

## COLLECTIONS AGREEMENT

This Collections Agreement (hereinafter, this “Agreement”) is entered into by and between Willow Springs Condominium Owner’s Association, Inc. (“Willow Springs”), Rock Creek Condominium Association (“Rock Creek”), and Cold Springs at Red Hawk Ranch Homeowners Sub-Association, Inc. (“Cold Springs”) (collectively, the “Sub-Associations”), on the one hand, and The Ranches at Eagle Mountain Master Homeowner’s Association, Inc. (the “Ranches”), on the other hand. The Sub-Associations and the Ranches are each individually referred to herein as a “Party” and collectively referred to herein as the “Parties.”

### RECITALS

A. On [REDACTED], 2017, Judge Pullan entered a Final Order and Judgment (the “Judgment”) in Utah Civil Case No. 130400686 (the “Lawsuit”) granting, *inter alia*, a money judgment in favor of Sub-Associations and against Ranches in the amount of \$15,110,000.00 (the “Judgment Amount”).

B. The Ranches’ position is that it lacks assets to satisfy the Judgment Amount and has elected to cease its HOA operations. The Parties recognize that the Sub-Associations may attempt to pursue claims against each member of Ranches to satisfy the Judgment Amount. The members of the Ranches are each owners of real property within the Ranches’ project boundaries as defined in the various recorded documents, hereinafter referred to individually as a “Ranches Member” and collectively as the “Ranches Members.” After negotiations, the Parties have agreed to the terms set forth herein to allow: (1) the Ranches to cease its HOA operations, (2) the Ranches to pay for certain actions that will clear title for the benefit of the Ranches Members who pay certain assessments and make this Agreement possible, (3) the Sub-Associations to orderly collect certain amounts from the Ranches to partially satisfy the Judgment Amount, and (4) upon certain conditions being met, for Ranches Members and others to obtain releases as to certain claims and collection efforts that the Sub-Associations may have against the Ranches Members pursuant to the Judgment.

C. On June 8, 2004, the First Amended and Restated Community Declaration for The Ranches at Eagle Mountain Master Homeowner’s Association, Inc. (the “2004 Declaration”) was recorded with the Utah County Recorder. On December 5, 2005, the “Amendment to the

Community Declaration for the Ranches at Eagle Mountain Master Homeowner’s Association, Inc.” (the “2005 Declaration Amendment”) was recorded with the Utah County Recorder. On December 5, 2005 the “Amendment to the Bylaws of the Ranches at Eagle Mountain Master Homeowner’s Association, Inc.” (the “2005 Bylaw Amendment”) was recorded with the Utah County Recorder. The 2005 Declaration Amendment and 2005 Bylaw Amendment are collectively referred to herein as the “2005 Amendments.” On September 22, 2006, an “Amendment to the Community Declaration for the Ranches at Eagle Mountain Master Homeowner’s Association Inc.” (the “2006 Amendment”) was recorded with the Utah County Recorder. On July 29, 2010, a “Second Amended and Restated Community Declaration for The Ranches at Eagle Mountain Master Homeowner’s Association, Inc.” (the “2010 Amendment”) was recorded with the Utah County Recorder’s office. The 2004 Declaration, 2005 Amendments, 2006 Amendment, and the 2010 Amendment are collectively referred to herein as the “Ranches CC&Rs.”

**D.** In addition to the Ranches CC&Rs, the Ranches recorded, or caused to be recorded, with the Utah County Recorder’s office other documents against the real properties within the Ranches’ project boundaries, which other documents are collectively referred to herein as the “Other Ranches Documents” and include, but are not necessarily limited to the following:

- (a) Notices of Continuing Obligation;
- (b) Notices of Continuing Lien;
- (c) Notices of Homeowners Association and Assessment Obligation;
- (d) Notices to Sellers, Buyers and Title Companies of the Existence of The Ranches at Eagle Mountain Master Homeowners Association; and
- (e) Any other liens, notices of lien, or document of any kind recorded on any particular unit or lot within the Ranches’ project boundaries by or under the authority or in the name of Ranches.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing recitals of fact and other good and valuable consideration as identified herein, the Parties hereto agree as follows:

1. **Effective Date of Agreement.** This Agreement shall become effective on the date on which all signatures of the Parties are obtained, which date shall be referred to herein as the “Effective Date.”

