

**THE ANDOVER LAKE PROPERTY OWNERS' ASSOCIATION. INCORPORATED**

**BY-LAWS**

**ARTICLE I**

**NAME**

The name of the corporation is The Andover Lake Property Owners' Association, Incorporated.

**ARTICLE II**

**ACTIVITIES AND OBJECTIVES**

The activities or purposes of the corporation are to engage in any lawful act or activity permitted under the Connecticut Revised Nonstock Corporation Act (the "Act") and which promotes social welfare, the common good, and the general welfare of the community so that the corporation may qualify for exemption from taxation under §501 (c)(4) of the Internal Revenue Code of 1986, as the same may be amended and in force from time to time (the "Code"). More specifically, the mission of the corporation is to promote the social welfare and common good of the community of Andover, Connecticut and the owners of real estate in the vicinity of Andover Lake.

**ARTICLE III**

**MEMBERSHIP**

**Classes of Members.** The corporation shall be a membership corporation and shall have three classes of members. The designation of such classes and the qualifications of the members of such classes shall be as follows:

a) **Regular Members.** Persons who individually or collectively own an equity interest in real estate in the vicinity of Andover Lake as defined from time to time by the board of directors of the corporation , who signed the application for membership, shall become a Regular Member upon acceptance of his or her application.

b) **Associate Members.** Any person who is a legal resident of the town of Andover,

Connecticut who signed the application for membership, shall become an Associate Member upon acceptance of his or her application.

c) **Out-of-Town Members.** Any person who is not a legal resident of the town of Andover, Connecticut, who signed the application for membership shall become an Out-of-Town Member upon acceptance of his or her application. The percentage of members who may be Out-of-Town Members shall be determined by the board of directors from time to time.

**Section 2. Acceptance for Membership.** Application and approval for membership for each class of members shall be by procedures approved by the board of directors. Membership for any individual shall be for a single house listed on the application. Anyone owning multiple houses requires a separate membership for each house.

**Section 3. Voting Rights.** Each Regular Member shall have one (1) vote on each matter submitted to a vote of the Regular Members, and all other rights and privileges to which a member in a Connecticut nonstock corporation shall be entitled under the Act. Regular Members shall not be entitled to vote by proxy, except Regular Members may designate an adult representative from such member's household to attend the meeting and vote in his or her place if such member is absent from a meeting calling for a member's vote.

**Section 4. Privileges.** All persons regularly residing in any member's household shall be entitled to all the benefits of the member established by the corporation, including the right to use, in common with others, the lake, dam, beach islands and rights of way owned by The Andover Lake Management Association, Incorporated ("ALMA"), so long as such member remains in good standing.

**Section 5. Termination; Default; Resignation, Reinstatement of Membership.**

(a) **Eligibility.** The membership of any Regular Member who ceases to own an equity interest in real estate in the vicinity of Andover Lake shall be converted to an Associate Member or an Out of Town Member (as applicable) for the balance of the applicable year.

(b) **Default.** The membership of a member in any class who is delinquent in the payment of dues, assessments, or any other charges or indebtedness to the corporation for a period of ninety (90) days from the beginning of the period for which such dues, assessment or other charges or indebtedness became payable shall be terminated immediately.

(c) **Termination.** The membership of a member in any class may be terminated for cause upon the affirmative vote of a majority of the prescribed number of directorships. As used in these by-laws "cause" shall include, but is not limited to: (i) abuse of the member's right to use the lake, dam, beach, islands and rights of way owned by ALMA, (ii) vandalism or unruly behavior

in connection with the property owned by ALMA or (iii) failure to abide by the policies, rules and regulations established from time to time by the board of directors of the corporation or the board of directors of ALMA. Such member must receive (a) at least fourteen (14) days' written notice (i) specifying the time, date and place of the meeting of the board of directors at which the vote concerning termination of such member's membership is to be taken and (ii) describing the complaint(s) against such member and (b) the opportunity to be heard at the meeting of the board of directors at which the vote is to be taken.

(d) **Resignation.** Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

(e) **Reinstatement.** Upon written request of a former member to the Secretary, a former member may be reinstated upon payment of any dues, assessments or other charges or indebtedness owed to the corporation, and upon such other terms as the board of directors may deem appropriate.

