

PILLSBURY LAKE MANAGEMENT, INC. WEBSTER, NEW HAMPSHIRE BY-LAWS
As Revised at the August 25, 2018 Annual Meeting

ARTICLE I

Name. Location. Corporate Seal

Section 1 The name of the corporation is Pillsbury Lake Management, Inc. (“Corporation”).

Section 2 The principal office shall be located at the Clubhouse, 396 Deer Meadow Road, Webster, New Hampshire, 03303.

Section 3 The corporate seal shall be circular in form and have inscribed thereon the name of the corporation, year of its incorporation and the words “New Hampshire.”

ARTICLE II

Corporate Powers

Section 1 The Corporation shall have all of the powers and enjoy all of the privileges granted by the laws of the State of New Hampshire to corporations organized under the provisions of RSA chapter 292.

ARTICLE III

Membership

Section 1 Every lot owner in the Pillsbury Lake Development is a member of the Corporation. Members are required to pay an annual management fee as provided in Article 13 of the “Property Restrictions and Easements” (recorded at the Merrimack County Registry of Deeds at Book ____, Page ____). Members shall also pay an annual special assessment of a specific amount required by the Corporation for reasonable operation, providing that any such assessment shall have the assent of two-thirds of the votes cast by members present and voting. The special assessment levied shall be applicable to that year only, for the purpose of defraying, in whole or in part, an operating loss or the cost of any construction or unexpected repair or replacement upon the “common property” or for any other purpose related to the “common property.” It shall be the responsibility of the President of the Corporation to notify each member of any special meeting of the Corporation for the purpose of voting on a special assessment or the vote may be conducted at the Annual Meeting, provided that notice is given at least 30 days prior to such meeting(s) and the amount to be raised by any such assessment is specified in said notice. The annual management fee and special assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge and continuing lien upon the property against which each such fee or assessment is made as well as against any other property in the Pillsbury Lake Development owned by such delinquent member.

(a) Purpose of Fees, Assessments, Fines, and Other Collectibles

The annual management fee and special assessments, and any fines or collectibles levied by the Corporation shall be used for the purpose of promoting the pleasure, recreation and social welfare of the members of the property including the improvement, operation and maintenance of, the payment of taxes and insurance on the “common property” and the acquisition of labor, equipment, materials, and supervision of any and all “common property.

(b) Due Dates of Fees, Assessments, Fines, and Other Collectibles

The annual management fee shall become due and payable on the 15th of June of each year and if not paid by the 15th of July in its year of assessment shall constitute a delinquency. The due date of any special assessment shall be fixed in the resolution authorizing such assessment. Any other fee, fine, or collectible provided for in the “Property Restrictions and Easements” shall be due thirty (30) days after its levy. Any annual management fee not paid by the 15th of July in its year of assessment, any special assessment not paid within forty-five (45) days of its due date, and any other fee, fine, or collectible not paid within thirty (30) days of being levied shall bear interest from said due date at the rate of 10% per annum, and the Corporation may bring an action against the member(s) personally obligated to pay the same in the manner provided by New Hampshire law including, but not limited to, attaching the delinquent member’s property as security for a judgment of the past monies owed, or foreclosure of power of mortgage sales. There shall be added to the amount of such fee, assessment, fine, or collectible amount the cost of processing such collection action or foreclosing said interest, which may include attorney’s costs and fees. The lien provided for herein shall be subordinate to any tax lien and any previously recorded mortgage. The lien shall not be subordinate to any mortgage or other encumbrance arising after the creation of the lien. The personal obligation of the said owner(s) to pay such assessments shall remain his/her personal obligation and shall not pass to his/her successors in title unless expressly assumed by them. The Corporation may also utilize the procedures and powers described herein against delinquent members to collect past due fines levied for violations of these Bylaws and/or the “Property Restrictions and Easements.”

(c) Amounts of Fees, Assessments, Fines, and Collectibles

The Board shall adopt a schedule of management fees, fines, and other monies payable to the Corporation. The schedule shall state the dollar amount of each management fee, fine, or other payable provided for in the Property Restrictions and Easements. Such schedule may be amended by a majority vote of the Board members present at a meeting with a quorum.