2. **Sub-Associations’ Enforcement of the Judgment.** The Parties agree that the Sub-Associations may take any action to enforce or give effect to the Judgment unless otherwise prohibited or limited by this Agreement.

3. **Sub-Associations’ Attorneys’ Fees and Costs.** During the course of the dispute between the Sub-Associations and the Ranches, the Sub-Associations have incurred approximately \$800,000.00 in attorneys’ fees and costs (the “Fees and Costs”). This amount shall be updated as this Agreement is implemented and additional fees and costs are incurred throughout the implementation and up to the Cessation Date, all of which shall be part of the Fees and Costs ultimately paid under this Agreement. Upon request by the Ranches, the Sub-Associations will provide an updated amount for purposes of a final payment towards the Fees and Costs on the Cessation Date, and as necessary to provide a final payment of Fees and Costs pursuant to this Agreement. The final amount of Fees and Costs shall include a reasonable estimate of fees and costs by the Sub-Associations for fees and costs they may incur in the final Winding Up Period of the Association and any final work related to the implementation of this Agreement outstanding at that time.

4. **Ranches Ceasing HOA Operations and Winding Up Period.** The Parties agree that the Ranches may cease its HOA operations (which date shall hereinafter be referred to as the “Cessation Date”) on July 31, 2017. Until the Cessation Date, the Ranches shall continue to encourage its members to make assessment payments to the Ranches, collect payments from the Ranches Members, and take all action to stop all HOA operations except as otherwise required to comply with this Agreement. Stopping all HOA operations shall include having completed the transfer and complete cessation of all maintenance activities on any city owned property. The Parties agree that the Ranches shall remain a valid corporate entity until the Sub-Associations permit otherwise. The Ranches agrees not to formally dissolve or take any other action to otherwise terminate its existence without the consent of the Sub-Associations. The Ranches shall maintain its governing body or board of directors (hereinafter, the “Board” and the members of which are the “Board Members”) up to the Cessation Date. Except as allowed or required in this

Agreement or at the direction of or with the permission of the Sub-Associations, the Parties agree that some final winding up period may be necessary when the Ranches will conduct some very limited business after the Cessation Date solely to accomplish the requirements of this Agreement or as otherwise permitted by the Sub-Associations (the “Winding Up Period”).

**5. Administrative Costs through the Winding Up Period.** The Parties understand that the Ranches will incur certain administrative fees, costs, and expenses (collectively, the “Administrative Costs”) up to the Cessation Date and in any necessary Winding Up Period. These Administrative Costs include, but are not limited to:

(a) The reasonable fees charged by the property manager to:

- (I) Collect and process payments from the Ranches Members,
- (II) Complete accounting duties,
- (III) Communicate with the Ranches Members,
- (IV) Coordinate with Eagle Mountain City to assume maintenance responsibilities, and
- (V) Implement the terms of this Agreement; and

(b) The reasonable fees and costs charged by the Ranches’ legal counsel to:

- (I) Advise the Ranches up through the Winding Up Period, and
- (II) Prepare and record documents with the Utah County Recorder’s office to release the Ranches CC&Rs and Other Ranches Documents as allowed in this Agreement.

**6. Payment of Administrative Costs.** The Parties agree that the Ranches may expend up to seventeen thousand dollars (\$17,000.00) per month (the “Administrative Allowance”) to pay for the Administrative Costs from May 1, 2017 through the Winding Up Period. The Sub-Associations must pre-approve in writing any payment of Administrative Costs in excess of this amount until the Fees and Costs have been paid in full.

**7. Ranches’ Collection of Payments From Its Members Through the Cessation Date.** The Ranches levies an annual assessment against Ranches Members, which annual assessment is due on January 1<sup>st</sup> of each year. For those members that do not pay the annual

assessment in full in January, the Ranches allows the Ranches Members to pay the annual assessment in monthly, quarterly, or semi-annual installments. The Ranches shall collect assessment payments from the Ranches Members up to and including the Cessation Date and shall deposit all such funds in the Ranches' existing operating account to be disbursed and used only as allowed in this Agreement.

