

SUNSET SHORES OWNERS' ASSOCIATION BY-LAWS

ARTICLE I NAME, SEAL AND OFFICES

Section 1. Name: The name of this corporation is Sunset Shores Owners' Association ("Association").

Section 2. Offices: The principal office of the Association shall be at Waltham, Maine, or such place as the Board of Directors may from time to time designate.

ARTICLE II PLAN OF OWNERSHIP

Section 1. Plan of Ownership: Each Member shall be an owner of (a) one of the one hundred forty six numbered lots, (b) the 3.60 acre lot, (c) the 2.97 acre lot abutting the said 3.60 acre lot, as is shown on a plan entitled "Amended Final Subdivision Plan of the Oxbow Point Subdivision" prepared by Plisga & Day and recorded in Hancock County Registry of Deeds in Map File 35, No. 75, or (d) one of the Lots 1A, 1B, 9A, 11A, 14 through 50 as shown on plans entitled "Subdivision Plan: Plan 2 Oxbow Point Subdivision" prepared by Plisga & Day and recorded in said Registry in Map File 38, Pages 141 through 153, or (e) such other lots as may be added by Developer as set forth in Article III, Section 2. The subdivision has been remained as "Sunset Shores" by Developer.

The real estate and any other rights be conveyed to the Association by Developer shall be enjoyed by all members, each member being subject to a corresponding obligation to contribute Assessments for the maintenance of the Properties.

Section 2. Applicability of By-Laws: The provisions of these By-Laws are applicable to the Properties and to the use, operation and maintenance thereof.

Section 3. Personal Application: All present and future owners, mortgagees, lessees and occupants of the Lots and their employees and invitees are subject to these By-Laws, and the Rules and Regulations established by the Board of Directors as hereinafter set forth. The acceptance of a deed of conveyance or membership privileges or the entering into of a lease or the occupying of a Lot constitutes an agreement that they By-Laws, and the Rules and Regulations, as they may be amended from time to time, are accepted and will be complied with.

ARTICLE III
DEFINITIONS

Section 1. "Developer" means MAINE WOODLAND PROPERTIES, a Maine corporation company, its successors and assigns.

Section 2. "Lot" shall mean any of the lots referred to in Article II Section 1 and in the case of a lawful partition of a Lot, each lot created shall be deemed a Lot under these By-Laws. It shall also include additional lots that may be created by Developer at any time in the future from abutting land.

Section 3. "The Properties" shall mean all interests acquired by the Association in any real estate conveyed to the Association by Developer or any other party. It also includes all elements of the stormwater management. Along with the Open Space land there will be a Common Area (situated next to Lot 96 and located in the Open Space area) that will consist of an open pavilion, fireplace, two bathrooms, parking, picnic tables and a dock with 20 boat slips. Developer is in the process of constructing the Common Area that will be used and enjoyed by all lot owners.

Section 4. "Voting Member" shall mean the only member of a multiple owner Lot who is permitted to vote for that Lot.

ARTICLE IV
MEMBERSHIP

Section 1. Qualification: Every person who is an owner of a lot shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

Section 2. Subject to Assessments: The rights of membership are subject to the payment of annual and special Assessments and common charges levied by the Association and imposed against each Member and becomes a lien upon the Member's Lot and the personal obligation of the Member.

Section 3. Suspension:

- a) **Nonpayment of Assessment.** The membership rights of any Member may be suspended by action of the Board of Directors during the period in which any Assessment remains unpaid except that a first mortgagee will not be precluded from exercising any of its right under the mortgage: but, upon payment of such Assessment, the member's rights and privileges shall be automatically restored.

b) **Conduct.** If the Directors have adopted and published Rules and Regulations governing the use of the Properties and the personal conduct of any person thereon, as provided herein, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations and may also levy the charges provided in Article X, Section 3 hereof.

**ARTICLE V
PURPOSES AND POWERS**

The Association shall operate on a not-for-profit basis in accordance with its Articles of Incorporation. The Association will not provide pecuniary gain or profit, direct or indirect, to its Members. The purposes for which it is formed are:

Section 1. General: To promote the health, safety, and welfare of the members who use the Properties, and for this purpose:

- a) Own, acquire, lease, sublease, build, operate, and maintain roads and common areas in connection with the use and enjoyment of lots in Sunset Shores (originally known as "Oxbow Point") Subdivision. This shall include, but is not be limited to, all road systems as shown on the said Plans referred to in Article II, Section 1. It shall also include: (i) Right of Way "A" as shown on said Plan recorded in said Registry in Map File 35, No. 75; (ii) the extension of Dylan Drive from Lots 22 through Lots 26; and (iii) the extension of Benjamin Way from Lot 41 to Lots 42 and 43.
- b) Fix Assessments or Common Charges to be levied against the Members.
- c) Enforce any and all covenants, restrictions and agreements applicable to the Properties or any Lot.
- d) Pay taxes, if any, on the Properties.
- e) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the members using the Properties.
- f) Enforce all provisions of any Declaration of Restrictions recorded by Developer applicable to any of the Lots.
- g) Maintain the stormwater management and perform all obligations relating thereto.

