portion of any Director's term, subject to Declarant's rights under Section 7.2 below; or (iv) determine the qualifications, powers and duties, or terms of office, of Directors.

(c) The Board of Directors shall consist of at least three (3) but no more than seven (7) directors ("Directors") but at all times the number of Directors shall be an odd number. The names and addresses of the initial three Directors are as follows:

<u>Name</u>	<u>Address</u>
Marc Kwestel	805 Third Avenue, Floor 7, New York, NY 10022
Kurt Krieg	2750 W. Rasmussen Rd., Suite 206, Park City, Utah 84098
Glen Clement	2750 W. Rasmussen Rd., Suite 206, Park City, Utah 84098

The number of Directors within the foregoing range comprising the Board of Directors shall be fixed, from time to time, by the by the vote of Members holding a majority of the votes entitled to be cast for the election of Directors.

7.2 Administrative Control Period.

(a) Subject to the terms and conditions of paragraphs 7.2(b) and (c) below, but notwithstanding anything else to the contrary contained in these Articles, Bylaws or Master Declaration, Declarant shall have the exclusive right to appoint and remove any of the Directors during the Administrative Control Period.

(b) Declarant may voluntarily surrender its right to appoint and remove Directors and officers prior to the expiration of the Administrative Control Period, but, in that event, Declarant may require, for the remainder of the Administrative Control Period, that specific actions of the Master Association or the Board of Directors, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

(c) Within 120 days after termination of the Administrative Control Period, the then-sitting Board will be dissolved, the number of Directors elected to the Board shall be increased to five (5) and the Owners shall elect a Board of Directors of five (5) Directors (which Directors must be Owners owning the majority interest in a Unit or, if the majority Owner of a Unit is not a natural person, the natural person owning a controlling interest in such majority Owner) in accordance with the procedures set forth in the Bylaws. Such Directors shall take office upon election. Directors may be removed only as provided in the Master Declaration and the Bylaws.

ARTICLE VIII
LIABILITY AND INDEMNIFICATION

8.1 **Limits on Directors' Liability.**

To the fullest extent permitted by the Act, as the same exist or may hereafter be amended, a Director shall not be liable to the Master Association or the Owners for monetary damages for breach of fiduciary duty. Any repeal or modification of this Section 8.1 shall be prospective only and shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

8.2 **Indemnification.**

To the fullest extent permitted by the Act, as the same exist or may hereafter be amended, the Master Association shall indemnify each Director and each officer, employee, fiduciary and agent of the Master Association.

ARTICLE IX
BYLAWS

The initial Bylaws of the Master Association shall be adopted by the Board of Directors. Subject to the rights of first mortgagees under the Master Declaration, during the Administrative Control Period the Declarant shall have the power to alter, amend or repeal the Bylaws from time to time and to adopt new Bylaws only as provided in the Master Declaration and the Act. Thereafter, the Declarant may unilaterally amend the Bylaws at any time and from time to time if such amendment is necessary (i) to bring any provision of the Bylaws into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; or (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, to make, purchase, insure or guarantee mortgage loans on the Units; provided, however, any such amendment shall not materially and adversely affect the title to any Unit unless the Owner shall consent thereto in writing. Additionally, so long as the Class "B" membership exists, the Declarant may unilaterally amend the Bylaws for any other purpose, provided the amendment has no materially adverse effect upon the rights of more than 2% of the Members. The Bylaws of the Master Association may contain any provisions for the regulation or management of the affairs of the Master Association that are not inconsistent with law, the Master Declaration or these Articles.

ARTICLE X
AMENDMENT

The Master Association may amend, alter, change or repeal any provision contained in these Articles by, unless a higher voting requirement is set forth herein with respect to any particular provisions, the vote of the holders of at least fifty-one percent (51%) of the votes allocated to all members of the Master Association at any regular or special meeting called for that purpose at which a quorum is represented. The Master Association's right to amend, alter, change or repeal these Articles is subject to the limitations thereon set forth in the Master Declaration.

ARTICLE XI
INCORPORATOR

The name of the incorporator is Kurt Krieg. The address of the incorporator is 2750 W. Rasmussen Rd., Suite 206, Park City, Utah 84098.

ARTICLE XII
DISTRIBUTION OF ASSETS ON DISSOLUTION

In the event of dissolution of the Master Association, assets of the Master Association shall be distributed in accordance with the Act and the Master Declaration.

IN WITNESS WHEREOF, the above-named incorporator signed these Articles of Incorporation this 20 day of August, 2020.

Kurt Krieg, Incorporator

ACCEPTANCE BY REGISTERED AGENT

The undersigned hereby accepts the appointment as the registered agent of Mountainside Master Association, Inc., a Utah nonprofit corporation.

Dated August 20, 2020.

Kurt Krieg