## **ARTICLE IV**

### **DUES**

**Section 1. Annual Dues.** The corporation may levy dues and assessments against members in all classes. The amount of dues and/or assessments payable to the corporation by members in each class shall be determined by the board of directors and approved by the members at the annual meeting of the corporation.

**Section 2. Payment of Dues.** Dues and/or assessments shall be payable in advance on or before the fifteenth of May of each year.

**Section 3. Initiation Fee.** The amount of any initiation fee payable to the corporation by members in each class shall be determined by the board of directors and approved by the members at the annual meeting of the corporation. The board of directors may determine from time to time the terms and conditions of any such initiation fee.

## **ARTICLE V**

### **MEETINGS OF REGULAR MEMBERS**

**Section 1. Annual and Semi-Annual Meeting.** The annual meeting of Regular Members shall be held on the second Wednesday in October each year and the semi-annual meeting shall be held on the last Tuesday in June each year, provided, however, that if in any year the annual or semi-annual meeting is not, or cannot be, held on such date, then the annual or semi-annual

meeting may be called for any date or time before or after such date in the manner set forth below for calling special meetings. At least ten (10) days written notice of the annual meeting and the semi-annual meeting shall be given to each Regular Member specifying the time, date and place of the meeting. At each annual meeting, Regular Members shall elect the directors of the corporation for the ensuing year, and may bring up any other matters relating to the affairs of the corporation; provided, however, that none of the matters described in Section 14(b) of Article VI (together with the matters described in Section 14(a) of Article VI of these by-laws, the "Fundamental Matters") may be brought before the meeting unless specifically described in the written notice of the meeting.

**Section 2. Special Meetings.** Special meetings of Regular Members may be called by the president, and shall be called by the president upon the written request of twenty (20) Regular Members . If the president does not call the meeting within seven (7) days after receipt of the written request, Regular Members making the request may call the meeting. Notice may be given by the person calling the meeting. At least five (5) days oral or written notice of each special meeting stating the date, time and place of the meeting shall be given to each Regular Member. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called, and only those items included in the notice may be voted upon at the special meeting.

**Section 3. Quorum and Voting Requirements.** The Regular Members in attendance at a meeting shall constitute a quorum for the transaction of business; provided, however, that twenty (20) Regular Members shall constitute a quorum for a vote on any Fundamental Matter described in Section 14(b) of Article VI. The transaction of all business to come before the Regular Members shall require the vote of a majority of the Regular Members present at the meeting, except for those matters for which the vote of a greater proportion of the Regular Members may be required by the Act, the certificate of incorporation, or these bylaws.

## **ARTICLE VI** **DIRECTORS**

**Section 1. Membership; Eligibility.** The board of directors of the corporation shall be elected by the Regular Members of the corporation. The board of directors shall consist of persons who are interested in the purposes and objectives of the corporation, and whose skills or potential contributions are essential to carrying out the purpose and objectives of the corporation. Directors must be Regular Members in good standing of the corporation.

**Section 2. Number, Election, Term of Office, Staggered Terms.** The corporation shall operate under the management of its board of directors, which shall be elected by the Regular Members. There shall be no fewer than seven (7) nor more than thirteen (13) directorships on the board of

directors. The prescribed number of directorships within this range shall be that number fixed by resolution of the board of directors, or, if the board of directors does not fix the number, then the prescribed number shall be the number of directors serving at the time of the most recent annual meeting of the board of directors. No director shall be removed from office, or have his term of office shortened, because of a reduction in the prescribed number of directorships. Directors shall hold office for three (3) years and thereafter until their successors are properly elected and qualified. The board of directors shall consist of three classes of directors with each class containing approximately the same percentage of the total number of directors. The terms of office of the classes shall be staggered such that one class of directors shall be elected at the annual meeting of the corporation each year beginning with the 2001 annual meeting. Accordingly, of the directors elected at the 2001 annual meeting, the persons elected to fill the first class of directors shall serve for a term expiring at the 2002 annual meeting of the corporation; the persons elected to fill the second class of directors shall serve for a term expiring at the 2003 annual meeting of the corporation; and the persons elected to fill the third class of directors shall serve for a term expiring at the 2004 annual meeting of the corporation. At the 2002 annual meeting of the corporation, and at each annual meeting thereafter, the Regular Members shall elect for a term of three (3) years persons to fill the class of directors whose term is then expiring. Directors' terms of office shall begin on November 1 and expire on October 31.