Section 2. Dispose of Assets: To mortgage, pledge, hypothecate or otherwise grant any form of security interest to the Properties or any other assets of the Association and to dispose of its assets.

Section 3. Additions to Properties and Membership: Additions to the Properties may be made at the discretion of the Board of Directors and shall extend the jurisdiction, functions, duties and membership of the Association to such properties.

Section 4. Mergers and Consolidations: Subject to the provisions of the Articles of Incorporation, and to the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of at least two-thirds of the Members eligible to vote who are voting either in person or by proxy at a meeting duly called for this purpose. Written notice of which shall be either emailed or mailed by USPS to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

ARTICLE VI **MEMBERS**

Section 1. Voting: A majority of the total votes cast at a meeting at which a quorum is present shall be binding upon all Members for all purposes except when a higher percentage is required by these By-Laws, the Articles of Incorporation or by law.

Section 2. Voting Rights:

Class A: Class A Members shall be all owners of Lots (with the exception of Developer as long as Developer is a Class B Member). Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for Membership. When more than one person holds an interest in any Lot, all such persons are members, but in no event shall more than one person cast the vote allocated to the Lot. In the case of multiple owners of a Lot, they shall designate in writing the Voting Member for that Lot.

Class B: The Class B Member shall be Developer. The Class B Member shall be entitled to one vote for each Lot owned by the Class B Member. Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: (a) December 31, 2022 or (b) when the total votes outstanding in the Class B membership equals or is less than 20% of the total votes outstanding in the Class A membership. The Class B Member shall have the right until the occurrence of the earlier of the events described in (a) or (b) to require that actions of the Association or its Board of Directors be approved by the Class B Member before such actions can become effective.

Section 3. Shares: For purposes of dissolution or distribution of assets only, Members shall be deemed to own one (1) share of the assets of the Association for each vote to which they are entitled.

Section 4. Annual Meetings: Annual meetings shall be held each year in the month of June. There shall be elected by ballot of the Members eligible to vote, a Board of Directors in accordance with the provisions of Article VII, Section 1 of these By-Laws and Members eligible to vote may also transact such other business as may properly come before them.

Section 5. Place of Meetings: Meetings of the Members shall be held at such suitable place convenient to the Members as may be designated by the President. Meetings may also be held remotely by methods such as "zoom", "googlemeet" or other similar videoconferencing so long as all members are able to see and hear each other.

Section 6. Special Meetings: It shall be the duty of the President to call a special meeting of the Members when so directed by resolution of the Board of Directors or upon petition signed by not less than 25% of the votes in the aggregate of the Members eligible to vote. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 7. Notice of Meetings: It shall be the duty of the Secretary to email or mail by USPS a notice of each annual meeting at least ten (10) days but not more than thirty (30) days prior to the meeting and a notice of each special meeting at least three (3) days and not more than fourteen (14) days prior to such special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member, as recorded on the records of the Association, at the Lot address or at such other address as such Member shall have designated by notice in writing to the Secretary. The emailing or mailing of a notice of a meeting in the manner provided in this section shall be considered service of notice.

Section 8. Waiver of Notice: Any Member may at any time waive notice of any meetings of the Members in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at the meeting will be considered a waiver of the right to such notice.

Section 9. Order of Business: The order of business at all meetings of the Members shall be as follows, to the extent required:

- Welcome by the President.
- Roll Call.
- Proof of Notice of Meeting or Waiver of Notice.
- Reading of Minutes of Preceding Meeting.
- Approval of the Minutes.
- Reports of Officers.
- Report of Board of Directors.
- Report of Committees.

- Set Number of Board Directors (at annual meeting).
- Election of the Board of Directors.
- Unfinished Business.
- New Business.
- Adjournment.

Section 10. Parliamentary Procedure: At all meetings of the Members or of the Board of Directors, *Roberts' Rules of Order*, as to such date amended, shall be followed.

Section 11. Quorum: The Class B Member and twenty percent (20%) of the votes of all Class A Members eligible to vote and present in person or by proxy shall constitute a quorum at any meeting of the Members unless stated otherwise in these By-Laws.

Section 12. Proxies:

- a) Votes may be cast in person or by proxy. A Member eligible to vote may designate any person, who need not be a Member, to act as proxy. The designation of any such proxy shall be made in writing, signed by the Member and shall be revocable at any time by written notice to the Secretary by the Member designating the proxy.
- b) In the case of undivided common ownership of a Lot, an owner of the Lot may permit any other owner of the Lot to vote his or her interest by furnishing the other owner with a proxy. In the absence of any proxy, the votes for a Lot cast by any owner shall be held to be by valid proxy of the other owners, unless challenged at the time the vote is cast.

