

AMENDED AND RESTATED
BYLAWS OF
CHIMNEY HILL OWNERS ASSOCIATION, INC.

ARTICLE I
APPLICABILITY AND MEMBERSHIP

1.01. Applicability. These Bylaws provide for the governance of the Chimney Hill Owners Association, Inc., (the "Association") a Vermont non-profit corporation organized for the purpose of administering and managing the Chimney Hill Planned Community in accordance with the Declaration.

1.02. Membership. Every Owner is a member of the Association. All Owners, their family members, guests, and tenants may use the Common Property for the purposes for which such Common Property is intended. Every Owner, family member, guest, tenant, and any other person entitled to occupy the Lots and use the Common Property of the Association in any manner are subject to the Declaration, these Bylaws and the Rules and Regulations promulgated hereunder. Tenants may be subject to payment of fees established by the Board of Directors for use of the Common Property. Owners shall notify the Association manager in writing of the names of any tenants and guests.

1.03. Compliance and Default. Each Owner shall be governed by and shall comply with the terms of the Declaration, these By-laws, and the Rules and Regulations adopted pursuant thereto and as the same may be amended from time to time. Failure of an Owner to comply therewith shall entitle the Association or other Owners to the following relief, in addition to the remedies provided by the Act or by applicable law:

(a) An Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his noncompliance therewith or his act, neglect, or carelessness, or by that of any member of his family, his lessees, or his or their guests, employees, or agents. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy, or abandonment of a Unit or its appurtenances, or of the Common Areas;

(b) In a proceeding arising because of an alleged failure of an Owner to comply with the terms of the Declaration, these By-laws, or Administrative Rules and Regulations adopted pursuant thereto, and as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding, including reasonable attorney's fees;

(c) The failure of the Association, the Board of Directors, or any Owner to enforce any covenant, restriction, or other provision of the Act, the Declaration, these By-laws, or the Administrative Rules and Regulations adopted pursuant thereto, and as the same may be amended from time to time, shall not constitute a waiver of the right to do so thereafter.

ARTICLE II DEFINITIONS

2.01. Act. "Act" means Title 27A of the Vermont Statutes Annotated, the Vermont Common Interest Ownership Act.

2.02. Declaration. "Declaration" means the Declaration of Protective Covenants, Restrictions and Reservations created for Chimney Hill dated July 25, 1966, recorded in Book 42, Page 262 of the Wilmington Land Records as amended, reformed and supplemented from time to time.

2.03. Owner. "Owner or Lot Owner" means and refers to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation. "Owner" is intended to be a "Unit Owner," as that term is used in the Act.

2.04. Lot. "Lot" means those Lots subject to the Declaration. As used in this Declaration, a "Lot" is intended to be a "Unit" as that term is used in the Act.

2.05. Deed Restricted Lot. "Deed Restricted Lot" means an undeveloped Lot which has been merged by deed with an adjacent Lot pursuant to requirements and policies established by the Association. To qualify as a Deed Restricted Lot, the Lot must be undeveloped and merged with an adjacent Lot by deed which contains a restriction that only one single family dwelling may be built on the merged parcel and that the merged parcel may not be un-merged or subdivided.

2.06. Other Definitions. Unless otherwise defined herein all capitalized terms used herein shall have the same meanings given to them in Vermont's Common Interest Ownership Act as set forth in 27A V.S.A. (the "Act").

ARTICLE III ORGANIZATION

3.01. Name. The name of the Association ("the Association") is Chimney Hill Owners Association, Inc.

3.02. Principal Office. The principal office of the Association shall be located at 9 Haystack Road, Wilmington, Vermont, or such other place as the Board of Directors as hereinafter defined may designate. The mailing address of the Association is: PO Box 415, Wilmington, Vermont 05363.

3.03. Fiscal Year. The fiscal year of the Association shall be April 1 – March 31 unless

otherwise determined by the Board of Directors.

3.04. Preparation and Approval of Budget. On or before thirty (30) days preceding the end of the fiscal year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Property, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, the Bylaws, or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Owners of all related services.

Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. The Board of Directors shall send to each Owner prior to the end of the fiscal year, a copy of the budget for the next fiscal year in a reasonable itemized form which sets forth the amount of the Common Expenses and any special assessments payable by each Owner. Such budget shall constitute the basis for determining each Owner's Assessment for the Common Expenses of the Association.

The budget shall be ratified by the Owners in accordance with the terms of the Declaration and the Act, as follows: Not later than thirty (30) days after adoption of a proposed budget, the Board of Directors shall provide to all the Owners a summary of the budget, including any reserves, and a statement of the basis on which any reserves are calculated and funded. Simultaneously, the Board of Directors shall set a date not less than ten (10) days or more than sixty (60) days after providing the budget summary for a meeting of the Owners to consider ratification of the budget. Unless at that meeting a majority of all Owners or any larger number specified in the Declaration reject the budget, the budget is ratified, whether or not a quorum is present. If a proposed budget is rejected, the budget last ratified by the Owners continues until Owners ratify a subsequent budget.

3.05. Purposes. The Association's purposes are to manage, operate, insure, repair and maintain the Common Property and to provide certain services and other benefits to the Owners as the Board of Directors determines to be in the best interest of the Association, and to administer and enforce the provisions of the Declaration.

3.06. Powers. The Association shall have all powers as provided for in 27A V.S.A. 3-102, as the same may be amended from time to time. Without in any way limiting the generality of this section, the Association may, but is not obligated to:

- (i) acquire, sell, lease and grant easements over, across and through Common Property;
- (ii) borrow monies and grant security interests in the Common Property and in the assets of the Association as collateral therefor;
- (iii) regulate the use, maintenance, repair, and modification of Common Property;
- (iv) make capital improvements, repairs and replacements to the Common Property;
- (v) hire and terminate managing agents and other employees, agents and independent contractors;
- (vi) adopt and amend rules and policies for the Association and policies and a code of

- ethics for the Board of Directors; and
- (vii) appoint such committees as deemed necessary or desirable to further the goals and objectives of the Association.

The Association may suspend any right or privilege of an Owner that fails to pay an Assessment, except the Association may not:

- (i) deny an Owner or other occupant access to the Owner's Lot;
- (ii) suspend an Owner's right to vote;
- (iii) prevent an Owner from seeking election as a director or officer of the Association; or
- (iv) withhold services provided to a Lot or Owner by the Association if the effect of withholding the service would be to endanger the health, safety, or property of any person.

ARTICLE IV MEETINGS OF OWNERS

4.01. Annual Meeting. The annual meeting of the Owners shall be held at the Chimney Hill Clubhouse, Wilmington, Vermont on a Saturday in May or June of each year as designated by the Board of Directors, or at such time and place as the Board of Directors may determine, for the purpose of electing directors and for the transacting of such other business as may come before the meeting.

4.02. Special Meetings. The Association shall hold a special meeting of Owners to address any matter affecting the Association if its president, a majority of the Board of Directors, or Owners having at least 20 percent of the votes in the Association request that the secretary call the meeting. A request for a special meeting shall be addressed to the Secretary c/o Chimney Hill Owners Association, Inc. P.O. Box #415, Wilmington, Vermont, 05363. If the Association does not notify Owners of a special meeting within 30 days after the requisite 20 percent of Owners have requested the secretary to do so, the requesting Owners may directly notify all the Owners of the meeting. Only matters described in the meeting notice may be considered at a special meeting.

4.03. Notice of Meeting.

a. Written notice shall be delivered not less than 10 nor more than 60 days before the date of the meeting. The minimum of 10 days' notice may be reduced or waived for a meeting called to deal with an emergency.

b. All meeting notices shall specify the time, date and place of the meeting and shall include an agenda stating the order of business, the matters to be considered at the meeting and any actions proposed to be taken.

c. Notice may be delivered personally, by United States mail to the mailing address designated by the Owner, or by electronic means if the Owner has given the Association an electronic address. The ineffectiveness of a good faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

ARTICLE V VOTING, QUORUM, PROXIES

5.01. Voting of Owners. Each Lot shall be entitled to one vote, regardless of the number of Owners of the Lot. Fractional voting shall not be allowed. If any Owner casts a vote representing a certain Lot, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Lot Owners, unless objection thereto is made by a Lot Owner to the person presiding over the meeting at the time the vote is cast. If more than one vote is cast for any particular Lot, none of such votes shall be counted and all of such votes shall be deemed null and void. For purposes of this section 5.01 the term "Lot" does not include "Deed Restricted Lot."