**Section 3. Removal; Resignation; Number of Terms.** A director may be removed from office at any time with or without cause upon the affirmative vote of a majority of the prescribed number of directorships. Directors may be removed by judicial proceedings to the extent provided by the Act.

**Section 4. Vacancies.** Vacant directorships may be filled for the unexpired portion of the term by vote of the board of directors; *provided, however*, that notwithstanding the provisions of Section 9 of this Article VI, if the directors remaining in office constitute fewer than a quorum, then they may fill the vacancy by the affirmative vote of a majority of all of the directors remaining in office.

**Section 5. Annual Meeting.** The annual meeting of the board of directors shall be held each year on the second Wednesday in October; *provided, however*, that if in any year the annual meeting is not, or cannot be, held on such date, then the annual meeting may be called for any date or time before or after such date in the manner set forth below for calling special meetings. At least ten (10) days written notice of the annual meeting shall be given to each director on the board of directors specifying the time, date and place of the meeting. At each annual meeting, the board of directors shall elect the officers of the corporation for the ensuing year, and may bring up any other matters relating to the affairs of the corporation; *provided, however*, that none of the Fundamental Matters described in Section 14 of this Article VI may be brought before the

meeting unless specifically described in the written notice of the meeting.

**Section 6. Regular Meetings.** Regular meetings of the board of directors shall be held in each month during the months of April through November and whenever and wherever the board of directors may specify by resolution. Notice of the meetings need not be given; *provided, however*, that Fundamental Matters may not be brought before the regular meeting unless specifically described in a written notice of the meeting given at least ten (10) days before the meeting. If no resolution shall be in effect, regular meetings of the board of directors shall be called in the manner set forth below for calling special meetings of the board of directors.

**Section 7. Special Meetings.** Special meetings of the board of directors may be called by the president, and shall be called by the president upon the written request of two (2) directors. If the president does not call the meeting within seven (7) days after receipt of the written request, the directors making the request may call the meeting. Notice may be given by the person calling the meeting. At least five (5) days oral or written notice of each special meeting stating the date, time and place of the meeting shall be given to each director. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called, and only those items included in the notice may be voted upon at the special meeting.

**Section 8. Waiver of Notice.** A director may waive notice of any meeting required under these by-laws by a written instrument executed and filed with the secretary of the corporation either before or after the date and time specified in the notice. The secretary shall cause any such waiver to be filed with the minutes or corporate records. A director attending or participating in a meeting shall be deemed to have waived any required notice to him of the meeting, unless the director, at the beginning of the meeting or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to action taken at the meeting.

**Section 9. Quorum and Voting Requirements.** A majority of the prescribed number of directorships shall constitute a quorum for the transaction of business at any meeting of the board of directors. The affirmative vote of a majority of the prescribed number of directorships shall be required for action by the board of directors on any matter, except for those matters for which the vote of a greater proportion of the directorships is required by the Act, the certificate of incorporation, or these by-laws.

**Section 10. Powers.** The directors shall manage the property, activities and affairs of the corporation, subject to the terms of the certificate of incorporation, these bylaws and the Act.

**Section 11. Participation in Meeting by Teleconference or Similar Means.** A director may participate in a meeting of the board of directors by, or conduct the meeting through the use of, any means of communication by which all directors participating in the meeting may simultaneously hear one another during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

**Section 12. Transaction of Business Without Meeting.** Any action required or permitted to be taken at a board of directors meeting may be taken without a meeting if the action is taken by all of the members of the board of directors. The action shall be evidenced by one or more written consents describing the action taken, signed by each director, and included with the minutes or filed with the records of the corporation. Action taken by written consent is effective when the last director signs the consent, unless the consent specifies a different effective date.

