

BY-LAWS OF
GUNNERS POND HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

Section 1. Definitions. The following terms used in these By-Laws shall have the meaning set forth in this section, and terms within quotation marks or within brackets elsewhere in these By-Laws shall have the meaning therein set forth.

(a) Association means the Gunners Pond Homeowners Association, Inc., its successors and assigns, acting on behalf of the lot owners in accordance with the by-laws for the purpose of administering the recreational and common properties.

(b) Board of Directors means the Board of Directors of the Association; Director means a member of the Board; Officer means an officer of the Association.

(c) Lot Owner means the owner, where one or more persons, of the fee simple title to any lot which is a part of Gunners Pond, Unit I or Gunners Pond, Unit II.

(d) Majority or Majority of Lot Owners means the owners with more than 50% of the certificates of membership.

(e) Recreational Property means all that land described in Exhibit "A" attached hereto and made a part hereof, together with all improvement thereon, and all easements and other rights appurtenant thereto.

(f) Suspended Member I - Member in good standing, nonpayment of dues.
Reinstatement by member paying back dues, late fees and current dues.

(g) Suspended Member II - means a member who completely disregards the

Covenants and Bylaws of the Association. A Suspended Member forfeits the right to use the Common areas and voting privileges. Reinstatement by majority vote of the Board when member pays initiation fee, back dues, late fees and current dues.

(h) Reinstatement means action taken by the majority of the Board and payment of dues and penalties.

(i) Renters have all rights and responsibilities of members in good standing, except a renter may not be a board member or officer and is a non-voting member residing on any lot which is part of Gunners Pond, Unit 1 and Gunners Pond, Unit 2.

ARTICLE II

MEMBERSHIP, VOTING RIGHTS, AND DUES

Section 1. Eligibility. Each Lot Owner may be eligible for membership in the Association. No Lot Owner, whether one or more persons, shall have more than one membership. Ownership of a lot shall be the sole qualification for membership. Membership shall be limited to 67 members, which number is the total number of buildable lots. Each member shall be issued a Certificate of Membership.

Section 2. Voting Rights. The association shall have one class of voting membership which shall consist of all Lot Owners.

Section 3. Dues. The Board of Directors of the Association, shall have the responsibility of determining the annual budget and dues, and shall present the annual budget to the membership at the annual meeting. Unless the budget is opposed by two-thirds (2/3) of the total membership, it shall stand approved. Memberships may be suspended or terminated by the Board for nonpayment of dues. A Suspended Member II will be charged a

fee of \$500 (plus current dues, back dues, and late fees) when reinstated. A Suspended Member I in the Association will be eligible for reinstatement when unpaid dues have been paid (plus late fees). Any lot owner who joins the Association after October 1, 1998 shall be deemed a new member and shall be charged an initiation fee as set by the Board of Directors.

Section 4. Certificate Not Assignable. The Certificate of Membership and the rights and privileges of a member shall not be assignable. Any Certificates of Membership which have not been issued to member may be held by the corporation.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be called by the Board and each subsequent regular annual meeting of the members shall be held once a year.

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 written request of the members who are entitled to vote more than one-third (1/3rd) of the votes of the membership.

Section 3. Quorum. A quorum shall be deemed present throughout any meeting of the members of the Association, until adjourned, if members entitled to cast, in person or by proxies, more than one-third (1/3rd) of the votes are present at the beginning of such meeting.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE:

Section 1. Number. The affairs of the Association shall be controlled and administered by a Board of Directors ("the Directors" or "the Board") which shall be composed of not more

than nine nor less than three members, the exact number within such maximum and minimum to be fixed by resolution of the Directors from time to time.

Section 2. Election. At each Annual meeting, which shall be called by the Board as provided herein, the members shall elect the Directors for a term of two (2) years. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise as Lot Owners. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

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 successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

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

Section 5. Action taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 6. Meetings. A regular meeting of the Board shall be held immediately after, and at the same place as the annual meeting of the members. In addition, the Board of Directors shall meet at least once each quarter during each calendar or fiscal year. The President of the Association shall determine the time and place of such additional regular

meetings and notice of the time and place of said meeting shall be given to each Board member at least fourteen (14) days prior to the day named for such meeting. Members will be notified at least ten (10) days prior to any meeting.