**8. Release of Liability for Ranches Members Who Pay Pro-Rata 2017**

**Assessment.** Each Ranches Member who pays the Pro-Rata 2017 Assessment as of the Cessation Date and is either not delinquent on prior assessments or resolves the delinquency as required in Section 9 of this Agreement, shall be released by the Sub-Associations as set forth in Section 17 of this Agreement. The Ranches Members shall be referred to as the "Released Members" in this Agreement. The Ranches agrees that its current Board Members are obligated to pay their Pro-Rata 2017 Assessment. For purposes of this Agreement, the term "Pro-Rata 2017 Assessment" is the payment of seven twelfths (7/12ths) of the 2017 annual assessment amount, or the payment of seven monthly assessment payments in 2017 (January through July 31) if a Ranches Member pays the 2017 annual assessment on a monthly basis. Amounts applied to 2016 assessments but collected in 2017 shall not count toward the Pro-Rata 2017 Assessment.

**9. Resolution of Accounts with Ranches Members Who are Delinquent on Amounts that Accrued On or Before December 31, 2016.** For any Ranches Member who has not paid the Ranches amounts assessed on or before December 31, 2016 (the "Pre-2017 Amount"),<sup>1</sup> the Parties agree that such Ranches Member shall be released by the Sub-Associations, as such release is set forth in Section 17 of this Agreement, upon the following being satisfied on or before the Cessation Date:

- (a) The Ranches Member pays the Pro-Rata 2017 Assessment amount in full; and
- (c) Either:
  - (I) If no judgment in favor of the Ranches has been entered against the Ranches Member, the Ranches Member pays at least sixty percent

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<sup>1</sup> The Pre-2017 Amount shall further include any assessments or other amounts owed by all Ranches Members regardless of whether or not the assessments relate to residential properties, commercial properties, developer owned properties, partially developed, and undeveloped properties within the Ranches' project boundaries and regardless of whether or not the Ranches Members were previously assessed or not or received notice of the assessments.

(60%) of the Pre-2017 Amount of unpaid assessments, which calculation shall not include any outstanding or assessed attorney fees, interest, late fees, and fines; and upon such payment the Ranches may take appropriate action to release any notice of lien, and

- (II) If a judgment has been entered in favor of the Ranches and against the Ranches Member, the Ranches Member pays at least sixty percent (60%) of the judgment amount, which calculation shall not including attorney fees, interest, late fees, and fines incurred since the judgment was entered; and upon such payment the Ranches may take appropriate action to satisfy the judgment and release any judgment lien.

The Sub-Associations, in their sole and absolute discretion, may agree that a particular Ranches Member be released upon payment of some other amount to satisfy the Pre-2017 Amount. No settlement agreement, payment arrangement, or other arrangement or agreement of any kind between a Ranches Member and the Ranches, regardless of when it was entered into, shall supersede the requirements of this Agreement as it relates to any Ranches Member obtaining a release as provided for in this Section. Notwithstanding anything to the contrary in this Agreement, any owner of commercial property, undeveloped property, property under development, or other property within the Ranches Boundary is not entitled to a release under this Section or Section 8 if the following two conditions are met: (1) the property is not as of April 1, 2017 fully developed and sold to a non-developer third party home buyer, and (2) the property is not owned and currently used and occupied as a single family home or condominium (either by the owner or by a renter or other person).

**10. Refunds to Ranches Members of 2017 Assessment Payments Above Pro-Rata 2017 Assessment Amount.** The Parties agree that no refunds of annual assessment payments shall be sent to the Ranches Members unless the Fees and Costs and any Administrative Costs are paid in full. If the amount of the Fees and Costs has been paid in full to the Sub-Associations by the Cessation Date, the Parties agree that the Ranches, in its discretion, may return, or refund, any additional assessment funds collected from its members to those members that paid more than the Pro-Rata 2017 Assessment and do not owe any Pre-2017 Amount. Any amounts

remaining on the Cessation Date after the repayment of refunds for those Ranches Members who paid more than the Pro-Rata 2017 Assessment shall be, shall be disbursed as a pro-rata refund to the Released Ranches Members. All funds collected or received after the Cessation Date shall be distributed as provided for in this Agreement.

