

BY-LAWS OF L.A.E. ASSOCIATION

ARTICLE I

Name, Location, Purpose

- 1.1 Name, Location, Purpose:** The name, location of the office, and purpose of the Association shall be set forth in the Articles of Agreement.

ARTICLE II

Fiscal Year

- 2.1 Fiscal Year:** The fiscal year of the Association shall end on June 30 of each year, unless otherwise determined by the Board of Directors.

ARTICLE III

Members

- 3.1 Eligibility*:** Each title holder of record of lot or lots within a section of the Lake Ashuelot Estates development that the Board of Directors has approved for inclusion is a member of the Association. Co-owners of a lot are considered a single member. Members are eligible to vote if all dues, assessments and related charges or penalties are paid on or before the record date. (*Amended. See 3.8.)
- 3.2 Annual Meeting:** The annual meeting of the members for the election of directors, approval of the annual budget, and the transaction of such other business as may properly come before it shall be held in Washington, New Hampshire, or at such place within or outside the State of New Hampshire as shall be set by the Board of Directors and specified in the notice.

The meeting shall be held in the month of July of each and every year, at such date and hour as shall be set by the Directors and specified in the notice. The Secretary shall give personally or by mail, not less than ten (10) nor more than fifty (50) days before the date of the meeting, to each member eligible to vote at such meeting, written notice stating the place, date, and hour of the meeting, and listing the budgetary proposals to be voted upon pursuant to Article VI of these bylaws. If mailed, the notice shall be addressed to the member at his address as it appears on the record of members of the Association unless the member has submitted a written request that notices intended for him be mailed to a different address, in which case it shall be mailed to the address designated in the request. Any notice of meetings may be waived by a member by submitting a signed waiver either before or after the meeting, or by attendance at the meeting.

- 3.3 Special Meeting*:** Special meetings of members may be called at any time by the Board of Directors, the President, or ten members eligible to vote at such meeting. Written notice of such meetings stating the place within or outside the State of New Hampshire, the date and hour of the meeting, the purpose or purposes for which it is called, and the name of the person by whom or at whose direction the meeting is called shall be given not less than ten (10) nor more than fifty (50) days before the date set for the meeting. The notice shall be given to each member of record in the same manner as notice of the annual meeting. No business other than that specified in the notice of meeting shall be transacted at any such special meeting unless all members are present in person or

waive notice with regard to the business transacted but not noticed. Notice of special meeting may be waived by submitting a signed waiver or by attendance at the meeting.

Amendment Special Meeting*: Special Meetings of LAE members may be called at any time by the Board of Directors, the President, or twenty-five (25) LAE members in good standing eligible to vote at such Special Meeting. Written notice of such meetings stating the place within Sullivan County, New Hampshire, the date and hour of the meeting, the purposes for which it is called, and the name of the person by whom or at whose direction the meeting is called shall be given not less than thirty (30) nor more than fifty (50) days before the date set for the meeting. The Secretary of Lake Ashuelot Estates Association shall give notice to each member of record in the same manner as the notice of the Annual Meeting. NO business other than that specified in the notice of meeting shall be transacted at any such Special Meeting unless all members are present in person or waive notice with regard to the “business transacted but not noticed”. Notice of special meeting may be waived by submitting a signed waiver or by attendance at the meeting.

Approved by unanimous vote of the membership on July 12, 2014.

- 3.4 Quorum*:** The presence in person of twenty-five (25) of the members eligible to vote shall be necessary to constitute a quorum for the transaction of business at all meetings of members. If, however, such quorum shall not be present or represented at any meeting of the members, the members eligible to vote and present in person shall have the power to adjourn the meeting to a future date at which a quorum shall be present or represented. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called. Directors may be elected without a quorum present by a majority of the members voting in person or by proxy.

Amendment Quorum*: The presence in person of fifty (50) of the LAE members eligible to vote shall be necessary to constitute a quorum for the transaction of business at all Meetings of members. A vote of a simple majority of members present shall be required for the Annual Meetings but a three-quarters (3/4) majority of LAE members present shall be required for any business conducted at a Special Meeting. If, however, such quorum shall not be present or represented at any meeting of the members, the members eligible to vote and present in person shall have the power to adjourn the meeting and request the Secretary of Lake Ashuelot Estates Association to notify all members of a future date, time and location, to act solely upon the business for which the Special Meeting was originally called .