5.02. Fiduciaries. A personal representative, guardian, or trustee may vote at any meeting of the Association with respect to any Lot owned or held by him in such capacity, whether or not the same shall have been transferred to his name; provided that he shall satisfy the secretary that he is the personal representative, guardian, or trustee holding such Lot in such capacity.

5.03. Quorum of Owners. A quorum is present at any meeting of Owners if persons entitled to cast 20 percent of the votes in the Association:

- (1) are present in person or by proxy at the beginning of the meeting;
- (2) have cast absentee ballots which have been delivered to the secretary in a timely manner, or
- (3) are present by any combination of subdivision (1) and (2) above.

If less than 20 percent of the entire number of Owners entitled to vote are represented at a meeting, a majority of the Owners so represented may adjourn the meeting from time to time without further notice as long as the new meeting date, time and place is announced at the meeting so adjourned. At any such newly adjourned meeting, at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally called.

Owners present at a duly organized meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Owners to leave in attendance less than a quorum.

5.04. Majority Vote. At any meeting of the Owners, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting, in person, by proxy, or by absentee paper ballot, shall be the act of the Owners, unless the vote of a greater number is required by these Bylaws or the Declaration.

5.05. Proxies. At all meetings of the Association, an Owner may vote by proxy executed in writing by the Owner or by his duly authorized attorney-in-fact. Such proxy shall be dated and filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy. A proxy shall only be valid for the meeting at which it is cast and any recessed session

of that meeting. A proxy may be revoked by giving written notice delivered to the secretary of the Association that the proxy is revoked or by personal attendance and voting at the meeting. A person may not cast undirected proxies representing more than 15 percent of the votes in the Association.

5.06. Voting on Association Matters Without a Meeting.

a. The Association may conduct a vote on an action to be taken without a meeting if the Association delivers a written ballot to every Owner setting forth each proposed action and an opportunity to vote for or against the action. In addition, when the Association delivers the ballots, it must also:

- (i) indicate the number of responses needed to meet the quorum requirements;
- (ii) state the percent of votes necessary to approve each matter other than the election of directors;
- (iii) specify a reasonable time and date by which a ballot must be delivered to the Association to be counted; and
- (iv) describe the time, date, and manner by which an Owner wishing to deliver information to all Owners regarding the subject of the vote may do so.

b. Approval by ballot pursuant to this subsection is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.

**ARTICLE VI
BOARD OF DIRECTORS**

6.01. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by the Act, including the following:

Prepare an annual budget, in which there shall be established the Assessment for each Owner for the Common Expenses of the Association (the "Common Expenses"). Common Expenses shall include all monies necessary to provide for the operation, care, upkeep and maintenance of all of the Common Property and services of the Association. Assessments will be charged to the Owners of each Lot according to the CHOA Covenants.

Make Assessments against Owners to defray the Common Expenses of the Association, establish the means and methods of collecting such Assessments from the Owners including reasonable discounts, late fees, interest, penalties, and other costs of the collection including attorneys' fees, and establish the period of the installment payment of the Assessment for Common Expenses.

Provide for the operation, care, upkeep and maintenance of all of the Property and services of the Association.

Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Property, provide services for the Property and, where appropriate,

provide for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties.

The hiring and/or removal of the Executive Director of the Association. Setting salary, benefits, reimbursements and determining duties and method of review and renewal.

Collect the Assessments against the Owners, deposit the proceeds thereof in bank depositories designated by the Board of Directors, and use the proceeds to carry out the administration of the Common Property.

Make and amend the Rules and Regulations applicable to Owners.

Open bank accounts on behalf of the Association and designate the signatories thereon.