Section 2 Voting Rights

At any annual or special meeting of the Corporation, each member shall be entitled to cast one vote. A member who owns multiple lots shall have one vote.

Where there is more than one owner of record for the same property, those joint owners shall collectively have one member vote. A member may vote at such meeting in person or through a Proxy appointed by that member. A member may appoint only one Proxy to act on his/her behalf at each meeting, and he/she must do so by filling out and signing the proxy card sent to the member with the meeting notice. The proxy card may be mailed to the Corporation or hand-delivered to the meeting. The named Proxy may either be the Director appointed by the Board to cast proxy votes, or an individual, who must be at least twenty-one (21) years of age. An individual Proxy must appear in person at the meeting and must have valid photo identification. No individual may hold a Proxy for more than one (1) member (unless said Proxy represents the joint owners of one property).

Section 3 Members Rights in the Common Property

Each member and family shall have an easement of use and enjoyment, in common with others, in and to the "common property" and such easement shall be appurtenant to and shall pass with the title to every lot, which easements shall be subject to the following: (a) liens and encumbrances presently of record; (b) the rights of the Corporation to suspend the exercise of said easement by any member for any period during which any fee, assessment, fine or collectible is delinquent; and (c) the rights of other members located in the subdivision of Pillsbury Lake to similar easements.

ARTICLE IV

Officers and Directors

Section 1

- (a) The Corporation shall be governed by a Board of Directors of seven (7) members, consisting of four (4) officers, who shall be the President, Vice President, Treasurer, and Clerk, and three (3) Directors. Officers and Directors will be elected at the Annual Meeting by a majority vote of members in good standing voting.
- (b) Any member in good standing of the Pillsbury Lake Community shall be eligible to serve on the Board of Directors.
- (c) Officers shall be elected to one (1) year terms, and may serve not more than three (3) consecutive terms. One (1) Director shall be elected to a three (3) year term, one (1) Director shall be elected to a two (2) year term, and one

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(1) Director shall be elected to a one (1) year term. Directors may serve not more than two (2) consecutive terms. If possible, these terms shall be staggered. If a vacancy occurs during the term of office of any Director, the replacement is elected to complete that Director's term, and then is eligible to serve for two (2) more complete terms.

Section 2 The failure of any Director or Officer to attend three (3) consecutive meetings of the Board may be grounds for removal upon the majority vote of the other members of the Board. If a Board member is to be replaced, all members shall be notified of the vacancy to be filled and this must be voted on by the Board. All Officers and Directors must be members or spouses of a member. No more than one (1) member of a family may be an Officer or Director of the Corporation at any time, with the exception of the Clerk.

Section 3

- (a) The President shall preside at meetings of the members and the Board of Directors. The President shall cause to be mailed to each member at his/her last known address all notices of annual and special meetings, together with appropriate explanations, etc. as provided by Article V, Section 3. The President shall also appoint chairs of the Nominating and Building Control Committees and any other standing or ad hoc committees as the Board may deem necessary to properly conduct its business.
- (b) The Vice-President shall preside at meetings in the absence of the President and will succeed the President in the event of a vacancy.
- (c) The Clerk shall keep a record of all meetings of the members and the Board of Directors; shall prepare and issue the call for all meetings in accordance with these Bylaws; and shall handle any necessary correspondence.
- (d) The Treasurer shall give bond in an amount to be fixed by the Directors, but not less than \$5,000, the premium to be paid by the Corporation; shall have the custody of the corporate seal; shall send bills for the annual management fee to all owners of record as of May 1 of each year; shall receive all funds due the Corporation; and shall keep accurate and up-to-date records of such funds. The Treasurer shall disburse funds as needed upon receipt of properly documented requests, and only upon approval of the Board of Directors on a voucher.

Section 4

- (a) All meetings of the Board of Directors shall be open meetings.
- (b) The Board of Directors shall be empowered to manage all income,

expenses and investments in a prudent manner. At no time, including extreme emergencies, shall the Board incur liabilities in excess of the funds on hand and available in the treasury.

