

Bylaws
of
Spice Hill Woods

ARTICLE I

Introduction

These are the Bylaws of the Spice Hill Woods ("Association"). Definitions of terms initial capitalized will be as designated in Article 11 of the Declaration.

ARTICLE II

Executive Board

Section 2.1 – Number and Qualification.

- (a) The affairs of the Common Interest Community and the Association will be governed by an Executive Board which will consist of at least three (3) persons all of whom will be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner, or employee designated by that Unit Owner to the Association will be eligible to serve as a Director and will be deemed to be a Unit Owner for the purpose of the preceding sentence. The Directors will be elected by the Unit Owners, pursuant to section 3.1 of these by-laws.
- (b) Directors will serve or complete three (3) year terms. The terms of at least one-third (1/3) of the Directors will expire annually.
- (c) The Executive Board will elect the officers. The Directors and officers will take office upon election
- (d) The Association will call and give not less than ten (10) nor more than sixty (60) days' notice of a meeting of the Unit Owners for this purpose. Such meeting will be called and the notice given by any Unit Owner if the Association fails to do so.

Section 2.2 – Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, the Bylaws, or the Act. The Executive Board will have the powers and duties necessary for the administration of the affairs of the Association and the Common Interest Community which will include, but not limited to the following;

- (a) Adopt and amend Bylaws and Rules and regulations subject to the limitations of the Declaration and below;
- (b) Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for Common Expenses from Unit Owners;
- (c) Hire and discharge managing agents;
- (d) Hire and discharge employees and agents other than managing agents and independent contractors;
- (e) Institute, defend, or intervene in litigation or administrative proceedings in its own name on behave of itself or two or more Unit Owners on matters affecting the Common Interest Community;
- (f) Make contracts and incur liabilities

- (g) Subject to the provisions of Article X of the Declaration, regulate the use, maintenance, repair, replacement, and modification of the Common Elements;
- (h) Cause additional improvements to be made as part of the Common Elements
- (i) Acquire, hold, encumber, and convey in its own name any title or interest to real property or personal property but ...Common Elements... may be conveyed or, subjected to a security interest only pursuant to Section 47-254 of...the Act;
- (j) Grant easements; for any period of time including permanent easements and leases, licenses, and concessions for no more than one year; through or over the Common Elements;
- (k) Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements and for services provided to Unit-owners;
- (l) Impose charges or interest or both for late payment of assessments and after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, Rules, and regulations of the Association;
- (m) Impose reasonable charges for the Preparation and recordation of amendments to the Declaration, resale certificates required by Section 47-270 of the Act or statements of unpaid assessments;
- (n) Provide for the indemnification of its officers and Executive Board and maintain directors and officers liability insurance;
- (o) Assign its right to future income, including the right to receive Common Expense assessments
- (p) Exercise any other powers conferred by the Declaration or Bylaws;
- (q) Exercise all other powers that may be exercised in this state or by legal entities of the same type as the association; and
- (r) Exercise any other powers necessary and proper for the governance and operation of the association
- (s) By resolution, establish committees, permanent and, standing, to perform any functions above as specifically delegated in the resolution establishing the committee. Any committee must maintain and publish notice of its actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within 45 days of publication of such notice, and such committee action must be ratified, modified, or rejected by the Executive Board at its next regular meeting.

Section 2.3 – Standard of Care. In the performance of their duties, the officers and members of the Executive Board are required to exercise ordinary and reasonable care

Section 2.4 – Additional Limitations. The Executive Board will be additionally limited pursuant to Article XXVI of the Declaration.

Section 2.5 – Manager. The Executive Board may employ for the Common Interest Community, a Manager at a compensation established by the Executive Board, to perform such duties and services as the Executive Board will authorize. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under subdivisions (d), (f), and (9), (k), and (m) of Section 2.2 Licenses, concessions, and contracts may be executed, by the Manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

Section 2.6 – Removal of Directors. The Unit Owners, by a two-thirds vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, -may -remove any Director with or without cause

Section 2.7 – Vacancies. Vacancies in the Executive Board caused by any reason other than the removal of a member by a Vote of the Unit Owners may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy. Each person so elected or appointed will be a Director for the remainder of the term of the Director so replaced.