Make, or contract for the making of, repairs, additions and improvements to or alterations of the Common Property, and for repairs to and restoration of the Common Property, in accordance with these Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

Enforce by legal means the provisions of the Act, the Declaration, these Bylaws and the Rules and Regulations and act on behalf of the Owners with respect to all matters as provided for in the Declaration, the Act, these Bylaws, and applicable law. The Board of Directors may determine whether to take enforcement action by exercising the Association's power to impose sanctions or commencing an action for a violation of the Act, Declaration, Bylaws, and rules, including whether to compromise any claim for unpaid Assessments or other claim made by or against it. The Board of Directors does not have a duty to take enforcement action if it determines that, under the facts and circumstances presented:

- (i) the Association's legal position does not justify taking any or further enforcement action;
- (ii) the covenant, restriction, or rule being enforced is or is likely to be construed as inconsistent with law;
- (iii) although a violation may exist or may have occurred, it is not so material as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (iv) it is not in the Association's best interests to pursue an enforcement action.

The Board of Directors' decision under this subsection not to pursue enforcement under one set of circumstances does not prevent the Board of Directors from taking enforcement action under another set of circumstances, but the Board of Directors may not be arbitrary or capricious in taking enforcement action.

Obtain and carry fidelity insurance and insurance against casualties and liabilities, as provided

in the Declaration, the Act and in these Bylaws, pay the premiums therefor and adjust and settle any claim thereunder.

Pay the cost of all authorized services rendered to the Association and not billed to Owners of individual Lots or otherwise provided for in these Bylaws.

Borrow money on behalf of the Association when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Property.

Do such other things and acts permitted by and not inconsistent with the Act, the Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Association, and exercise all other powers that may be exercised in this state by organizations of the same type as the Association.

Institute litigation or an arbitration, mediation, or administrative proceeding against any person, subject to and in accordance with the provisions of the Act, the Declaration, these Bylaws and other applicable law. The Board of Directors promptly shall provide notice to the Owners of any legal proceeding in which the Association is a party other than proceedings involving enforcement of rules or to recover unpaid Assessments or other sums due the Association.

The Board of Directors shall establish a reasonable method for Owners to communicate among themselves and with the Board of Directors on matters concerning the Association.

The Board of Directors may authorize any officer or officers, or agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

6.02 Number, Tenure and Qualifications. The number of directors of the Association shall be (9) nine individuals. Directors shall be elected to serve a term of three years. Each year three directors shall be elected to 3-year terms. Each director shall hold office until his death, resignation, removal, or until the annual meeting of the year in which his term shall expire and until the election and qualification of his successor. Each director shall be (i) an individual Owner or (ii) a partner, trustee, officer, director, member, or 25 percent equity owner of an entity Owner. The Past President shall serve as an advisory Director and be invited to all Board meetings, but shall not have a vote unless, due to absences or abstaining Directors, a vote ends in a deadlock, in which case the Past President may cast the deciding vote. A Past President cannot hold a director position simultaneously. If a Past President becomes a director, the Board can go back to subsequent past Presidents to fill the Past President position.

6.03 Vacancies on Board of Directors. Any vacancy occurring in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association may be filled by the affirmative vote of a majority of the remaining directors at a regular or special meeting of the Board of Directors. The appointed Director will serve until the next annual meeting and elections. A director appointed to fill the position of the "Past President" shall serve until there is a new "Past President". Any directorship to be filled by reason of the removal of a director by vote of the Association shall be filled by an election at an annual

meeting or at a special meeting of the Owners called for that purpose. A director may resign at any time and shall be deemed to have resigned when he or she ceases to be an Owner.

6.04 Removal of Directors. All or any number of the directors may be removed with or without cause at a meeting of the Owners expressly called for that purpose by a majority vote of Owners.

6.05 Regular Meetings of Board of Directors.

a. A regular meeting of the Board of Directors shall be held immediately after the annual meeting of Owners at a place determined by the Board of Directors. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings, but at least (4) four such meetings shall be held during each fiscal year.

b. Unless a schedule of regular meetings of the Board of Directors is provided to each director and to Owners, notice of each regular meeting of the Board of Directors shall be given to each director and to the Owners at least 10 days prior to the day of the meeting. The notice shall state the time, date, place, and agenda of the meeting.