Section 13. Change of Members: In the event of a transfer of a Lot, the Member shall advise the Secretary of the name and address of the new owner; and until such time of advice, all notification to the former owner shall bind and be effective against the new owner.

ARTICLE VII

BOARD OF DIRECTORS/ROAD COMMISSIONER

Section 1. Function, Number and Qualification of the Board: The affairs of the Association shall be governed by a Board of Directors who must be Members of the Association. The initial Board of Directors shall consist of five (5) Directors, but shall not be less than three (3) and no more than six (9) Directors who shall hold office until the election of their successors. Beginning with the annual meeting after which Class B Membership ceases and becomes converted to Class A Membership, the Members shall elect one third (1/3) of the Board of Directors for a term of three years, being the one third (1/3) of the Directors each with the greatest number of votes, the second third (1/3) of the Directors for a term of two years, being the one third (1/3) of the Directors with the next greater number of votes, and the remaining

third (1/3) of Directors for a term of one year. At each annual meeting thereafter, the Members shall elect successor Directors for a term of three years.

Section 2. The Road Commissioner. In addition to the Board of Directors, the membership shall elect a Road Commissioner who will be an ex officio member of the Board of Directors. The Road Commissioner shall be charged with managing the overall process of road maintenance which shall include: 1) seeking guidance on the specific maintenance needs of the roads; 2) getting estimates from and setting deadlines for contractors; 3) developing a budget with the Treasurer for the road development and maintenance in the subdivision; 4) serving as a contact for addressing road related issues; and 5) making recommendations to the Board of Directors. The term of the Road Commissioner will be for one (1) year. In the event that there are no candidates or nominations for Road Commissioner, the Board shall serve in that capacity and appoint one of its Directors to perform the functions of the Road Commissioner and report to the Board.

Section 3. Powers and Duties: The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and shall do all such acts and things as are not by law or by the By-Laws directed to be exercised and done by the Members. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- a) Operating, caring, upkeeping and maintaining the Properties.
- b) Determining an annual budget and the Common Expenses required for the affairs of the Association.
- c) Establishing, levying, assessing and collecting annual and special Assessments and Common Charges from the Members.
- d) Employing and dismissing the personnel necessary for the maintenance, repair, replacement and operation of the Properties.
- e) Opening of bank accounts in the name of the Association and designating the signatories required therefor.
- f) Purchasing or leasing or otherwise acquiring in the name of the Association or its designee, corporate or otherwise, real estate offered for sale or lease, or surrendered by their owners to the Board of Directors or to the Association.
- g) Purchasing of real estate, including at foreclosure or other judicial sales in the name of the Association, or its designee, corporate or otherwise.
- h) Selling leasing, subleasing, mortgaging, voting the votes appurtenant to (other than for

the election of the Board of Directors) or otherwise dealing with, real estate acquired or leased by the Association or its designee, corporate or otherwise, on behalf of all Members.

- i) Organizing entities to act as designees of the Association in acquiring title to or leasing Lots.
- j) Obtaining and maintaining insurance on the Properties.
- k) Making of repairs, additions, improvements or alterations to and restoration of the Properties.
- l) Leasing or otherwise acquiring the right to use, either exclusively or in common with others, recreational and other facilities for the benefit of Members.
- m) Adopting, amending and promulgating reasonable Rules and Regulations governing the conduct of all persons on the Properties and the operation and use of the Properties and Lots. The Board shall have the power to levy charges against the Members for violation thereof, for which they are responsible, provided that no such levy may be for more than \$100.00 for any one violation; but for each day a violation continues after notice, it shall be considered a separate violation. Collection of such charges may be enforced against the Member or Members responsible as a Common Charge.
- n) Enforcing any and all covenants, restrictions and agreements applicable to the Properties or any Lot.
- o) Enforcing, by any legal means, the provision of the By-Laws, and the Rules and Regulations for the use of the Properties.
- p) Appointing and removing at its pleasure all officers, agents and their employees of the Association, prescribing to their duties, fixing their compensation, and requiring of them such security or fidelity bond as it may deem expedient.

Section 4. Management: The Board of Directors may employ or enter into a contract or agreement with a Manager for the Properties, at a compensation or consideration established by the Board, to perform such duties and services as the Board shall authorize. The Board of Directors may authorize such Manager to perform all the duties set forth in Section 3 and other duties consistent therewith, but shall not delegate to the Manager of powers of the Board of Directors set for in sub-sections B, F, G, H, and L above and with respect to officers, P of Section 2.

Section 5. Removal of Directors or Road Commissioner: At any time, after the annual meeting at which Class B Membership ceases and becomes converted to Class A Membership,

at any regular or special meeting of the Membership, any one or more of the Board of Directors or the Road Commissioner may be removed without cause, by a majority vote of the Members eligible to vote, following notice thereof in the call of the meeting and a successor or successors may then and there or thereafter be elected by such eligible Members to fill vacancy thus created.