Approved by unanimous vote of the membership on July 12, 2014.

- 3.5 Record Date:** The Board of Directors may fix in advance a date not less than five (5) nor more than fifty (50) days prior to the date of any meetings of the members or prior to the last day on which the consent or dissent of or action by the members may be effectively expressed for any purpose without a meeting as the record date for the determination of eligibility of members to vote.

- 3.6 Voting:** A member eligible to vote at a meeting must vote in person at such meeting on all matters other than the election of directors. A vote for election of directors may be cast by proxy. A member is entitled to no more than one vote, regardless of the number of lots standing in his name. Except as herein or in the Articles of Agreement otherwise provided

or required by statute, all Association action shall be determined by vote of a majority of the votes cast by the members eligible to vote thereon.

- 3.7 Proxies:** Every proxy for the election of directors must be dated and signed by the member eligible to vote or by his attorney-in-fact. No proxy shall be valid after the annual or special meeting for which it was executed. A proxy may designate the candidates for whom votes are to be cast, or may designate a person who is authorized to cast such votes on behalf of the member executing it. In either event, the proxy must be delivered to the Secretary prior to the meeting for which it was executed. Every proxy may be revoked by the member executing it if such member timely notifies the Secretary and attends the meeting.
- 3.8 Amendment*:** Member: The term, "member" as used in these by-laws shall be the owner of the lot. Where the lot has more than one owner, or is owned by an entity other than a person, the member shall be an individual identified as follows:
- a. a lot owner having a written appointment as member by a majority of the lot owners.
 - b. a shareholder of a corporation designated as a member by a majority vote of the shareholders.
 - c. a member of an LLC designated by vote of a majority vote of the members, or the manager if the LLC is manager operated.
 - d. a trustee or beneficiary of a trust appointed by a majority vote of the trustees.
 - e. a partner of a partnership appointed by a majority vote of the general partners.

Members shall submit to the Secretary the written vote or letter of appointment, which shall remain in effect until replaced or until the lot is sold. The Secretary may accept any writing tendered as an effective appointment. Where conflicting appointments are submitted, the vote for that lot will not be counted.

Approved by unanimous vote of the membership at the Annual Meeting July10, 2010.

ARTICLE IV Directors

- 4.1 Number and Qualifications:** No person shall be qualified to serve on the Board of Directors who is not a member of the Association entitled to vote. The entire Board of Directors shall consist of at least three (3) persons, but no more than eleven (11) persons, elected as directors; and the President, Vice President, Secretary, Treasurer and Assistant Treasurer. The number of persons elected as directors to serve in any one year shall be determined by the members at the annual meeting, but may be increased during the year at any special meeting upon notice.
- 4.2 Manner of Election:** Approximately one half of the directors shall be elected each year by a majority vote of the members eligible to vote. The directors shall annually elect one among their number to serve as Chairman.
- 4.3 Term of Office:** The term of office of each director shall be two years and until his successor has been duly elected and has qualified.

- 4.4 Duties and Powers:** The Board of Directors shall have control and management of the affairs and business of the Association and shall determine the annual dues and assessments in accordance with expenditures approved by the membership meeting pursuant to Section 6.2 of these By-Laws. The directors shall in all cases act as a Board, regularly convened, and, in the transaction of business, the act of a majority present at a meeting shall be the act of the Board of Directors, provided a quorum is present. The Directors may adopt such rules and regulations for the conduct of their meetings and the management of the Association as they may deem proper, not inconsistent with law, the Articles of Agreement or these By-Laws.
- 4.5 Meetings:** The Board of Directors shall meet for the transaction of business as soon as practicable after the adjournment of the annual meeting of the members. The Board shall hold at least three (3) other regular meetings at such time as the Board may determine. Special meetings of the Board of Directors may be called by the Chairman of the Board at any time; and he must, upon written request of any two (2) directors, call a special meeting to be held not more than seven (7) days after the receipt of such request.
- 4.6 Notice of Meetings:** No notice need be given of any regular meeting of the Board. Notice of special meetings shall be served upon each Director in person or by mail addressed to him at his last known postal address, at least two (2) days prior to the date of such meeting, specifying the time and place of the meeting and the business to be transacted thereat. At any meeting at which all of the Directors shall be present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.
- 4.7 Place of Meeting:** The Board of Directors may hold its meeting either within or outside the State of New Hampshire, at such place as may be designated in the notice of any such meeting.
- 4.8 Quorum:** At any meeting of the Board of Directors, the presence of a majority of the members of the Board shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a lesser number may adjourn the meeting to some future time, not more than seven (7) days later.
- 4.9 Voting:** At all meetings of the Board of Directors, each Director shall have one (1) vote.
- 4.10 Action by Consent:** Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent to such action is signed by all Directors and such written consent if filed with the minutes of its proceedings.
- 4.11 Meetings by Telephone or Similar Communications:** The Board of Directors may participate in a meeting by means of conference telephone or similar communications equipment by means of which all Directors participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person by such Director at such meeting.
- 4.12 Vacancies:** Any vacancy occurring in the Board of Directors by death, resignation, or otherwise shall be filled promptly by a majority vote of the remaining