6.06 Special Meetings of Board of Directors.

a. Special meetings of the Board of Directors may be called by the president.

b. Unless called to deal with an emergency, written notice of any special meeting shall be given to each director and to the Owners at least 10 days prior to the day of the meeting and shall state the time, date, place, and agenda of the meeting.

6.07 Quorum of Directors and Manner of Directors Acting. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

6.08 Action Without Meeting. The Board of Directors may act without a meeting to undertake ministerial actions or to implement actions previously taken at a meeting of the Board of Directors. Such acts shall be by consent of all Directors in writing or by electronic transmission and filed with the minutes of the proceedings of the Board of Directors not later than the next meeting of the Board of Directors.

6.09 Notice of Meetings of Board of Directors. Notice may be delivered personally, by United States mail to the mailing address designated by the Owner, or by electronic means, if the Owner has given the Association an electronic address. The ineffectiveness of a good faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

6.10 Open Meetings. Meetings of the Board of Directors and any committees authorized to act for the Board of Directors shall be open to Owners except during executive sessions as set forth

in section 6.12 below. The Board of Directors shall provide a reasonable opportunity for Owners to comment regarding any matter affecting the Community. The president may set limits on the length of time and frequency a person may speak.

If any materials are distributed to the Board of Directors before a meeting, the Board of Directors shall make copies of those materials reasonably available to Owners, except that the Board of Directors need not make available copies of unapproved minutes or material that are to be considered in executive session.

6.11. Meetings by Telephone, Video, or Other Conferencing Process. The Board of Directors may meet by telephone, video, or other conferencing process if:

- (i) The meeting notice states the conferencing process to be used and provides information explaining how Owners may participate in the conference directly or by meeting at a central location or conference connection; and
- (ii) The process provides all Owners the opportunity to hear or perceive the discussion and to comment as provided in section 6.10 of these Bylaws.

6.12. Executive Session. Executive sessions may only be held during a meeting of the Board of Directors. No final vote or action may be taken during an executive session. An executive session may be held only to:

- (i) consult with the Association's attorney concerning legal matters;
- (ii) discuss existing or potential litigation or mediation, arbitration, or administrative proceedings;
- (iii) discuss labor or personnel matters;
- (iv) discuss contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the Association at a disadvantage; or
- (v) prevent public knowledge of the matter to be discussed if the executive board or committee determines that public knowledge would violate the privacy of any person.

6.13. Executive and Other Committees. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may, from time to time, designate from among its members an executive committee or other committees which, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors, except as otherwise provided by statute.

6.14. Compensation of Directors. The Directors shall serve without compensation. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE VII ELECTION OF DIRECTORS; ELECTION COMMITTEE; NOMINATION BY OWNERS

7.01. Election of Directors. Election to the Board of Directors shall be by written ballot at the annual meeting or at a special meeting called for that purpose as hereinafter provided. At such election, the Owners, or their proxies may cast as many votes as there are vacancies to be filled. The names receiving the largest number of votes shall be elected.

7.02. Election Committee. Election Committee shall solicit potential candidates and facilitate the gathering of information from all eligible candidates. Such candidate information will be put into the annual meeting information packet sent to the membership. The Board of Directors will determine the process and timeline.

7.03. Written Ballots.

a. All elections to the Board of Directors shall be made on written ballots which shall describe the vacancies to be filled and set forth the names of those nominated by the Nominating Committee or by petition of Owners for such vacancies. Ballots shall be prepared and mailed to the Owners at least 21 days in advance of the date set forth therein for a return, which shall be a date not later than the day before the annual meeting or special meeting called for elections.

b. Owners shall receive one ballot for each Lot owned marked with the number of votes allowed. Owners shall indicate their preference on the ballot for each vacancy shown thereon. Votes may be cast either for nominated candidates or for any other Owner. For purposes of this section 7.04 the term "Lot" does not include "Deed Restricted Lot".