**Section 13. Compensation of Directors.** The directors shall not receive a salary for their services as directors. By vote of the board of directors, the directors may be allowed compensation for expenses and fees for attendance at meetings of the board of directors and committees as set forth in the vote. Nothing in this section shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation for his services.

**Section 14. Fundamental Matters.** For purposes of these by-laws, (a) the Fundamental Matters which require specific notice and the affirmative vote of the majority of the prescribed number of directorships are the following: (i) the termination of a member under Section 5(c) of Article III and (ii) the removal of a director under Section 3 of Article VI, and (b) the Fundamental Matters which require specific notice, the affirmative vote of the majority of the prescribed number of directorships, and a quorum of twenty (20) Regular Members and the affirmative vote of two-thirds (2/3) of the Regular Members in attendance at the meeting at which the vote is taken are the following: (i) the dissolution and liquidation of the corporation under Section 2 of Article X, or sale, lease or exchange of any property owned by ALMA, (ii) the amendment of these by-laws under Section 1 of Article XI, and (iii) the amendment of the certificate of incorporation under Section 1 of Article XI.

**Section 15. Conflicts of Interest.** A director whose relationship with the corporation creates a conflict of interest or the appearance of a conflict of interest shall report the matter to the president or the executive director who shall be responsible for reporting the conflict to the board of directors. The director with the conflict shall recuse himself or herself from any deliberations of the board concerning the conflict or the matter which created the same.

## **ARTICLE VII** **COMMITTEES**

The board of directors may from time-to-time by resolution form such standing and ad hoc committees as it believes are necessary and prudent for the management of the business and affairs of the corporation. The standing and ad hoc committees shall have only those powers and that authority expressly set forth in these by-laws or in the resolution of the board of directors by which the committees are constituted, as the case may be. In no event may any committee exercise any powers or authority which, under the Act, may not be delegated to a

committee. All committees shall promptly report their actions to the full board of directors. The provisions set forth above in these by-laws regarding meetings, transaction of business without a meeting, teleconference meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors shall also apply to committees and their members.

## **ARTICLE VIII** **OFFICERS**

**Section 1. Titles, Election, and Duties.** The directors shall elect a president, vice president, secretary, and a treasurer, and may from time to time elect one or more other officers as they deem expedient. Any two or more offices may not be held by the same person. The duties of the officers of the corporation shall be the duties imposed by these by-laws and prescribed by the directors.

**Section 2. President** The president shall be the chief executive officer of the corporation. He shall preside at all meetings of the board of directors. The president shall be subject to the control of the board of directors.

**Section 3. Vice-President.** The vice-president, or, if there shall be more than one, the vice-presidents in the order of seniority or in any other order determined by the board of directors shall, in the absence or disability of the president, perform the duties and exercise the powers of the president.

**Section 4. Treasurer.** The treasurer shall be the chief financial officer of the corporation and shall keep the fiscal accounts of the corporation. The treasurer may endorse checks, notes, and other obligations for and on behalf of the corporation, and shall deposit the same and all monies and valuables in the name of and to the credit of the corporation in the banks and depositories the board of directors shall designate. All expenses in excess of One Thousand Dollars (\$1000.00) for any item not specifically provided for in corporation's current budget or any item which exceeds a budgeted expense by One Thousand Dollars (\$1000.00), shall be submitted to corporation's board of directors for approval prior to payment, except in an emergency, in which case the president or vice president, and one other officer may approve the emergency expenditure. The treasurer shall engage the service of an accountant licensed to practice in the State of Connecticut to review the corporation's internally compiled financial statements and present the accountant's report at the annual meeting of the Regular Members.

**Section 5. Assistant Treasurer.** The assistant treasurer, if any, shall assist the treasurer in the performance of the treasurer's duties and shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer.

**Section 6. Secretary.** The secretary shall keep the minutes of the meetings of directors, and shall authenticate records of the corporation, unless any of such duties are delegated to another

officer by the board of directors. The secretary shall give notice of meetings as required in these by-laws. The secretary shall have custody of the corporate seal and all books, records, and papers of the corporation, except those in the custody of any other person authorized to have custody and possession of books, records, and papers by a resolution of the board of directors.

**Section 7. Assistant Secretary.** The assistant secretary, if any, shall assist the secretary in the performance of the secretary's duties and shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary.