**11. Assets and Money Existing, Discovered, or Obtained After Cessation Date.**

The Sub-Associations shall have the right to receive the benefit of, collect on, and execute on any assets, money, claim, or right of the Ranches existing, discovered, obtained, or remaining after the Cessation Date. This right shall include, but not be limited to, any rights of the Sub-Associations or the Ranches related to any Ranches Member who is not released pursuant to this Agreement.

**12. Accounting Reports Provided by Ranches.** The Ranches agrees to provide the Sub-Associations with accounting reports (hereinafter "Accounting Reports"), which Accounting Reports shall include at a minimum the amounts collected by the Ranches from its members during 2017, or other time period requested by the Sub-Associations, and the amounts paid by the Ranches for Administrative Costs for the months of May through July 2017. The Ranches shall provide Accounting Reports on or before the following dates: May 5<sup>th</sup> (covering the month of April), June 5<sup>th</sup> (covering the month of May), July 5<sup>th</sup> (covering the month of June), and August 7<sup>th</sup> (covering the month of July). After the Cessation Date and for so long as the Ranches is maintaining any accounting, the Sub-Associations may request, in writing, Accounting Reports covering a certain time and the Ranches agrees to provide such report within five (5) business days.

**13. Ranches' Assets and Books and Records.** Within five (5) business days of the Effective Date, the Ranches agrees to provide the Sub-Associations complete access to the Ranches' Books and Records, except as necessary for the Ranches to protect any attorney-client privileged information, including but not limited to the Ranches financial records, correspondence, email accounts, website, all other intellectual, real, and personal property, and insurance policies and related insurance documents and a non-exhaustive list of the Ranches' assets (hereinafter, the "Assets List"). The Assets List shall include, but is not necessary limited to:

- (a) The name and location of each financial institution at which the Ranches has an account;
- (b) Accounts receivable report;
- (c) Any tangible personal property (i.e. equipment) owned by the Ranches and the location(s) of such items; and
- (d) Any intangible personal property that the Ranches has, or may have, including, but not limited to, any intellectual property and any claims against any entities or individuals.

Until the Cessation Date, the Ranches shall make available all books and records of the Ranches to the Sub-Associations in any form previously requested by the Sub-Associations. Upon the Cessation Date, all of the Ranches assets, including all real property, personal property, intellectual property, books and records, and any other asset or property of the Ranches shall transfer to the Sub-Associations, except only for the assets that are otherwise provided for in this Agreement and any amendment thereto. This Agreement shall act as the instrument or document to transfer the Ranches' assets to the Sub-Associations. To the extent necessary to implement this Agreement, the Sub-Associations hereby allow the Ranches to use the personal property transferred pursuant to this Agreement. During the Winding Up Period, the Sub-Associations agree to provide the Ranches access to the Ranches' books and records as necessary, which necessity is determined by the Sub-Associations in their sole discretion.

**14. Garnishment of Ranches' Financial Accounts and Payment of Operating Funds to Sub-Associations.** Except as provided herein, the Ranches shall cooperate with and not object to the Sub-Associations garnishment of all financial accounts, including the Ranches' reserve account. Prior to the Cessation Date, the Sub-Associations will not garnish the Ranches' operating accounts without the agreement of the Ranches, but the Ranches shall pay any amounts over thirty thousand dollars (\$30,000.00) in total in any non-reserve accounts each Friday to the Sub-Associations until the Fees and Costs are paid in full. If the Fees and Costs are not paid in Full on the Cessation Date, Judgment Creditor shall transfer to the Sub-Associations the lesser of: (1) the amount necessary to pay the Fees and Costs or (2) all remaining funds of any kind or in any account.

**15. Ranches' Release to Sub-Associations.** In consideration of the Sub-Associations agreeing to forebear certain efforts to enforce the Judgment as set forth in this

Agreement, upon the Effective Date, the Ranches hereby waives its right to appeal the Judgment and further releases, acquits, and forever absolutely discharges the Sub-Associations and their members, managers, attorneys, and all of their respective representatives and agents (collectively the “Sub-Associations’ Releasees”) from any and all actions, causes of action, claims, debts, liabilities, accounts, demands, damages, causes, claims for indemnification or contribution, or any other thing whatsoever whether known or unknown, suspected or unsuspected, certain or speculative, accrued or unaccrued.