Section 2.8 – Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Unit Owners will be held within ten (10) days thereafter at such time and place as will be fixed by the Board. No notice will be necessary to the newly elected Directors in order to legally constitute such a meeting, providing a majority of the Directors will be present thereat.

Section 2.9 – Meetings. Regular meetings may be set by a schedule adopted by resolution of the Executive Board and no further notice will be required. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) days' notice to each member.

2.10 – Location of Meetings. All meetings of the Executive Board will be held within East Hampton, unless all Directors thereof consent in writing to another location.

2.11 – Waiver of Notice. Any member may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board will constitute a waiver of notice. If all the Directors are present at any meeting, no notice will be required and any business may be transacted at such meeting.

2.12 – Quorum of Directors. At all meetings of the Executive Board, a majority of the Directors will constitute a quorum for the transaction of business, and the votes of a majority of the Directors are present at any meeting, at which a quorum is present will constitute the decision of the meeting. If, at any meeting, there will be less than a quorum present a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called, may be transacted without further notice.

2.13 – Fidelity Bonds. To the extent reasonably available, the Executive Board may obtain adequate fidelity bonds for all officers, employees, and agents of the Association handling or responsible for Association funds. The premiums on the bonds are a Common Expense.

2.15 – Consent to Corporate Action. If all the Directors or all members of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors or committee constitutes a quorum the Executive Board or the committee, as the case may be. The Secretary will file such consents with the minutes of the meeting of the Executive Board.

ARTICLE III

Unit Owners

Section 3.1 – Annual Meeting. Annual meetings will be held in December at such time as the Executive Board may designate. At such meeting, the Directors will be elected by ballot of the Unit Owners, in accordance with the provisions of Article 1.1. The Unit Owners may transact such other business at such meetings as may properly come before them.

Section 3.2 – Budget Meeting. Meetings to consider the proposed budget will be called in accordance with Section 19.4 of the Declaration. The budget may be considered at Annual or Special Meetings called for other purposes as well.

Section 3.3 – Place of Meetings. Meetings of the Unit Owners will be held at such place convenient to the Owners as may be designated by the Executive Board or the President.

Section 3.4 – Special Meetings. Special meetings of the Association may be called by the president, a majority of the Executive Board, or by Unit Owners having twenty percent (20%) of the Votes in the Association

Section 3.5 – Notice of Meetings. Except for budget meetings will be noticed not less than fourteen, nor more than thirty days after mailing the summary, not less than ten nor more than sixty days in advance of any meeting, the secretary or other officer specified in the Bylaws will cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other Mailing address designated in writing by the Unit Owner. The notice of any meeting will state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration of Bylaws, any budget changes, and any proposal to remove an officer or member of the Executive Board.

Section 3.6 – Waiver Notice. Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and such notice will be deemed equivalent to the giving such notice. Attendance at a meeting will be a waiver of notice.

Section 3.7 – Order of Business. The order of business at all meetings of the Unit Owners will be as follows;

- (a) Roll call (or check in procedure)
- (b) Proof of notice of meeting
- (c) Reading of minutes of proceeding meeting
- (d) Reports
- (e) Election of inspectors of election (when required)
- (f) Election of members of the Executive Board (when required)
- (g) Ratification of Budget (when required)
- (h) Unfinished business
- (i) New business

Section 3.8 – Voting.

