

RUM RIDGE ASSOCIATION
BY-LAWS

Article 1

Definitions

Section 1. "Association" shall mean and refer to the Rum Ridge Association, a non-stock, non-profit corporation organized and existing under the laws of the State of Maine.

Section 2. SKYLARK shall mean and refer to SKYLARK, INC., its successors and assigns, a Maine corporation, having a place of business in Waterville, Maine.

Section 3. "Declaration" shall mean and refer to the Declaration of Protective Covenants for Rum Ridge at Lower Wilson Pond, which Declaration is dated August 3, 1972, and recorded in the Piscataquis County Registry of Deeds in Book 397, Page 401.

Section 4. "Lot" shall mean a unit of real property conveyed or leased by Skylark in a single instrument expressly made subject to the Declaration even though such unit includes more area than that designated as a single lot on any plot plan.

Article II

Location

Section 1. The principal office of the Association shall be located upon the Lot of the current President of the Association in Greenville Township, Piscataquis County, Maine.

Article III

Membership

Section 1. Every person or entity holding any title interest in any Lot shall be a member of the Association, provided that no one holding such interest merely as a security for the performance of an obligation shall be a member.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each person or entity holding any title interest in any Lot (other than merely as a security for an obligation) and becomes a lien upon the Lot owned by the delinquent Lot Owner as provided by Article 4 of the Declaration which provides as follows:

Article 4. Covenant for Maintenance Assessments

4.1 Each person or entity holding any title interest in any Lot (other than anyone holding such interest merely as a security for an obligation) is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges (to include any cost of winter and summer road and common facility maintenance); (2) special assessments, such assessments to be fixed, established and collected from time to time as hereinafter provided, or as established by a two-thirds (2/3) vote of all Members present and voting, in person or by proxy, at a duly called meeting of the Association. Any assessment levied against a Lot Owner is and shall constitute a personal debt of the Lot Owner or Lot Owners of the Lot against which the assessment is levied.

4.2 The assessment levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Members (including the enforcement of these Covenants and Restrictions) and in particular for the improvement and maintenance of rights of way, roadways, common areas and facilities, and other interests of the Association.

4.3 The annual assessment shall be Twenty and no/100 Dollars (\$20.00) per Lot. The annual assessment may be increased or decreased by a two-thirds (2/3) vote of all the Members present and voting, in person or by proxy, at a duly called meeting of the Association.

4.4 In addition to the annual assessments authorized by Section 4.3 of Article 4, the Association 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, unexpected repair or replacement of a described capital improvement, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of all voting Members who are voting in person or by proxy at a duly called meeting of the Association, 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.

4.5 If any person or entity obligated to pay any assessment levied by the Association fails to do so, the Association shall have a lien from and after the time a notice of such failure to pay is recorded in the Office of the Registry of Deeds of Piscataquis County, Maine, against the Lot owned by such person or entity and the improvements thereon, for the amount due and not paid, plus interest from the date payment was due at the rate of eight (8) per cent, per annum, plus all costs and expenses of collecting the unpaid amount, including reasonable attorneys' fees. The lien may be foreclosed by the Association in the manner of foreclosure of mortgages or deeds in trust in the State of Maine.

Section 3. The membership rights of any person or entity subject to assessments under Article III, Section 2, shall be automatically suspended during the period and so long as any assessment, regular or special, remains due and unpaid, but, upon payment of such assessments, his rights and privileges shall be automatically restored.

In the event that a member or the guest of a member violates any rule or regulation governing the use of any rights of way, roadways, common areas and facilities, and other interests of the Association, the Board of Directors of the Association may, in its sole discretion, suspend the member's privileges of membership for a period not to exceed thirty (30) days. For continued infractions, the Directors may suspend membership rights for successive thirty (30) day periods.

Suspension of membership rights shall automatically terminate the right of any Lot Owner to use the rights of way, roadways, common areas and facilities, and other interests of the Association.

Article IV

Voting Rights

Section 1. Members as defined in Section 1 of Article III shall be entitled to one vote for each Lot in which they hold the interest required for membership.

When more than one person or entity holds such interest or interests in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Nothing above shall be construed to prohibit the Association for making provisions for a special Class of Members.

Article V

Property Rights in Rights of Way, Common Areas and Other Interests

Section 1. Subject to the other provisions of these By-Laws and the Purposes of the Association, and further subject to any applicable restrictions and reservations contained in any deed to the Association, each Member shall be entitled to the use and enjoyment of the rights of way, roadways, common areas and facilities and other interests of the Association as provided by the Declaration.

Article VI

Association Purposes and Powers

Section 1. The Association has been organized for the following purposes:

- (1) To establish and maintain a social, educational, recreational and area protection and improvement program for the residents and land-owners of Rum Ridge at Lower Wilson Pond located in Greenville Township, Piscataquis County, Maine;
- (2) To encourage and assist in the passage of laws, ordinances, rules and regulations which will promote the safety, welfare and improvement and the preservation of the natural surroundings of said Rum Ridge area;
- (3) In addition to all powers granted the corporation by the laws of the State of Maine, the corporation shall have the following specific powers to the extent permitted by law:

To take and hold by devise, gift, purchase, lease or other transfer, any real and personal property, maintain all rights of way and easements, and to sell, convey, mortgage and dispose of any such property and to invest and reinvest the proceeds thereof in real and personal property of every class, type and description including, without limiting the generality of the foregoing, stocks, bonds and other securities, and to deal with and expend the income, principal, or both income and principal for any of the objects and purposes of the corporation in such manner as in the judgment of its Directors or duly delegated officers will best procure or accomplish such objects and purposes; and to enter into, make, perform and carry out contracts of every kind in connection with said corporate purposes; and to make donations for the public welfare or for charitable or educational purposes.