directors even if less than a quorum. The director thus chosen shall hold office for the unexpired term of his predecessor and until the election and qualification of his successor.

4.13 Removal of Directors: Any director or the entire Board may be removed either with or without cause, at any time, by a vote of two-thirds of the members present in person or by proxy eligible to vote and at the annual meeting or any special meeting expressly called for that purpose.

4.14 Resignation: Any director may resign his office at any time, such resignation to be made in writing and to take effect immediately without acceptance.

4.15 Ex Officio Members: The immediate past president of the Association and the immediate past chairman of the Board of Directors, shall serve as nonvoting, advisory members of the Board of Directors for one (1) year after the expiration of their respective terms on the Board.

ARTICLE V Officers

5.1 Elected Officers: A President, Vice President, Secretary, Treasurer, and Assistant Treasurer shall be elected annually at the annual meeting of members. The President may serve no more than three (3) successive terms as President unless he is the only person eligible and willing to serve.

5.2 Appointed Officers: The Board of Directors may appoint such other officers as it may determine necessary.

5.3 Term of Office: All officers shall hold office until their successors have been duly elected or appointed and have qualified, or until removed as hereinafter provided.

5.4 Removal of Officers: Any elected officer may be removed by the vote of two thirds of the entire Board of Directors, whenever, in the judgment of the Board, the best interests of the Association will be served by such removal. An appointed officer may be removed with or without cause, by a majority vote of the entire Board.

5.5 Vacancies: All vacancies in any office shall be filled promptly by the Board of Directors, either at regular meetings or at a meeting specially called for that purpose.

5.6 Duties of Officers: The duties and powers of the officers shall be as follows and as shall hereafter be set by resolution of the Board of Directors.

THE PRESIDENT

The President shall be the chief executive officer of the Association and, subject to the direction of the Board of Directors, shall have general charge of the business, affairs and property of the Association and general supervision over its other officers and agents. In general, the President shall perform all duties incident to the office of President, preside at annual meetings of the members, and see that all orders and resolutions of the Board of Directors are carried into effect. Unless otherwise prescribed by the Board of Directors, the

President shall have full power and authority on behalf of the Association to attend, act and vote at any meeting of security holders of other corporations in which the Association may hold securities. At such meeting, the President shall possess and may exercise any and all rights and powers incident to the ownership of such securities which the Association might have possessed and exercised if it had been present. The Board of Directors may from time to time confer like powers upon any other person or persons.

THE VICE PRESIDENT

The Vice President, if any (or in the event there be more than one, the Vice Presidents in the order designated, or in the absence of any designation, in the order of their election), shall, in the absence of the President, perform the duties and exercise the powers of the President and shall generally assist the President and perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

THE SECRETARY

The Secretary shall attend all meetings of the Board of Directors and all meetings of members and record all votes and the proceedings of the meetings in a book to be kept for that purpose. The Secretary shall keep a register of the membership and shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may from time to time be prescribed by the Board of Directors or the President, under whose supervision the Secretary shall act.

THE TREASURER

The Treasurer shall collect dues and assessments, keep a record of members fully paid and eligible to vote, have the custody of the Association's funds and other valuable effects, including securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys 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. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chairman of the Board, the President, and the Board of Directors, at regular meetings of the Board, or whenever the Board may require it, an account of all transactions as Treasurer and of the financial condition of the Association.