**Section 8. Term of Office.** Each of the officers shall serve for a term of one (1) year and thereafter until his or her successor is elected and qualified. One individual may not hold two offices at same time.

**Section 9. Removal; Vacancies.** Any officer may be removed by the board of directors at any time, with or without cause and with or without notice or a hearing. Vacancies among the officers shall be filled by the board of directors.

**ARTICLE IX**  
**FINANCIAL AND MISCELLANEOUS**  
**PROVISIONS**

**Section 1. Fiscal Year/Budget.** The corporation shall act on the basis of a fiscal year beginning on October 1 and ending on September 30.

**Section 2. Corporate Seal.** The corporate seal shall be a circular seal with the full name of the corporation set forth in the margin of the circle.

**Section 3. Procedure.** Roberts A Rules of Order - Revised shall govern the conduct of all meetings of members, the board of directors and of the committees thereof except as the same may be in conflict with the terms of the Act, these by-laws or the certificate of incorporation.

**Section 4. Indemnification and Reimbursement.** The corporation shall be bound by and comply with the provisions of Sections 33-1117(f) of the Act pertaining to mandatory indemnification of directors, and Section 33-1122(4) of the Act pertaining to mandatory indemnification of officers, employees and agents. The corporation shall indemnify its directors, officers, employees, and agents to the fullest extent permitted by law. In this regard, the board of directors may advance funds for the purpose of paying legal expenses in the defense of any claim for which indemnification may be available to the fullest extent permitted by law. The corporation may purchase and maintain insurance providing greater indemnification than that permitted by the Act on behalf of any individual who is or was a director, officer, employee, agent, or other representative of the corporation to the extent set forth in the policy of insurance.

**ARTICLE X**  
**DISTRIBUTION OF ASSETS**

**Section 1. Generally.** The corporation is nonprofit. The corporation shall not authorize or issue shares of stock or pay dividends. Except upon dissolution, none of the corporation's earnings, income, or assets shall be distributed to, or inure to the benefit of, its directors, officers, or to any private individual; *provided, however*, that the corporation may compensate reasonably its officers, directors or any private individual for services performed for the corporation; and provided further, that, the corporation may make distributions in furtherance of the purposes set forth in Article n above.

**Section 2. Dissolution and Liquidation.** The corporation may be dissolved and liquidated at any time by the requisite affirmative vote of the majority of the prescribed number of directorships and the affirmative vote of two-thirds (2/3) of the Regular Members in attendance at the meeting at which the vote is taken, at which a quorum of twenty (20) Regular Members is present and for which proper notice has been given. Upon liquidation, the assets remaining after payment of all liabilities shall be distributed by the board of directors in accordance with the Act.

**ARTICLE XI**  
**AMENDMENTS**

**Section 1. Certificate of Incorporation and By-laws.** Except as otherwise specified by the Act or the certificate of incorporation, new by-laws may be adopted, and the existing certificate of incorporation or these by-laws may be amended, restated or repealed by the requisite affirmative vote of the majority of the prescribed number of directorships and the affirmative vote of two-thirds (2/3) of the Regular Members in attendance at the meeting at which the vote is taken, at which a quorum of twenty (20) Regular Members is present and for which proper notice has been given, *provided, however*, that no change shall be made in the certificate of incorporation or these by-laws that will affect the exempt status of the corporation under Section 501(c)(4) of the Code.

**Record of Changes.** Whenever a by-law is amended or repealed or a new by-law is adopted, that action and the date on which it was taken shall be noted on the original bylaws in the appropriate place, or a new set of by-laws shall be prepared incorporating the changes.

**Sections. Inconsistencies with Certificate of Incorporation.** If any provisions of these by-laws shall be found to be inconsistent with any provisions of the certificate of incorporation, as presently existing or as amended, the certificate of incorporation shall be the controlling authority.

**IN WITNESS WHEREOF**, I, Shirley Stolzenbach, Secretary of The Andover Lake Property Owners' Association, Incorporated certify that the By-Laws herein have been duly adopted by the members of the corporation on October 11, 2006 at the annual membership meeting.

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Shirley Stolzenbach, Secretary