- (4) This Association is not organized, and shall not be conducted, for profit. In the event of dissolution, no part of the assets of the corporation shall inure to the benefit of any individual member, but the assets shall be used exclusively for the general health, safety and welfare of the community and the preservation of the natural surroundings in such manner as the Directors or Trustees may determine.

Article VII

Board of Directors

Section 1. The affairs of the Association shall be managed by a Board of five (5) Directors who need not be members of the corporation. The initial Board of Directors, other than those used for incorporation purposes, shall consist of five (5) Directors who are and who shall hold office until the election of their successors all as stated in Article XVII.

Section 2. Vacancies in the Board of Directors shall be filled by the majority of the remaining Directors, any such appointed Director to hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

Article VIII

Election of Directors

Section 1. Election of the Board of Directors shall be held at the annual meeting or any special meeting held in lieu thereof. At such election, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded covenants. The names receiving the largest number of votes shall be elected.

Article IX

Powers and Duties of the Board of Directors

Section 1. The Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth ($\frac{1}{4}$) of the voting membership, as provided in Article XII, Section 2.

(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity whatsoever.

(c) To establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2.

(d) To adopt and publish rules and regulations governing the use of the rights of way, roadways, common areas and facilities, and other interests of the Association and the personal conduct of the Members and their guests thereon.

(e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association.

(f) In the event that any Member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. 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 one-fourth ($\frac{1}{4}$) of the voting membership, as provided in Article XII, Section 2.

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

(c) As more fully provided in Article 4 of the Declaration of Protective Covenants applicable to the Lots.

(1) To fix the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and, at the same time;

(2) To prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member, and, at the same time;

(3) To send written notice of each assessment to every Lot Owner subject thereto.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

Article X

Directors' Meetings

Section 1. The Board of Directors shall meet at such time and place as it may determine.

Section 2. Meetings of the Board of Directors shall be held when called by any officer of the Association or by any two Directors after not less than three (3) days' notice to each Director.

Section 3. The majority of the Board of Directors shall constitute a quorum thereof.

Article XI

Officers

Section 1. The officers shall be a President, a Vice President, a Secretary, and a Treasurer. The President and the Vice President shall be members of the Board of Directors.

Section 2. The officers shall be chosen by majority vote of the Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign

all notes, checks, leases, mortgages, deeds, and all other written instruments.

Section 5. The Vice President shall perform all the duties of the President in his absence.

Section 6. The Secretary shall be ex officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall keep the records of the Association. He 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.

Section 7. The Treasurer shall receive and deposit in appropriate corporate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors which shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes which shall also be signed by the President or the Vice President.

Section 8. The Treasurer shall keep proper books of account of all financial transactions of the corporation. He 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.

Article XII

Meetings of Members

Section 1. The regular annual meeting of the Members shall be at such time and place as the Board of Directors may determine.

Section 2. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth ($\frac{1}{4}$) of all of the votes of the membership.

Section 3. Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to the Member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting regular or special shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided however, that if the business of any meeting shall involve covenants applicable to the Lots, notice of such meeting shall be given or sent as therein provided.

Section 4. Unless specific provision is made in these By-Laws or in the Declaration of Protective Covenants for Rum Ridge calling for a different assent of the voting Members as a whole, all matters coming before the membership at the annual meeting or at special meetings shall be carried by the assent of a majority of the votes of all voting Members who are voting in person or by proxy.

Unless specific provision is made in these By-Laws or in the Declaration of Protective Covenants for Rum Ridge calling for a different quorum on special matters of the membership as a whole or by class, the presence at any meeting of Members entitled to cast, or of proxies entitled to cast, one third ($\frac{1}{3}$) of the total votes of the membership shall constitute a quorum for any action governed by these By-Laws.

The act of said such majority of Members present at any legal meeting at which a quorum is present shall constitute an act of the corporation.

Article XIII

Proxies

Section 1. At all corporate meetings of Members, each Member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the Member of his Lot.

Article XIV

Books and Papers

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Members.

Article XV

Corporate Seal

Section 1. The Association shall have a seal in circular form having within its circumference the words: Rum Ridge.

Article XVI

Amendments

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of all the voting Members present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Certificate of Incorporation of this Association may not be amended except as provided in the Certificate of Organization or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the covenants and restrictions applicable may not be amended except as provided in such covenants and restrictions; and provided further that Section 3 of Article III dealing with suspension of rights may not be amended.

Section 2. In the case of any conflict between the Certificate of Organization and these By-Laws, the Certificate shall control; and in the case of any conflict between the covenants and restrictions applicable and these By-Laws, the covenants and restrictions shall control.

August 14, 1976

ADDENDUM TO:

RUM RIDGE ASSOCIATION BY-LAWS

At the annual meeting of this date, it was proposed, seconded, and passed by a majority vote that a change in Article VII, Board of Directors, Section 1, be altered to read as follows:

Section 1. The affairs of the Association shall be managed by a Board of seven (7) Directors who need not be members of the corporation. The initial Board of Directors, other than those used for incorporation purposes, shall consist of seven (7) Directors who are and who shall hold office until the election of their successors all as stated in Article VIII.