- (a) If only one of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast the vote allocated to the Unit. If more than one of the owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority interest of the owners. There is a majority agreement if any one of the owners casts the votes allocated to that unit without protest being made promptly to the person over the meeting by any of the other owners of the Unit.
- (b) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. A Unit Owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter term.
- (c) The Vote of a corporation or business trust may be cast by any officer of such corporation or business trust in absence of express notice of the designation of a specific person by the Executive Board or Bylaws of the owning corporation or business trust. The Vote of a partnership may be cast by any general partner of the owning partnership in absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
- (d) No Votes allocated to a Unit owned by the Association may be cast

Section 3.9 – Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners will constitute a quorum at all meetings of the Unit Owners

Section 3.10 – Majority Vote. The Vote of a Majority of the Unit Owners present in person or by proxy at a meeting at which a quorum will be present will be binding upon all Unit Owners for all purposes, except where a higher percentage. Vote is required in the Declaration, these Bylaws or by law.

ARTICLE IV

Officers

Section 4.1 – Designation. The principal officers of the Association will be the President, the Vice President, the Secretary, and the Treasurer, all of whom will be elected by the Executive Board. The Executive Board may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgement may be necessary. The President and Vice President, but no other officers, need be members of the Executive Board. Any two officers may be held by the same person, except the offices of President and Vice President, and the offices of President and Secretary. The office of Vice President may be vacant.

Section 4.2 – Election of Officers. The officers of the association will be elected annually by the Executive Board at the organization meeting of each new Executive Board and will hold office at the pleasure of the Executive Board.

Section 4.3 – Removal of Officers. Upon the affirmative Vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 4.4 – President. The President will be the chief executive officer of the Association. He or she will preside at all meetings of the Unit Owners and the Executive Board. He or she will have all the general powers and duties which are incident to the office of President of a nonstock corporation organized under the Laws of the State of Connecticut, including but not limited to the power to appoint members of committees from among the Unit owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of Treasurer in the absence of the Treasurer. The President may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization by the approval of the particular amendment as applicable.

Section 4.5 – Vice President. The Vice President, if elected, will take the place of the President and perform his or her duties whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board will appoint some other member of the Executive Board to act in the place of the President, on an interim basis. The Vice President will also perform such other duties as may be imposed upon him or her by the Executive Board or by the President.

Section 4.6 – Secretary. The Secretary will keep the minutes of all meeting owners and the Executive Board; he or she will have charge of such books and papers as the Executive Board may direct; he or she will, in general, perform all the duties incident to the office of Secretary of a nonstock corporation organized under the Laws of the State of Connecticut. The Secretary may cause to be prepared and may execute amendments to the Declaration and the By-laws on behalf of the association, following authorization by the approval of the particular amendment as applicable.

Section 4.7 – Treasurer. The Treasurer will have the responsibility for Association funds and securities and will be responsible for keeping full and accurate financial records, books of account showing all receipts and disbursements, and balance sheets, and for the preparation of all required financial data. He or she will be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he or she will, in general, perform all the duties incident to office of treasurer of a nonstock corporation organized under the Laws of the State of Connecticut. He or she may endorse on behalf of the Association for collection only, check, notes, and other obligations, and will deposit the same and all moneys in the name of and to the credit of the Association in such banks as the Executive Board may designate. He or she may have custody of and will have the power to endorse for transfer on behalf of the Association, stock, securities, or other investment instruments owned or controlled by the Association or as fiduciary for others. He or she will see that the annual federal tax returns and state tax returns, if applicable, are timely filed, and appropriate tax payments are made.

Section 4.8 – Agreements, Contracts, Deeds, Checks, etc. Except as provided in Section 4.4, 4.6, 4.7, and 4.10 of these Bylaws and Section 27.6 of the Declaration, all agreements, contracts, deeds, leases, checks, and other instruments of the Association will be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

Section 4.9 – Compensation. The Executive Board may provide for reimbursement for necessary expenses

Section 4.10 – Resale Certificates and Statements of Unpaid Assessments. The Treasurer, Assistant Treasurer, or Manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 47-270 of the Act and statements of unpaid assessments in accordance with Section 47-258(h) of the Act.