Section 6. Vacancies: Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members eligible to vote shall be filled by vote of a majority of the remaining Directors at a regular or special meeting of the Board of Directors held promptly after the occurrence of any such vacancy, even though the Directors present at such meeting shall constitute less than a quorum and each person so elected shall be a Director for the remainder of the term of the Director so replaced and until his or her successor shall be duly elected. In the event of a vacancy in the position of the Road Commissioner for any reason, the Board shall serve as the Road Commissioner until the next annual meeting of the members.

Section 7. Organization Meeting: The first regular meeting of the Board of Directors following a meeting of the Members at which Directors are elected, shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Directors at such meeting. No notice shall be necessary to the Board of Directors in order to legally constitute such a meeting, providing a quorum shall be present at such first regular meeting.

Section 8. Regular Meetings: Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given by the Secretary to each Director personally, by email or by mail (USPS) or facsimile communication at least three (3) days prior to the day named for the meeting.

Section 9. Special Meetings: Special meetings of the Board of Directors may be called by the President with three (3) days' notice to each Director, given personally, by email or by mail (USPS) or facsimile communication which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

Section 10. Waiver of Notice: Any Director of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by him or her of the time and place thereof. If all members of the Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such a meeting.

Section 11. Quorum of Board of Directors: At all meetings of the Board of Directors, the

presence of a majority of the Board of Directors shall constitute a quorum for the transaction of business and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors.

Section 12. Compensation: No Director shall receive any compensation from the Association for acting as a Director.

Section 13. Liability of the Board of Directors: The Directors shall not be liable to the Association or to any Member for any mistake of judgement, negligence or otherwise, except for their own individual willful misconduct. The Association shall defend, indemnify and hold harmless each of the Directors against all liability arising out of their conduct on behalf of the Association, unless such conduct shall have been willful misconduct. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association (except as Members). The Directors may have the Association provide insurance, covering liability of the Directors of the Association and the premiums therefor shall be a Common Expense.

Section 14. Fiscal Year: Initially the fiscal year shall end December 31.

Section 15. Administrative Duties: It shall be the duty of the Board of Directors:

- a) To cause to be kept a complete record of all its 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 is requested in writing by Members having one-fourth (1/4) of the votes of the membership.
- b) To supervise all officers, agents and employees of this Association and to see that their duties are properly performed.
- c) With respect to the Properties:
 - (i) To fix the amount of annual and special Assessments against each Lot and Member at least thirty (30) days in advance of the date of their commencement;
 - (ii) Cause to be prepared, a roster of Members, Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member or his or her designee;
 - (iii) Cause to be sent written notice of each Assessment to every Member subject thereto.
 - (iv) To issue, or to cause an office or Manager to issue, upon demand by any

Member, mortgagee, prospective purchaser or prospective mortgagee, a certificate setting forth whether any Assessment has been paid. Such certificate shall be conclusive evidence of any unpaid or paid Assessment therein stated.

ARTICLE VIII
OFFICERS

Section 1. Designation: The principal officers of the Association shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors from the Board membership. The Board of Directors may elect a Registered Agent and such other offices as in its judgment may be necessary, who need not be Members. Any corporate, partnership or fiduciary Member may designate or replace from time to time any of its officers, employees or agents who shall be eligible for such election.

Section 2. Election of Officers: The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the Board of the Directors, any officers may be removed, either with or without cause and his or her successor elected at any regular meeting of the Board called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Members and the Board of Directors. He or she shall have all the general powers and duties which are usually vested in the office of the president of a corporation, organized under the laws of the State of Maine, including but not limited to, the power to appoint committees 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.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other Member of the Board to act in the place of the President on an interim basis. The Vice-President shall also perform such other duties as shall, from time to time, be assigned to him or her by the Board of Directors or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Members and the Board of Directors; he or she shall have charge of such books and paper as the Board of Directors and these By-Laws may direct; he or she shall give all notices required by the By-Laws unless otherwise provided; and he or she shall, in general, perform all the duties incidental to the office of secretary of a corporation organized under the laws of the State of Maine.

Section 7. Treasurer: The Treasurer shall have responsibility for Association funds and securities and shall cause the financial records and books of account in books belonging to the Association to be kept. He or she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors; and he or she shall, in general, perform all the duties incident to the office of Treasurer of a corporation organized under the laws of the State of Maine.

Section 8. Signatories to Documents: All agreements, contracts, deeds, leases, checks and other documents of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers: No officer shall receive any compensation from the Association for acting as such.

ARTICLE IX
COVENANT FOR PAYMENT OF ASSESSMENTS AND COMMON CHARGES

Section 1. Creation of the Lien and Personal Obligation of Assessments: Developer, for each Lot owned by it within the Properties, hereby covenants and each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (a) annual Assessments and Common Charges; (b) special Assessments; (c) Assessments levied pursuant to any provision of these By-Laws; (d) all interest on Assessments and costs of collection, including reasonable attorney's fees, as hereinafter provided; and (e) all other legal Assessments and Common Charges. The Common Charges and Assessments shall be in charge on the land and shall be a continuing lien upon the property against which each such Assessment is made. Each such Assessment shall also be the personal obligation of the person who was the owner of such property at the time when the Assessment fell due. Each owner shall be personally liable for his or her portion of each Assessment coming due while he or she is the owner of a Lot, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance.