Section 7. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by a majority of the members of the Board, after not less than five (5) days notice to each Director of the time and place of said meeting.

Section 8. Quorum. A quorum shall be deemed present throughout any meeting of the board of Directors if persons entitled to cast one-half (1/2) of the votes in that body are present at the beginning of such meeting.

Section 9. Indemnification. Each Director or Officer of the Association shall be indemnified against legal action from any member of the Association or Non-Member in regard to actions taken to discharge their duties, except gross negligence by the individual.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. (a) To adopt and publish rules and regulations governing the use of the Recreational Property and the personal conduct of the Lot Owners and their guests and to establish penalties for the infraction thereof.

(b) To exercise all powers, duties, and authority vested or delegated to the Association not reserved to the members by other provisions of these By-Laws.

(c) To 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 meetings of the Board of Directors without prior notification to the President of the Association.

(d) To enter into management agreements with third parties in order to facilitate efficient operation of the Association. It shall be the primary purpose of such management agreements to provide for the administration of the Association, the maintenance, repair, replacement, and operation of the Recreational Property, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreement shall be as determined by the Board of Directors to be in the best interest of the Association and shall be subject in all respects to the By-Laws.

Section 2. Duties. It shall be the duty of the Board of Directors to carry out all duties and responsibilities as these By-Laws impose on the Association and the Board of Directors.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 1. Officers. The officers of the Association shall consist of a President, Vice President, Secretary, Treasurer, and other such officers as may be elected by the Directors. Any two offices may be held by the same person except the office of President, Secretary and Treasurer.

Section 2. Duties. The duties of the officers are as follows:

(a) The President shall preside at all meetings of the Directors and shall be the Chief Executive Officer of the Association.

(b) The Vice-President shall preside in the absence of the President and shall be the Parliamentarian of the association.

(c) The Secretary shall be the custodian of the minute book of the Association and shall accurately keep minutes of the meetings of the Board of Directors and such other books and

records as may be required by law or necessary to accurately reflect the affairs and activities of the Association.

(d) The Treasurer shall have the authority and responsibility for the safekeeping of the funds and securities of the Corporation, and shall keep detailed and accurate financial records, including itemized records of all receipts and expenditures.

(e) All checks must be co-signed by two officers.

Section 3. Time of Election. The officers shall be elected at the annual meeting of the Directors.

ARTICLE VII

AMENDMENTS

Section 1. Amendments of Bylaws. Bylaws may be amended only in the following manner:

(a) Notice of the subject matter of a proposed amendment must be included in the notice of any regular or special meeting of the Association at which a proposed amendment is to be considered.

(b) Approval of the proposed amendment must be by the Lot Owners to which two-thirds (2/3) of the Votes in the Association appertain.

(c) A copy of each amendment approved according to the provisions of this Article shall be certified by the Board of Directors of the Association as having been duly adopted and shall be effective when approved.

ARTICLE VIII

COMMITTEES

Section 1. Executive and other Committees. The Board of Directors may designate from its members an Executive Committee and one or more other committees, each consisting of two (2) or more Directors, and each of which, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors.

ARTICLE IX

MISCELLANEOUS

Section 1. Calendar or Fiscal Year. The Board of Directors shall have the power to determine whether the Association shall operate on a calendar or fiscal year basis.

Section 2. Order of Business. The order of business and all meetings of the members shall be as follows:

- (a) Roll Call and certifying of proxies.
- (b) Proof of notice of mailing.
- (c) Reading of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of Board of Directors.
- (f) Election of members of Board of Directors.
- (g) Election of Association Officers by the elected Board
- (h) Unfinished business.
- (i) New Business.

Section 3. Parliamentary Rules. Roberts' Rules of Order (latest addition) shall govern

the conduct of the meetings of the members when not in conflict with the law, or these By-Laws.

Section 4. Initial Rules and Regulations. The rules and regulations enumerated on Schedule "A", attached hereto and made a part hereof, shall be binding on all members until amended by the Board of Directors in accordance with Article V, Section a(a) of the By-Laws.

ARTICLE X

ASSOCIATION SEAL

Section 1. Description. The Association shall have a seal in a circular form having within its circumference the words, "GUNNERS POND HOMEOWNERS ASSOCIATION, INC."