c. The completed ballot shall be returned, if the Owner does not plan to attend the meeting, by mail in an inner sealed envelope marked "Ballot" but not marked in any other way. The outer mailing envelope must clearly bear the name of the Owner and Lot and shall be sent to: Chimney Hill Owners Association, Inc., PO Box #415, Wilmington, Vermont 05363.

d. All properly returned ballots shall be placed in a safe or other locked place until the day set for the annual or other meeting at which the elections are to be held. On that day, the envelopes shall be turned over, unopened, to the Election Committee.

e. Members who attend the annual meeting may mark and present their

ballots at that time. Ballots shall be handed to the Election Committee in a sealed envelope marked "Ballot".

7.04. **Nominations From the Floor.** New nominations shall be allowed from the floor in any election at any annual or special meeting.

7.05. **Election Committee.** An Election Committee will be appointed by the Board. The Election Committee shall maintain a checklist of ballot returns. Mailing envelopes of mailed returns shall be discarded as the Lot and Owner names are checked off. After all ballots, mailed or presented in person, have been checked off, the Election Committee may, at its own discretion, allow a substitute ballot to any Owner who claims to have received no ballot by mail, if the Owner is present and if his name has not already been checked off. The Election Committee shall satisfy itself that all proxies voted are valid. The Election Committee shall remove the ballots from the envelopes marked "Ballot", count and tally the votes, announce the results and prepare a written report for the minutes of the meeting.

ARTICLE VIII OFFICERS

8.01. **General.** The officers of the Association shall be the President, Vice President-Treasurer, and Vice President-Secretary, each of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. The Board of Directors may appoint such other officers as in its judgment may be necessary. With the Board's approval, the President may delegate some of the forgoing responsibilities to the Association's property manager, accountant, or other service provider. With the Board's approval, an Officer may delegate some of their responsibilities to the Association's property manager, accountant, or other service provider.

8.02. **Election of Term of Officers.** The officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Owners. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be had. Each officer shall hold office until his successor shall have been duly elected and qualified, or until his earlier death, resignation or removal.

8.03. **Removal.** Any officer elected by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Such Director will still be a member of the Board of Directors.

8.04. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors. The appointed Director will serve until the next annual meeting and elections.

8.05. **President.** The President shall be the Chief Executive Officer and shall preside at all meetings of the Owners and of the Board of Directors and all other meetings of the Association. The President shall see that orders and resolutions of the Board of Directors are carried out, and shall sign all notes, checks, leases, mortgages, deeds, contracts and all other written instruments. The President shall be ex officio a member of all standing committees, and shall perform all duties

incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President is designated as the Officer with the power to prepare, execute, certify, and record amendments to the Declaration on behalf of the Association. With the Board's approval, the President may delegate some of the forgoing responsibilities to other Directors, the Association's property manager, accountant, or other service provider.

The immediate Past-President shall be a member of the Board of Directors until a new Past-President will have taken up that office.

8.06. Vice President-Treasurer.

a. The Vice President-Treasurer shall perform all the duties of the President in the absence of the President.

b. The Vice President-Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that resolution of the Board of Directors shall not be necessary for disbursements made in the course of business conducted within the limits of the budget adopted by the Board of Directors. The Vice President-Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President. The Vice President-Treasurer shall perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her (or they) by the president or by the Board of Directors. The Vice President-Treasurer shall keep or cause to be kept proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the end of each fiscal year. He/she (or they) shall prepare an annual budget and an annual balance sheet statement, and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

c. With the Board's approval, the Vice President-Treasurer may delegate some of the forgoing responsibilities to other Directors, the Association's property manager, accountant, or other service provider.