**16. Sub-Associations’ Releases to Ranches’ Board Members, Managers, and Attorneys.** Upon: (1) full payment of the Fees and Costs, (2) compliance by all Ranches Board Members with Paragraph 21 (any resignation of any Ranches Board Member or individual failure to comply with Paragraph 21 shall constitute a failure to meet this condition) including the appointment of Board Members requested by the Sub-Associations after Cessation Date, and (3) strict compliance with Paragraph 18; the Sub-Associations hereby release, acquit, and forever absolutely discharge the Ranches’ Board Members, managers and the manager’s employees, and attorneys and the attorneys’ employees (collectively the “Ranches’ Primary Releasees”), which group expressly excludes anyone else including the Ranches’ insurance agents, insurance brokers, insurance representatives, and insurance carriers, from any and all actions, causes of action, claims, debts, liabilities, accounts, demands, damages, causes, claims for indemnification or contribution, or any other thing whatsoever whether known or unknown, suspected or unsuspected, certain or speculative, accrued or unaccrued that the Sub-Associations now have relating to or arising out of the Judgment, the collection of the Judgment, and the subject matters of the claims and causes of action actually asserted in the Lawsuit; however, such release does not include and the Sub-Associations expressly reserve and do not release the Ranches’ Primary Releasees or anyone else of any of the Non-Released Claims set forth hereafter. The term “Non-Released Claims” is hereby defined and includes:

- (a) All claims and causes of action that are necessary and required for the Sub-Associations to pursue and prosecute any insurance claims the Ranches has and/or which may be assigned to the Judgment Creditor as set forth in this Agreement;
- (b) The Sub-Associations claim against the Ranches for the Judgment;

- (c) Any claim the Sub-Associations have, or may acquire, against the Ranches' Board Members for any unpaid Pro-Rata 2017 Assessments to the Ranches through the Cessation Date (such a release shall be given under 17 of this Agreement to those qualifying Board Members);
- (d) Any claims or causes of action that the Sub-Associations may obtain from the Ranches through an assignment or execution of the Ranches' assets, whether or not such claims or causes of action are included on the Assets List; and
- (e) Any and all claims against the Ranches' Primary Releasees by any individual owners within the Willow Springs, Rock Creek, and Cold Springs' developments of any action, cause of action, claim, debt, liability, account, demand, charge, cause, claims for indemnification or contribution or any other thing whatsoever whether known or unknown, suspected or unsuspected, certain or speculative, accrued or unaccrued, that is not related to or arising out of the subject matters of the claims and causes of action actually asserted in the Lawsuit.

17. **Sub-Associations' Releases to Ranches Members.** For any of the Ranches Members (including the Board Members) that are current on the Pro-Rata 2017 Assessment and Pre-2017 Amount as of the Cessation Date, then as of the Cessation Date the Sub-Associations hereby release, acquit, and forever absolutely discharge those Ranches Members and their respective representatives, and heirs (collectively the "Sub-Associations' Secondary Releasees") from liability on the Judgment and from any attempt to collect the Judgment through any exercise of any existing or alleged assessment right arising from the Ranches CC&Rs, except to the extent that any such claim is necessary to pursue and prosecute any insurance claim. This Agreement shall serve as the written release for the Sub-Associations' Secondary Releasees and no separate document is required. Notwithstanding anything to the contrary in this Agreement, neither the aforementioned release in this section nor any other provision of this Agreement shall include or be construed to include the release to the Sub-Associations' Secondary Releasees or anyone else by any individual owners within the Willow Springs, Rock Creek, and Cold Springs' developments of any action, cause of action, claim, debt, liability, account, demand, charge, cause, claims for indemnification or contribution or any other thing whatsoever whether known or unknown, suspected or unsuspected, certain or speculative, accrued or unaccrued, that is not

relating to or arising out of the Lawsuit. Notwithstanding anything to the contrary in this Agreement, any owner of commercial property, undeveloped property, property under development, or other property within the Ranches Boundary is not entitled to a release under this Section if the following two conditions are met: (1) the property is not as of April 1, 2017 fully developed and sold to a non-developer third party home buyer, and (2) the property is not owned and currently used and occupied as a single family home or condominium (either by the owner or by a renter or other person).

