

HANCOCK

**BYLAWS
OF
DOLLARD HILL ESTATES II
AND
DOLLARD FARM ROAD ASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is **DOLLARD HILL ESTATES II and DOLLARD FARM ROAD ASSOCIATION**, hereinafter referred to as the "Association". The principal office of the corporation shall be located in Ellsworth, Hancock County, Maine, but meetings of Members and Directors may be held at such places within the State of Maine, as may be designated by the Board of Directors.

**ARTICLE II
ASSOCIATION**

Section 1. Membership. The Members shall consist of the Owners of Lots 1 through 24 in Dollard Hill Estates II, situated on U.S. Route-1, the Bucksport Road, Ellsworth, Hancock County, Maine, which plan is recorded in Plan File 36, No. 174, of the Hancock County, Maine, Registry of Deeds. The Owner of Lot 24 in the aforesaid Subdivision on which is currently situated a six (6) unit apartment building shall not be subject to those Restrictions set forth in Article XIII set forth hereinafter to the extent that there is a prohibition against any more than a single dwelling unit on each lot, and further the continued use, operation, and maintenance of the apartment building shall not be deemed to violate the prohibition against commercial activity as set forth in Article XIII (10), nor shall the continued use, operation, and maintenance of the apartment building be deemed to be in violation of the prohibition against transient accommodations set forth in Article XIII (13).

Membership shall be in accordance with the Declaration and with these Bylaws. The membership of each Owner terminates upon a sale, transfer, or other disposition of the Member's interest in the Lot (as defined in the Declaration), whereupon the membership and any interest in the funds of the Association shall automatically transfer and be vested in the successor in ownership. A mortgage of any Lot shall not operate to transfer membership until the mortgage is foreclosed.

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Association shall be held on the first Saturday in July in each year. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following, which is not a legal holiday.

HANCOCK

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon the written request of Members owning at least three (3) Lots, by giving at least ten (10) days notice to all Members. Notwithstanding this provision, any Member may waive receiving ten (10) days notice and accept any shorter notice. At any annual or special meeting, the presence of the Owners of Thirteen (13) Lots shall constitute a quorum for all purposes. At all meetings at which a quorum is present, except as otherwise provided in the Declaration, a majority of the votes cast on any matter shall control.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. At any annual or special meeting, the presence of the Owners entitled to cast, or of proxies entitled to cast, votes for any ten (10) Lots shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. At all meetings at which a quorum is present, except as otherwise provided in the Declaration, a majority of the votes cast (each Lot being entitled to one (1) vote) on any matter shall control. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of the Member's Lot.

Section 6. Unanimous Action of the Members. Any action which may be taken at a meeting of the Members may be taken without a meeting if all of the Members sign written consents setting forth the action taken, at any time before or after the intended effective date of such action. Such consent shall be filed with the minutes of the Members' meetings and shall have the same effect as the unanimous vote.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors composed of a minimum of three (3) Directors, or such greater number of Directors, within the limits set by the Articles of Incorporation, to which the Board membership may be increased by Board action in the manner set forth in the Articles of Incorporation.

Section 2. Term of Office. At the first annual meeting the Members shall elect one (1) Director for a term of one (1) year; one (1) Director for a term of two (2) years; and one (1)

Director for a term of three (3) years. At each annual meeting thereafter, the Members shall elect one (1) Director for a term of three (3) years.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 5. Unanimous Action of the Members of the Board of Directors. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors sign written consents setting forth the action taken, at any time before or after the intended effective date of such action. Such consent shall be filed with the minutes of the meetings of the Board of Directors and shall have the same effect as the unanimous vote.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held annually without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. The first quarterly meeting each calendar year shall follow the annual meeting of the membership.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be called at any time by the President of the Association, or by one-third (1/3) of the Directors, but not less than any two (2) Directors, after not less than seven (7) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE: VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas, and the maintenance of Dollard Farm Road, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ personnel, contractors, advisors, or such other persons as they deem necessary to conduct business of the Association, and to prescribe their duties; and

(f) procure and maintain liability and hazard insurance on property owned by the Association.

Section 2. Duties. It shall be in the duty of the Board of Directors to:

(a) review and oversee all acts and corporate affairs, and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the Members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(i) prepare a budget covering the estimated costs of maintaining the Common Area for the coming year and cause the budget to be sent to each Member at least twenty-one (21) days prior to the annual meeting of the membership;

(ii) send written notice of each assessment to every Owner subject thereto;

(iii) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date, or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) cause the Common Areas and Dollard Farm Road to be maintained;

(g) procure and maintain, to the extent reasonably available, hazard insurance on property owned by the Corporation, and liability insurance in the name of the Corporation and on behalf of any person who is or was a director, officer, employee or agent of the Corporation.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice President who shall, at all times, be members of the Board of Directors, a Secretary, and a Treasurer and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign or be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments; and shall co-sign all checks and promissory notes.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the Vice President by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX
LIABILITY OF OFFICERS

Section 1. Exculpation. No Director or officer of the Association shall be liable for acts or defaults of any other officers or Member or for any loss sustained by the Association or any Member thereof, unless the same has resulted from his or her own willful misconduct or gross negligence.