The Association may charge a reasonable fee for preparing resale certificates and statements of unpaid assessments, which will be received prior to issuance of the certificate. The amount of this fee will be established by resolution of the Executive Board. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid. Any unpaid fees will be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

ARTICLE V

Enforcement

Section 5.1 – Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules adopted by the Executive Board or the breach of any provision of the instruments will give the Executive Board the right, subject to Notice and Hearing, except in the case of emergency, in addition to any other rights set forth in these Bylaws;

- (a) To enter onto the Unit which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition except for additions or alterations of a permanent nature that may exist therein contrary to the intent and meaning of the provisions of the Documents, and the Executive Board will not thereby be deemed liable for any manner of trespass because of such entry; or
- (b) To enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 – Fine for Violation. By resolution, following Notice and Hearing, the Executive Board may levy a fine of up to \$25 per day for each day that a violation of the Instruments or Rules persists after such Notice and Hearing, but the amount will not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

Section 5.3 – Addition Common Expense for Misconduct. If misconduct of a Unit Owner causes an additional common expense, the Association may, after Notice and Hearing, assess that expense exclusively against his or her Unit.

ARTICLE VI

Indemnification

The members of the Executive Board and officers of the Association will have the liabilities, and be entitled to indemnification, as provided in Sections 33-455 and 33-454a of Chapter 600 of the Connecticut General Statutes (the provisions of which are hereby incorporated by reference and made a part hereof)

ARTICLE VII

Records

Section 7.1 – Records and Audits. The Association will maintain accounting records, The financial records will be maintained and audited in accordance with Article XVIII of the Declaration, the cost of the audit, if any, will be a Common Expense unless otherwise provided in the Documents

Section 7.2 – Examination. All records maintained by the Association or by the Manager will be available for examination and copying by any Unit Owner, by any holder of a Security Interest in a Unit, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 – Records. The Association will keep financial records sufficiently detailed to enable the Association to comply with Section 47-270 of the Act and as follows

- (a) An account for each Unit which will designate the name and address of each Unit Owner, the amount of each Common Expense assessment, the dates on which the assessment comes due, the amounts paid on the account, and the balance due
- (b) An account for each Unit Owner showing any other fees payable by each Unit Owner.
- (c) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year
- (d) A record of the amount, and an accurate account of the current balance of any reserves for capital expenditures, replacement, and emergency repairs
- (e) The current operating budget adopted pursuant to Subsection 47-257(a) of the Act and ratified pursuant to the procedures of Subsection 47-245(c)
- (f) A record of any unsatisfied judgements against the Association and the existence of any pending suits in which the Association is a defendant
- (g) A record of insurance coverage provided for the benefit of Unit Owners
- (h) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements
- (i) Pursuant to the Non-Stock Corporation Act, annually the Association will prepare a balance sheet showing the financial condition of the corporation as a date not more than four (4) months thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement will be kept for at least ten (10) years from such date in the office of the Association.
- (j) Tax returns for State and Federal income taxation
- (k) Minutes of proceedings of incorporators, Directors, directors and committees of directors and waivers of notice

Section 7.4 – Form Resale Certificate. The executive Board will adopt a form resale certificate to satisfy the requirement of Section 47-270 of the act.

ARTICLE VIII

Miscellaneous

Section 8.1 – Notices. All notices to the Association or the Executive Board will be delivered to the office of the Manager, or if there is no Manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees if Units. Except as otherwise provided, all notices to any Unit Owner will be sent to his or her address as it appears in the records of the Association. All notices to mortgagees of Units will be sent, except where a different manner of notice is specified elsewhere in the instruments, but registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Executive Board. All notices will be deemed to have been given when mailed except notices of changes of address which will be deemed to have been given when received.

Section 8.2 – Fiscal Year. The Executive Board will establish the fiscal year of the association.

Section 8.3 – Waiver. No restriction, condition, obligation, or provision contained in these Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 – Office. The principal office of the Association will be on the Property or at such other place as the Executive Board may from time to time designate.

Section 8.5 – Amendments to Bylaws. The Bylaws may be amended only pursuant to the provisions of Article AVI of the Declaration

Certified to be the by-laws adopted by the organizers of Spice Hill
Woods and amended December 3, 1998 at the annual meeting of
Spice Hill Woods Homeowner Association