**18. Release of Ranches' Documents against Properties within the Ranches Boundaries.** After the Cessation Date, the Ranches may record documents to release and cancel the Ranches CC&Rs and Other Ranches Documents against:

- (a) Any properties within the Ranches' project boundaries owned by Ranches Members who have paid their 2017 Pro-Rata Assessment and Pre-2017 Amount and are included in the Sub-Associations' Secondary Releases.
- (b) Any public school property;
- (c) Any Eagle Mountain City owned property or Utah state owned property; and
- (d) Any other property consented to in writing by the Sub-Associations, which consent may be withheld for any reason or no reason at all and which may be conditioned on payments to the Sub-Associations in addition to those provided for in this Agreement.

Without the consent of the Sub-Associations, which consent may be withheld for any or no reason and which may be conditioned on additional payments not otherwise required under this Agreement by the Ranches, the Ranches will not release or cancel the Ranches CC&Rs and Other Ranches Documents against any other properties within the Ranches' project boundaries, including any commercial, partially developed, and undeveloped properties. The failure to comply with this section strictly and the recording of any release or cancellation of the Ranches CC&Rs or Other Ranches Documents on any property other than as expressly permitted in this Agreement shall void any release under Section 16 to the Ranches Board Members, attorneys, manager, and related employees. This paragraph is of the essence in this Agreement and the Parties agree that it shall be strictly construed and enforced.

**19. Assignment of Ranches' Insurance Claims.** The Ranches agrees to assign to the Sub-Associations any claim related to any insurance policy or agent it has and the Ranches agrees to execute such an assignment, at the same time of executing this Agreement, the assignment of such claims attached hereto as Exhibit A (the "Insurance Assignment"). The Parties agree that the Insurance Assignment shall become effective on the date elected to by the Sub-Associations, or not at all, in the Sub-Associations' sole discretion. The Ranches shall retain all such claims covered by the Insurance Assignment unless and until the Sub-Associations elect to execute the Insurance Assignment; however, the Parties agree that the Ranches may not prosecute or agree to any settlement or resolution of a claim covered by the Insurance Assignment unless the Sub-Associations consent, in writing. The Parties further agree that the Sub-Associations are entitled to receive any funds obtained from the resolution or settlement of a claim covered by the Insurance Assignment, in addition to all other funds to be paid pursuant to this Agreement.

**20. Assignment of Right to Collect Delinquent Accounts.** Upon the Cessation Date, any claims that the Ranches has against any Ranches Members for the unpaid Pro-Rata 2017 Assessment and Pre-2017 Amount may be assigned to the Sub-Associations, in the Sub-Associations sole discretion. The Ranches agrees to execute, at the same time of executing this Agreement, the assignment of such claims, which assignment is attached hereto as Exhibit B (the "Delinquent Accounts Assignment"). The Parties agree that the Sub-Associations do not need to execute the Delinquent Accounts Assignment by the Effective Date and may elect, in the Sub-Associations' sole discretion, to execute the Delinquent Accounts Assignment at a later date, or not at all. The Ranches shall retain all such claims covered by the Delinquent Accounts Assignment unless and until the Sub-Associations elect to execute the Delinquent Accounts Assignment; however, the Parties agree that the Ranches may not agree to any settlement or resolution of a claim covered by the Delinquent Accounts Assignment unless it satisfies the provisions of Section 8 of the Agreement or the Sub-Associations otherwise consent, in writing, to such settlement or resolution of the claim. The Sub-Associations may request that the Ranches execute a separate assignment, other than the Delinquent Accounts Assignment, of a particular claim for a delinquent account to assist with the Sub-Associations' pursuit and prosecution of the claim(s).