Section 2. Purpose of Assessments: The Assessments and Common Charges levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members and in particular for the improvement and maintenance of the Properties, services and facilities devoted to this purpose and relating to the use and enjoyment of the Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Basis of Annual and Special Assessments:

- a) Except for the expenses in maintaining and improving the road system (including snow plowing) consisting of Peaceful Point Road, Dillon Drive and Benjamin Lane (referred to below as "the Common Road System"), the Assessments and Common Charges for each Member and each owner of a Lot subject to these By-Laws shall be that fraction of the total annual budget or authorized Assessment, or both, the numerator of which is one and the denominator of which is the total number of Lots in the Association.
- b) With respect to the expenses in maintaining and improving the road systems (including snowplowing), referred to as "Road Expenses" each Participating Lot as defined below will pay that portion of the Road Expenses, the numerator of which is the number shown next to the applicable Lot in Exhibit A, and the denominator of which is the sum of all numerators of Participating Lots. If any additional lots are created and made a part of this Owners' Association, then the numerator of that additional lot will be the number of feet along the road system required to travel from Route 179 to the middle of the road frontage of the additional lot, and the denominator for all Lots will be increased by the numerator for the additional lot as indicated.
- c) "Participating Lots" will be those Lots which have approved access to their Lot. Initially that includes all Lots along Peaceful Point Road (Lots 1-21 and Lots 28-34, Lot 50), Dylan Drive (Lots 22 through 27), Benjamin Way (Lots 35 through 49), Rt 179 (Lots 51 & 52), Buford Drive (Lots 53-64) and Bluejay Lane (Lots 65-76). Additional Lots 79-146 shall become Participating Lots when roads are completed by Developer.

Section 4. Commencement and Due Dates for Annual Assessments: Annual Assessments shall commence as to all Lots for the fiscal year beginning in 2022.

Section 5. Special Assessments: In addition to the annual Assessments authorized by Section 3 and 4 hereof, the Association, acting through the Board of Directors, may levy in any Assessment year a special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of the Properties and improvements, including the necessary fixtures and personal property related thereto, the establishment of reasonable reserves and payment of debts to the Association, provided that any such special Assessment, shall have the assent of two-thirds (2/3) of the votes of each class of the Members entitled to vote, who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. The date or dates on which special Assessments become due and payable shall be fixed in the resolution of the Board of Directors authorizing such Assessment and shall be apportioned among the Members pursuant to the provisions of Section 3 hereof.

Section 6. Change in Basis of Annual and Special Assessments: The Association may change the basis and apportionment of the Assessments among the Members as set forth in Section 3 hereof, prospectively, provided that any such change shall have the consent of ninety percent (90%) of the votes of each class for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Changing the basis for the Special Assessment described in Section 10B shall require the unanimous vote of the owners of the Lots which are subject to that Specific Assessment.

Section 7. Quorum for Any Action Authorized under Sections 5 and 6: The quorum required for any action authorized by Sections 5 and 6 shall be as follows: At the first meeting called, as provided in Section 5 and 6 hereof, the presence at the meeting of Members, or of proxies, entitled to cast thirty (30%) percent of all the votes of each class of membership entitled to vote shall constitute a quorum.

Section 8. Effect of Nonpayment of Assessment: The Personal Obligation of the Member; the Lien; Remedies of Association:

- a) If any Assessment is not paid within thirty (30) days after the date due and payable, then such Assessment shall become delinquent and, together with such interest thereon and cost of collection thereof as hereinafter provided, including reasonable attorney's fees and costs, shall thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the owner, his or her successors and assigns. Upon title to such Lot vesting in the successors or assigns of the owner, they shall become personally liable for the payment of such Assessment against such property assessed prior to the acquisition by them of such property, except said successors or assigns who acquire such property shall, upon written request, be entitled to a statement from the Association setting forth the amount of any unpaid Assessments against the owner and they shall not be liable for any unpaid Assessments against the owner in excess of the amount therein set forth. The Member and the owner of the Lot at any time any Assessment becomes delinquent shall also be and remain personally liable for its payment.
- b) If any Assessment is not paid within thirty (30) days after the date when payable, such Assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) percent per annum until collected and the Board of the Directors may bring any action at law against the Member personally obligated to pay the same, or his or her successors or assigns, or to foreclose the lien against the Lot and, there shall be added to the amount of such Assessment, all costs incurred in connection therewith and reasonable attorney's fees and costs. The Association is hereby authorized and empowered to record in the Hancock County Registry of Deeds a notice of such lien. Said lien may be enforced and foreclosed by the Association in a like manner as a mortgage on real estate, including

the perfection and enforcement in the same manner as a lien for materials and labor under 10 M.R.S. § 3251 *et seq.*, or by any other means presently or hereafter provided by law or in equity. The enforcement of such lien shall not bar the Association from bringing an action at law against the Member personally as provided in the previous sentences.