THE ASSISTANT TREASURER

The Assistant Treasurer, if any, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

OTHER OFFICERS

Other officers shall perform such duties and have such powers as may be assigned to them by the Board of Directors.

ARTICLE VI Budget Procedures

6.1 Budget: Proposed expenditures for acquisitions, capital improvements and maintenance shall be submitted to the annual meeting of the members, for approval of each item and estimated total by a majority of members present and eligible to vote. No such proposal involving an expenditure exceeding \$5,000 may be submitted to vote unless it shall have been included in the notice of meeting.

6.2 Dues and Assessments*: Dues and assessments shall be determined annually by the Board of Directors in amounts sufficient to pay for all expenditures authorized at the annual meeting of the members. The Board may for this purpose, estimate anticipated costs and delinquencies in payment of dues and assessments.

Amendment*: The Board may assess a penalty in the form of monthly interest charges on dues and assessments that are not paid when due.
Approved by unanimous vote of the membership at the Annual Meeting, 07/03/1993.

Amendment*: The Board of Directors shall have the authority to enforce the Land and Building Restrictions with court action, levy fines, or both. The fine schedule may be adopted or revised by the Board of Directors as appropriate, to be effective 30 days after posting at the Association premises and being mailed to the membership. Unpaid fines may be added to dues and collected according to the LAE Dues and Assessment Policy then in effect.

Approved by a vote of 35 affirmative and 11 negative at the Annual Meeting July 8, 2006.

6.3 Revolving Fund: The Treasurer shall maintain a fund from which the Association may borrow as necessary to pay for approved budget items or emergency repairs. Upon receipt of dues and assessments in sufficient amounts to cover such expenditures, the amount so borrowed shall be repaid to the fund.

No expenditure in excess of the budgeted amount for such item may be paid from the revolving fund unless the Board of Directors shall have first authorized such borrowing.

6.4 Special and Emergency Assessments: The Board of Directors may authorize emergency expenditures for repair as maintenance purposes from the revolving fund if the need for the expenditure was not foreseen at the time of the annual meeting. No other unbudgeted expenditures may be made in the absence of the vote of a majority of the members present and eligible to vote at an annual or special meeting.

ARTICLE VII Committees

The Board of Directors may appoint members of the Association volunteering for same, to form and chair committees to formulate plans and recommendations regarding matters as may from time to time require concentrated study.

ARTICLE VIII
Execution of Documents

8.1 Execution: All bills payable, notes, checks, drafts, warrants, or other negotiable instruments of the Association shall be made in the name of the Association and shall be signed by such officer or officers as the Board of Directors shall from time to time by resolution direct.

No officer or agent of the Association either singly or jointly with others, shall have the power to make any bill payable, note, check, draft, or warrant, or other negotiable instrument, or endorse the same in the name of the corporation, or contract or cause to be contracted any debt or liability in the name and on behalf of the Association except as herein expressly prescribed and provided.

ARTICLE IX
Indemnification of Officers and Directors

9.1 Indemnification: Each person who has served as an officer or director of the Association shall be indemnified by the Association against liability and against expenses (including attorney's fees) reasonably incurred by him in connection with any action, suit or proceeding by reason of his being or having been an officer or director of the Association if he acted in good faith and in a manner he reasonably believed to be in the best interests of the Association. The determination that indemnification is proper in a specific case shall, unless otherwise ordered by a court, be determined by the Board of Directors.

This right of indemnity shall also inure to the benefit of the person's legal representative or successor. The Board of Directors may vote to indemnify other employees of the Association's upon the same terms.

ARTICLE X
Amendments

10.1 Manner of Amending: These bylaws may be altered, amended, repealed, or added to by the affirmative vote of the holders of a majority of the members present and eligible to vote at an annual meeting or at a special meeting called for that purpose, provided that a written notice shall have been sent to each member of record eligible to vote at such annual meeting or special meeting at his last known post office address at least ten (10) days before the date of such annual or special meeting, which notice shall state the alterations, amendments, additions, or changes which are proposed to be made in the bylaws. Only such changes shall be made as have been specified in the notice.