**21. Ranches' Board.** The Sub-Associations must pre-approve any individuals appointed to fill any vacancies on the Ranches Board after April 1, 2017. No Board Member on the Board on April 1, 2017 shall resign prior to the Cessation Date. The Sub-Associations may request in writing the resignation, or removal, of certain members of the Ranches Board and the appointment of other Board Members selected by the Sub-Associations, all to occur on or within five (5) calendar days after the Cessation Date. The Ranches and its Board will comply with such a request by the Sub-Associations if the request is received prior to the Cessation Date.

**22. Continued Insurance Coverage.** The Ranches shall maintain insurance coverage up to the Cessation Date and may, with the Sub-Associations' permission, pay the reasonable amount for and maintain insurance coverage, including directors and officers insurance, that is effective after the Cessation Date.

**23. Joint Communication.** After the Effective Date, the Ranches shall send out the written joint communication attached hereto as Exhibit C to the Ranches Members setting forth the basic terms of this Agreement and providing a link to the Agreement.

**24. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

**25. Breach of Agreement.** It is the intent of the parties that this Agreement may be summarily enforced in the Lawsuit.

**26. Binding Effect.** This Agreement is for the benefit of the Parties and is binding as provided herein and subject to the conditions herein upon the Parties and each of their respective successors, predecessors, and assigns. The Parties signing this Agreement hereby certify that each has read and fully understands the same, that this Agreement contains terms by which the Parties intend to be legally bound, and that each individual has express authority to execute this Agreement on behalf of the entity for whom he/she is signing this Agreement.

**27. Authority.** Each Party represents and warrants to all other of the Parties that it has the unencumbered right and full authority to surrender, compromise, settle, release and cancel the claims, demands, defenses and causes of action covered by the terms of this Agreement.

**28. Entire Agreement; Amendment.** This Agreement and referenced exhibits constitute the entire agreement of the Parties, and may not be amended or modified without a writing signed by each of the Parties specifically amending this Agreement. This Agreement supersedes any and all prior or contemporaneous agreements, discussions, negotiations or representations, oral or written, and no party is relying on any prior or contemporaneous agreements, discussions, negotiations or representations, oral or written, with respect to the subject matter of this Agreement

**29. Severability.** If and to the extent that any court of competent jurisdiction holds any provision or any part of this Agreement to be invalid or unenforceable, such holding shall in no way effect the validity of the remainder of this Agreement unless such provision is a material term of this Agreement, in which case the entire Agreement shall be null and void.

**30. Headings; Construction.** The headings in the Sections of this Agreement are inserted for convenience only and shall not constitute a part hereof or affect the construction or interpretation of any terms of this Agreement.

**31. No Inducement.** The Parties represent, warrant, and agree that upon executing and entering into this Agreement, they, and each of them, are not relying upon and have not relied upon any representation, promise, or statement made by anyone which is not recited, contained, or embodied in this Agreement.

**32. Independent Legal Advice.** The Parties respectively acknowledge that each has had independent legal advice by counsel of each Party's own selection and has been fully informed of its legal rights and obligations; that each fully understands the facts behind this Agreement; and that having had independent legal advice, acknowledges that the terms of this Agreement accurately reflect each Party's understanding and agreement and that each Party is signing this Agreement freely and voluntarily.

**33. Waiver.** No failure by any Party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement, or to exercise any right or remedy upon the breach thereof, shall constitute a waiver of any breach of this Agreement

**34. Drafting.** This Agreement shall be construed without regard to the Party or the Parties responsible for its preparation.

**35. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same Agreement. Facsimile signatures shall have the same force and effect as original signatures.

**IN WITNESS WHEREOF**, the Parties execute this Agreement as follows:

<p><b>THE RANCHES AT EAGLE MOUNTAIN MASTER HOMEOWNER’S ASSOCIATION, INC.</b></p> <p>By: _____                  Its: _____                  Date: _____</p>	<p><b>WILLOW SPRINGS CONDOMINIUM OWNER’S ASSOCIATION, INC.</b></p> <p>By: _____                  Its: _____                  Date: _____</p>
<p><b>ROCK CREEK CONDOMINIUM ASSOCIATION</b></p> <p>By: _____                  Its: _____                  Date: _____</p>	<p><b>COLD SPRINGS AT RED HAWK RANCH HOMEOWNERS SUB-ASSOCIATION, INC.</b></p> <p>By: _____                  Its: _____                  Date: _____</p>