Section 9. No Waiver of Liability for Assessments: No Member may exempt himself or herself from liability for Assessments by waiver of the use or enjoyment of any of the Properties, by abandonment of his or her Lot, by suspension of his or her use of any of the Properties pursuant to the By-Laws or Rules and Regulations or for any other reason whatsoever.

Section 10. Specific Assessments:

- a) Expenses of the Association which benefit a single Lot or less than all of the Lots may be specifically assessed to the single Lot benefited or specifically assessed equitably among all of the Lots which are benefited according to the benefit received. All Specific Assessment may be added to the common Assessment of any applicable lot and treated and enforced in the same manner as the common Assessments.
- b) **Right of Way "A":** That portion of Right of Way "A" as shown on said Plan recorded in Map File 35, No. 75, extending from Peaceful Point Road to the northerly sideline of Lot 10 (referred to below as "the Common Portion of Right of Way A") is hereby declared the unnumbered lot abutting Lot 10 to the south. Consequently, these Lot owners shall be the only Lot owners that may use and enjoy the Common Portion of Right of Way A and shall be subject to a Specific Assessment for expenses relating to the maintenance and improvement of the same. Said expenses for the Common Portion of Right of Way "A" shall be determined by the Board of Directors and shall be apportioned as follows. The owner(s) of Lot 9A shall pay one half (1/2) of his or her Specific Assessment; the owner(s) of Lot 10 shall pay one third (1/3) of this Specific Assessment; the owner(s) of the unnumbered lot abutting Lot 10 to the south shall pay one sixth (1/6) of this Specific Assessment.
- c) **Extension of Dylan Drive:** Dylan Drive ends at the point of Lot 22, where the fifty-foot width ends. At the end of Dylan Drive, there is depicted on the applicable Plan a forty-foot easement that benefits Lots 23, 24 and 25 (the forty-foot easement area). These Lot owners shall be the only Lot owners that may use and enjoy the forty-foot easement area. The expenses of maintaining that portion of the forty-foot easement area is to be shared equally by the owners of Lots 23, 24 and 25. If the affected Lot owners cannot agree, said expenses for the 40-foot easement area shall be determined by the Board of Directors and shall be subject to a Specific Assessment for the same.
- d) **Extension of Benjamin Way:** Benjamin Way ends at a point on Lot 41 where the

fifty-foot width ends. At the end of Benjamin Way is depicted on the applicable Plan a forty-foot easement that benefits Lots 41, 42 and 43. The cost of maintaining the roadway over said area shall be shared equally by the owners of Lots 41, 42 and 43. If the affected Lot owners cannot agree, said expenses for the forty-foot easement area shall be determined by the Board of Directors and shall be subject to a Specific Assessment for the same.

e) Extension of Bluejay Lane: Bluejay Lane ends at a point on Lot 70 and 72 where the fifty-foot width ends. At the end of Bluejay Lane is depicted on the applicable Plan two forty-foot easements: one that benefits Lot 71 and a second that benefits Lots 72 and 73. The cost of maintaining these roadways over said area shall be as follows: it will be the sole responsibility of Lot 71 for the forty-foot easement fronting on Lot 71 and a shared responsibility over the forty-foot easement that fronts on Lots 72 and 73. If the affected Lot owners cannot agree, said expenses for the 40-foot easement area shall be determined by the Board of Directors and shall be subject to a Specific Assessment for the same.

f) The Board shall have the power to specifically assess other specific assessments pursuant to this Section 10 as, in its direction, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board of Directors has not previously exercised its authority under this Section.

Section 11. Determination of Common Expenses and Fixing of Common Charges:

The Board of Directors shall, from time to time and, at least annually, prepare a budget for the Properties, determine the amount of the Assessments payable by the Members to meet the Common Expenses and allocate and assess any Assessments among the Members in the manner set forth below. The Board of Directors shall advise all Members promptly, in writing, of the amount of Assessments payable by each of them, respectively, as determined by the Board of Directors and shall furnish copies of the budget on which such Assessments are based to all Members and mortgagees upon request. The Common Expenses shall include, among other things:

- a) The cost of repairs and maintenance of the Properties and appurtenant interests.
- b) All insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to Article XII and Article VII, Section 12.
- c) Such amounts as the Board of Directors may deem proper for the operation of the Properties, including without limitation an amount for its working capital, a general

operating reserve, a reserve fund for replacements, and sums necessary to make up any deficit in the Common Expenses for any prior year.

- d) Expenses incurred in leasing or otherwise acquiring the right to use either exclusively or in common with others, recreational or other facilities for the benefit of Members.
- e) The expenses of the Association in carrying out and of its obligations.
- f) Any other expense in connection with the Common Properties or improvements which the Board of Directors deems to be of mutual benefit to the Members.