- (c) If an emergency arises beyond the powers specified in Section (b), the Board of Directors shall call a meeting of all members, present the subject matter, and with a majority vote of the members present, shall be empowered to incur liabilities to an amount specified in the vote of said meeting.
- (d) The Board of Directors may also call special meetings of the members in accordance with the provisions of Article V of these Bylaws.
- (e) The Board of Directors is authorized to adopt and enforce such rules and regulations from time to time as may be necessary to assure equitable and proper use and operation of the “common property.” Such rules and regulations shall be posted in a conspicuous place on the “common property,” and members and guests shall be expected to conduct themselves in accordance with these rules. Members shall be responsible for informing their guest(s) and lessees(s) of these rules, and shall be responsible for any abuse of privileges by said guest(s) or lessees(s).

Section 5 All Officers of the Corporation shall serve without compensation.

Section 6 If any Official misuses his/her office, the Board of Directors shall be empowered to take action relative thereto.

Section 7 In the event any Officer or Director is not able to complete his/her term, the Board of Directors shall appoint a person to serve until the next Annual Meeting of the members.

ARTICLE V

Meetings

Section 1 The Annual Meeting of the members shall be held at the office of the Corporation on the fourth Saturday of August in each year.

Section 2 Special meetings of the members may be ordered by a majority vote of the Board of Directors.

Section 3 Business at any Annual Meeting or special meeting may be legally conducted by such representation of the members as may be present in person.

Section 4 The Directors shall fix the time and method of calling their own meetings to be held at the office of the Corporation. A majority of the Board members present at the meeting shall constitute a quorum.

Section 5 Notices of annual or special meetings to all members shall be considered properly delivered if sent by first class mail to the last address of record, and mailed at least 30 days prior to any such meeting.

ARTICLE VI
Fiscal Year

Section 1 The fiscal year of the Corporation shall begin September 1 and end August 31 of each year.

ARTICLE
VII

Contracts, Checks, Notes, Deeds, Mortgages and Other
Written Instruments

Section 1 The Directors shall designate from time to time the Officer(s) to sign contracts, checks, notes, deeds, mortgages, and any and all other evidences of obligation, conveyance, receipt or release necessary to the operation of the Corporation's business. No Officer, other than the person(s) so designated shall have power to bind the Corporation. An attested copy by the Clerk of the votes passed by the Directors making such designations shall be sufficient evidence of the authority of the persons designated to act on behalf of this Corporation, and the obligations of such acts shall be binding on the Corporation until said obligation is fulfilled.

ARTICLE VIII

Amendments

Section 1 These By-Laws may be altered, amended or repealed by the affirmative vote of two-thirds of all members present and voting at any Annual Meeting or special meeting of the members duly called for such purposes.

ARTICLE IX
Committees

Section 1 The Board of Directors may at their discretion appoint such committees as will facilitate the work of the Board. The Board shall specify the duties and responsibilities of each such committee, which shall be responsible to the Board. Any committee so appointed shall terminate at the next Annual Meeting.

Section 2 The Nomination Committee shall consist of three persons, the Chair to be appointed by the President with the concurrence of the other Directors. The Chair shall select two members of the Pillsbury Lake Development not presently on the Board to serve on the Nomination Committee. A slate covering all positions expected to be open shall be prepared and submitted

to the Board of Directors on or before its July meeting, and sent to all members long with the call to the Annual Meeting and such other material as may be deemed appropriate. Each nominee shall have given prior consent to have his/her name placed in nomination.

Section 3 The Building Control Committee shall consist of not less than two (2) members appointed by the Board. The Committee may designate one of its members to act on its behalf. In the event of the resignation or death of any member, the remaining members shall appoint a replacement.

ARTICLE X

Liability of Officers and Directors

Section 1 No Director or Officer of the Corporation shall be liable to the Corporation for monetary damages for breach of fiduciary duty as a Director or an Officer except with respect to:

- (a) Any breach of the Director's or Officer's duty of loyalty to the Corporation or its members;
- (b) Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;
- (c) Any transaction from which the Director, Officer, or both, derived an improper personal benefit.

Section 2 If, under New Hampshire law, a voluntary corporation may exempt Directors and Officers from additional liability other than that set forth above, the Directors and Officers of the Corporation shall be so exempted.