8.07. Vice President-Secretary. The Vice President-Secretary shall:

a. Keep the records and minutes of the meetings of Owners and the Board of Directors in one or more books provided for that purpose and wherein resolutions shall be recorded; and

b. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and

c. Shall record in a book kept for that purpose the names of all Members of the Association, together with their addresses as registered by such members; and

d. In general perform all the duties incident to the office of Secretary and such other

duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

8.08. Compensation. The officers shall serve without compensation. However, any officer may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE IX LIABILITY AND INDEMNIFICATION

9.01. The Directors and officers of the Association shall not be liable to the Association or to any Owner for any mistake of judgment, negligence or otherwise, or for any injury or damage caused by such Director and officer in the performance of his or her duties unless due to willful misconduct. To the fullest extent permitted by law, the Association shall indemnify and hold harmless its officers and Directors against all expenses and liabilities arising out of their service on behalf of the Association, unless due to the willful misfeasance or bad faith of such Officers and Directors. The Association shall procure and maintain casualty, commercial general liability, and officers' and directors' insurance with respect to its property, activities, officers and Directors.

ARTICLE X COMMITTEES

10.01. Standing Committees. The standing committees of the Association shall be:

- a. Operations
 - Sub Committees
 - Architectural Control
 - Landscape
 - Maintenance
- b. Management
 - Sub Committee
 - Management Review
- c. Financial/Legal
 - Sub Committees
 - Budget/Tax
 - Legal
 - Rental
 - Chimney Hill Realty
- d. Administrative

Sub Committees
Long Range Planning
Elections

- e. Community Affairs
 - Sub Committees
 - Clubhouse and Events
 - Communications / Public Relations

The Board of Directors may appoint or remove such other Sub Committees as deemed necessary or desirable to further the goals and objectives of the Association.

ARTICLE XI DEED RESTRICTED LOT PROGRAM

11.01. Deed Restricted Lot Program. In order to maintain and increase open spaces for the Chimney Hill Owners Association, Inc.; to allow equitable relief for Owners, current or future, who require more than one Lot to construct a home; to control the maximum build-out within the Association; and to facilitate the sale of Lots on a fair and equitable bases there by increasing assessment revenue of the Association, the following Deed Restricted Lot Program is adopted.

In order to qualify for the Deed Restricted Lot program, a Lot must be undeveloped and merged with an adjacent Lot by deed which contains a restriction that only one single family dwelling may be built on the merged parcel and that the merged parcel may not be un-merged or subdivided. The deed restriction shall run with land and be recorded in the Town of Wilmington Land Records. Lots eligible for the program must be adjacent to or across the road from each other. All costs associated with document preparation and recording shall be borne by the Owner. A Deed Restricted Lot shall not receive water service from the Association.

Lots within the program shall be assessed as follows:

- a. Lots improved by a habitable dwelling shall be fully assessed;
- b. A Deed Restricted Lot shall be assessed a one-time program fee, as determined by the Board of Directors, with subsequent annual assessments being at the rate of fifteen percent of the full assessment rate thereafter.

The Association may establish such regulations or guidelines as it deems appropriate to administer the Deed Restricted Lot Program.

ARTICLE XII BOOKS AND RECORDS

12.01. Records That Must be Maintained. The Association shall maintain and retain books and records in accordance with Title 27A section 3-118 as amended from time to time.

- (a) The Association shall retain the following:
 - (i) detailed records of receipts and expenditures affecting the operation and administration of the Association and other appropriate accounting records;
 - (ii) minutes of all meetings the Association and Board of Directors other than executive sessions, a record of all actions taken by the Owners or Board of Directors without a meeting, and a record of all actions taken by a committee in place of the Board of Directors on behalf of the Association;
 - (iii) the names of Owners in a form that permits preparation of a list of the names of all Owners and the addresses at which the Association communicates with them, in alphabetical order showing the number of votes each owner is entitled to cast;
 - (iv) its original or restated Declaration, Bylaws, Rules and all amendments to them, and all rules currently in effect;
 - (v) all financial statements and tax returns of the Association for the past seven (7) years;
 - (vi) a list of the names and addresses of its current Directors and Officers;
 - (vii) its most recent annual report delivered to the Secretary of State;
 - (viii) financial and other records sufficiently detailed to enable the Association to comply with Section 4-109 of the Act, that governs information that must be provided to an Owner that is selling a Lot;
 - (ix) copies of current contracts to which it is a party;
 - (x) records of Board of Directors or committee actions to approve or deny any requests for design or architectural approval from Owners; and
 - (xi) ballots, proxies, and other records related to voting by Owners for one year after the election, action, or vote to which they relate.
- (b) Subject to subsections (c) and (d) of this Section, all records retained by the Association must be available for examination and copying by an Owner or the Owner's authorized agent:

- (i) during reasonable business hours or at a mutually convenient time and location; and
 - (ii) upon five (5) days' notice in a request reasonably identifying the specific records of the Association requested.
- (c) Records retained by the Association may be withheld from inspection and copying to the extent that they concern:
 - (i) personnel, salary, and medical records relating to specific individuals;
 - (ii) contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated;
 - (iii) existing or potential litigation or mediation, arbitration, or administrative proceedings;
 - (iv) existing or potential matters involving federal, state, or local administrative or other formal proceedings before a governmental tribunal for enforcement of the Declaration, Bylaws, or Rules;
 - (v) communications with the Association's attorney which are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
 - (vi) information the disclosure of which would violate law other than the Act;
 - (vii) records of an executive session of the Board of Directors; or
 - (viii) individual Owner files other than those of the requesting Owner.
- (d) The Association may charge a reasonable fee for providing copies of any records under this Section and for supervising the Owner's inspection.
- (e) A right to copy records under this Section includes the right to receive copies by photocopying or other means, including copies through an electronic transmission if available upon request by the Owner.
- (f) The Association is not obligated to compile or synthesize information.
- (g) Information provided pursuant to this Section may not be used for commercial purposes.

**ARTICLE XIII
AMENDMENTS**

13.01. Amendment. These Bylaws may be amended by the vote of a majority of the of Owners.

Executed to be effective as of May 27, 2023.

Chimney Hill Owners Association, Inc.

By Paul L. DiPietro
Its President

STATE OF VERMONT
COUNTY OF WINDHAM

On this 27 of MAY, 2023, before me, personally appeared PAUL DIPIETRO, President of Chimney Hill Owners Association, Inc. and he acknowledged this instrument, by him/her sealed and subscribed to be his/her free act and deed, and the free act and deed of Chimney Hill Owners Association, Inc.

John E. Dore
Notary Public
My Commission Expires: 1-31-2025
#157.0000484

OFFICER'S CERTIFICATE

On this 27 day of MAY, 2023, PAUL DIPIETRO, President and Kristen Wenger Vice President-Secretary of the Board of Directors of the Chimney Hill Owners Association, Inc. hereby certify that the foregoing Amended and Restated Bylaws of Chimney Hill Owners Association, Inc. was duly adopted by the Association and that a majority of a quorum of Owners have voted in favor of this amendment pursuant to Article XVI of the original bylaws.

Kristen Wenger
VP-Secretary

**FIRST AMENDMENT TO THE AMENDED AND RESTATED
BYLAWS OF
CHIMNEY HILL OWNERS ASSOCIATION, INC.**

This First Amendment to the Amended and Restated Bylaws of the Chimney Hill Owners Association, Inc. (the "Association"). was approved by a majority vote of the Association Members at a meeting held on 9/19/ 2026.

RECITALS

A. The Amended and Restated Bylaws of the Chimney Hill Owners Association were adopted on May 27, 2023; and

B. Pursuant to Section 13.01 of the Bylaws, the Association desires to amend the Bylaws as set forth herein.

AMENDMENT

In consideration of the foregoing, the Association hereby amends the Amended and Restated Bylaws as follows:

1. Electronic Voting. Section 5.07 shall be added to the Amended and Restated Bylaws.

5.07 Electronic Voting. The Board may direct that any vote provided for in the Bylaws may be done by way of electronic voting. If the Board so elects, it will notify the Members and provide a deadline for any nominations, as nominations from the floor will not be possible if voting electronically.

2. Effect of Amendment. Except as amended hereby, the Amended and Restated Bylaws shall continue in full force and effect. In the event of a conflict between the provisions of this Amendment and the provisions of the Amended and Restated Bylaws, the provisions of this Amendment shall control.

Chimney Hill Owners Assoc., Inc.

By: Keri Comeau
Name: Keri Comeau
Title: President