Section 12. Payment of Assessments: All Members shall be obligated to pay the Assessments annually or at such other time or times as the Board of Directors shall determine, as provided in these By-Laws. The Board may authorize Assessments to be collected by the Manager or any other agent it elects.

Section 13. Foreclosure of Liens for Unpaid Assessments: In any action brought by the Association to foreclosure a lien on a Lot because of any unpaid Assessments, the owner(s) shall be required to pay reasonable rental for the use of his/her/their Lot and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Association, acting on behalf of all Members, shall have power to purchase such Lot at the foreclosure sale and to acquire, hold, lease, mortgage, vote appurtenant thereto (other than for the election of members of the Board of Directors), convey or otherwise deal with the same. A suit to recover a money judgement for unpaid Assessments shall be maintainable without foreclosing or waiving the liens securing the same.

ARTICLE X **USE OF THE PROPERTIES**

Section 1. Restrictions on the Use of Properties: The use of the Properties shall be in accordance with the provisions of these By-Laws and in accordance with the Rules and Regulations as they may be amended from time to time and in accordance with the Declarations of Restrictions promulgated by Developer and recorded in the Hancock County Registry of Deeds.

Section 2. Rules and Regulations: Rules and Regulations concerning the use of the Properties and Lots may be made and amended from time to time by the Board of Directors. Copies of such Rules and Regulations shall be furnished by the Board of Directors to each Member prior to the time the same shall become effective.

Section 3. Abatement and Enjoinment of Violations: The violation of any Rule or Regulation adopted by the Board of Directors or the breach of any obligation or covenant

contained in the By-Laws or Declaration of Restrictions shall give the Board of Directors the right, in addition to any other rights, set forth by these By-Laws, including, but not limited to:

- a) To enter the Lot in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing or condition that exists therein contrary to the intent and meaning of the provisions thereof, and the Board of Directors shall not be thereby by deemed guilty in any manner of trespass.
- b) To enjoin, abate or remedy the continuance of any such breach by appropriate equitable proceedings including mandatory injunction, there being no appropriate legal remedy, at the cost of the Member, together with the reasonable attorney's fees and costs of the Association.
- c) If personal conduct of any person violates the Rules and Regulations, to suspend any such person from the use of the Properties for violation of such Rules and Regulations.
- d) To levy summary charges against a Member for such violation, in addition to such damages as may be incurred, provided that no summary charges may be levied for more than One Hundred Dollars (\$100.00) for any one violation; but for each day a violation continues after notice, it shall be considered a separate violation. Collection of charges for damages and/or summary charges may be enforced against the Member or Members involved as if the charge were a Common Charge owed by the particular Member of Members.

ARTICLE XI MORTGAGES

Section 1. Notice of Association: An owner who mortgages his or her Lot shall notify the Association of the name and address of a mortgagee. The Association shall maintain such information in a file entitled "Mortgagees of Lots".

Section 2. Statement of Assessment or Common Charges: The Association, whenever so requested in writing by an owner, a prospective owner, a mortgagee, or a prospective mortgagee of a Lot, shall promptly report any then unpaid Assessments or Common Charges due from, or any other default by, the then present owner.

Section 3. Notice of Default: The Association, when giving notice to an owner of a default in paying Assessments or Common Charges or other default shall send a copy of such notice to each holder of a mortgage covering such Lot if the name and address of such mortgagee has previously been furnished to the Association.

ARTICLE XII
INSURANCE

Section 1. Insurance:

- a) The Association's Board of Directors or its duly authorized agent shall have the authority to obtain insurance for all insurable improvements on the Properties (if any). This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in any amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts. The policy shall cover the interests of and name as the named insured the Association, the Board of Directors and all the owners and their mortgagees and their mortgagee's successors and assigns as their insurance interests may appear and the policy shall contain a standard Maine Mortgage Clause in favor of each Mortgagee of a Lot, whether or not named therein.
- b) The Board shall obtain a public liability policy applicable to the Properties covering the Association and its members for all damage and injury caused by the negligence of the Association or any of its Members or agents, and, if reasonably available may obtain directors' and officers' liability insurance.
- c) Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.
- d) All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association. Such insurance shall be governed by the provisions hereinafter set forth:
 - (i) All policies shall be written with a company licensed to do business in the State of Maine and holding a rating of VI or better in the financial category as established by M. Best Company, Inc., if available, or, if not available, the most nearly equivalent rating.
 - (ii) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- e) In no event shall the insurance coverage obtained and maintained by the Association's

Board of Directors hereunder be brought into contribution with insurance purchased by individual owners, occupants or their mortgagees and the insurance carried by the Association shall be primary.