Section 2. Indemnification. Every Director, officer, and Member of the Association shall be indemnified by the Association against all reasonable costs, expenses, and liabilities (including reasonable attorney's fees) actually and necessarily incurred by or imposed upon him or her in connection with any claim, action, suit, proceeding, investigation, or inquiry of whatever nature in which he or she may be involved as a party or otherwise by reason of his or her having been an officer or Member of the Association, whether or not he or she continues to be such Director, officer, or Member of the Association at the time of the incurring or imposition of such costs, expenses, or liabilities, except in relation to matters as to which he or she shall be finally adjudicated in such action, suit, proceeding, investigation or inquiry to be liable for willful misconduct or gross negligence toward the Association in the performance of his or her duties or, in the absence of such final adjudication, any determination of such liability by the opinion of the legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all rights to which such persons may be entitled as a matter of law and shall inure to the benefit of the legal representatives of such person.

**ARTICLE X
MORTGAGES**

Section 1. Notice to Board of Directors. An Owner who mortgages his or her Lot shall notify the Board of Directors of the name and address of his or her mortgagee, and shall file a copy of the mortgage with the Board of Directors.

Section 2. Notice of Unpaid Common Charges. The Board of Directors, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid common charges due from, or any other default by, the Owner of the mortgaged Lot.

Section 3. Notice of Default. The Board of Directors, when giving notice to a Lot Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Lot whose name and address has theretofore been furnished to the Board of Directors.

Section 4. Examination of Books and Records. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and any mortgagee of a Lot. The Declaration, Articles of Incorporation, and Bylaws of the Association shall be available for inspection by any Member or any mortgagee at the principal office of the Association, whose copies may be purchased at reasonable cost.

**ARTICLE XI
ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid when due, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose

the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his or her Lot.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of Members owning seventy-five percent (75%) of the Lots, either present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

RESTRICTIONS

All lots in Dollard Hill Estates II shall be conveyed with the following restrictions, which shall be for the mutual benefit of all owners in the subdivision, and the enforcement of which may be had by the owner of any said lot:

1. Additions to Existing Property. Additional lands may be subject to the By-Laws of Dollard Hill Estates II in the following manner: The developer, its successors and assigns, shall have the right to bring within the scheme of this subdivision and the By-Laws which regulate the use thereof, additional property. The additions authorized under this section shall be made by filing of record a Supplementary Declaration of Covenants, Conditions, and Restrictions, with respect to the additional property, and nothing contained therein shall be inconsistent with the Restrictions and Conditions set forth herein.

2. Each lot within the subdivision shall not be developed with more than one (1) dwelling unit located thereon. A dwelling unit is a group of rooms designed and equipped exclusively for use as living quarters, including provisions for sleeping, cooking, and eating.

3. All dwelling units shall be located and buffered, to the extent that it is reasonably practical, by natural existing vegetation, which prevents them from being visible from any prior existing dwelling unit in the subdivision, or on abutting land, to the extent that it is reasonably achievable with existing natural vegetation, excepting limited cutting along the boundaries and portions of lots. Except as otherwise expressly limited, the owner of each lot reserves all rights

as the owner of the protected property, including the right to use the protected property for all purposes consistent with all deed restrictions.

4. All accessory structures freestanding from the said dwelling unit shall be located, to the extent possible, so as not to be clearly visible from any prior existing dwelling unit in the subdivision, or on abutting land, other than that of the owners of such accessory structures.

5. No single story residence shall be built on any lot within the subdivision which contains (exclusive of garages, storage areas, and basements) less than 1,800 square feet of habitable area.

6. No dwelling constructed on any lot within the subdivision shall be occupied unless and until the exterior has been fully completed, including finish grading and seeding of any area surrounding such dwelling that has been disturbed during construction. The dwelling shall be substantially completed within twelve (12) months of the date of commencement of construction and no temporary building shall be occupied for dwelling purposes upon a lot during the construction thereof. No temporary structure shall be permitted to remain on said premises, except as may be necessary during construction.

7. No mobile homes shall be permitted on any lot.

8. All lighting shall be located and operated such that it does not cause environmental glare by shielding the lighting elements in order that they are not directly visible, to the extent possible, from any dwelling unit in the subdivision, or from offsite, and they shall not illuminate any land off the property of the owner of said lights, other than the subdivision roads.

9. No unregistered motor vehicles shall be kept upon any lot within the subdivision, unless the same are garaged.

10. No lot shall be used for any commercial activity; home occupations as defined by the Ellsworth Land Use Zoning Ordinance, shall be permitted.

11. No activities on any lot within the subdivision shall cause or create noise audible at any other dwelling unit, with the exception of construction, the occasional use of maintenance equipment and machinery, the reasonable use of vehicles and recreational equipment.

12. All areas disturbed by construction, clearing, or other activities which remove substantially all vegetation shall be re-vegetated, except for road, driveways, patios, gardens, and the footprints of structures, as soon as practicable, in order to prevent erosion and sedimentation.

13. The dwelling units on the lots within the subdivision may be leased, but in no event may any property in the subdivision be leased for transient accommodations, such as an inn, hotel, motel, bed and breakfast.

14. All activities, land uses, construction and improvements shall be in conformance with all of the ordinances of the City of Ellsworth, the Laws of the State of Maine, all of which may