- f) All casualty insurance policies shall have inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in Hancock County.
- g) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following (if applicable):
 - (i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the owners and their respective tenants, servants, agents, and guests;
 - (ii) A waiver by the insurer of its right to repair and reconstruct instead of paying cash;
 - (iii) That no policy may be cancelled, invalidated, or suspended on account of any defect or the conduct of any one or more individual owners;
 - (iv) That no policy may be cancelled, invalidated, or suspended on account of any defect or the conduct of any Director, officer or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any owner or mortgagee;
 - (v) That any "other insurance" clause in any policy excuse individual owners' policies from consideration; and
 - (vi) That no policy may be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.
- h) In addition to the other insurance required by this Section, the Board shall obtain workers' compensation insurance, if and to the extent necessary, to satisfy the requirements of applicable laws; and a fidelity bond or bonds on directors, officers, employees and other persons handling or responsible for the Association's funds. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

Section 2. Damage and Destruction—Common Property:

- a) **In General:** Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost, of repair or reconstruction of the damaged and destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty.
- b) **Repair and Reconstruction:** Any damage or destruction shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five (75%) percent of each voting class of owners otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of the damage or destruction or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.
- c) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy a special assessment against all owners in proportion to the number of Lots owned by such owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.
- d) In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event, the property shall be restored to its natural state and maintained as an undeveloped portion of the Properties by the Association in a neat and attractive condition.

ARTICLE XIII
RECORDS

Section 1. Records: The Association shall keep detailed records of the actions of the Board

of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Members, names of the Members and mortgagees, and financial records and books of account for the Properties, including chronological listing of receipts and expenditures, as well as a separate account for each Lot, which, among other things, shall contain the amount of each assessment or Common Charges against such Lot, the date when due, the amount paid thereon, and the balance remaining unpaid.

Section 2. Statement: A written report and statements summarizing all receipts and expenditures of the Association shall be rendered by the Board of Directors to all Members at least annually.

Section 3. Annual Report: In addition to the annual statement referred to above, an annual report of the receipts and expenditures of the Association shall be rendered by the Board of Directors to all members promptly after the end of the fiscal year.

Section 4. Examination of Records: Each Member and Mortgagee shall be permitted to examine the books of account of the Association at any Association Annual Meeting or upon reasonable request by a Member.

ARTICLE XIV **AMENDMENT OF BY-LAWS**

Section 1. Method of Amendment: These By-Laws may be altered, amended or added to at any duly called meeting of the Members, provided:

- a) That the amendment be approved by the Board of Directors of the Association; and
- b) That notice of the meeting be given to all Members, which notice shall contain a substantial statement of the proposed amendment, and
- c) That the amendment be approved by a majority of votes of Members entitled to be cast at such meeting, provided that any action under these By-Laws specifically requiring the assent of greater than a majority of Members must receive the assent of at least the applicable percentage of the Members. No amendment to the definition of Lot shall be valid without the consent of Developer.

Section 2. Effect of Amendments Upon Encumbrances: No amendment or modification of the By-Laws will affect or impair the validity or priority of any mortgage encumbering the Lot or Lots nor the validity or priority of any other lien.

ARTICLE XV
INVALIDITY, CONFLICT AND WAIVER

Section 1. Invalidity: The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws and, in such event, all other provisions of these By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

Section 2. Conflict: These By-Laws are set forth to comply with the requirements of the Maine Non-Profit Corporation Act. In the event of any conflict between these By-Laws and the provisions of such Act, the provisions of such Act shall control.

Section 3. Waiver: No restriction, condition, obligation or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the violations or breaches thereof which may occur.

ARTICLE XVI
MISCELLANEOUS

Section 1. Notices: All notices hereunder shall be sent by mail to the Association at its principal office, to a Member at the location as may have been designated by the Member from time to time in writing to the Association; to mortgagees at their addresses as designated by them from time to time in writing to the Association. All notices from or to the Association shall be deemed to have given when mailed or emailed, except notice of changes of address which shall be deemed to have been given when received.

Section 2. Captions: The captions herein are inserted as a matter of convenience and for reference and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

Section 3. Gender: The use of a specific gender shall be deemed to include the male, feminine and neutral gender, the use of singular shall be deemed to include the plural and vice versa, when the context so requires.

Section 4. Tort Liability: Each Member shall be deemed to have released and exonerated each other Member and the Association and the Association shall be deemed to have released and exonerated each Member from any tort liability other than that based on fraud or criminal acts to the extent to which such liability is satisfied by proceeds of insurance carried by a Member or by the Association.

~~A true record.~~

~~ATTEST:~~

JENNIFER F. KRECKEL

Attorney-at-Law
Registered Agent

STATE OF MAINE

OXFORD COUNTY, SS.

June 22, 2023

Personally-appeared *before me* the above-named **JENNIFER F. KRECKEL** and acknowledged the foregoing to be her free act and deed.

Tammy Ferland
Notary Public - TAMMY J. FERLAND

My Commission Expires: 02/23/2028

(24)

E/Ret: kreckel law
PO Drawer L
Rumford, 24
Maine 04276