

BY-LAWS
OF
ROBINSON SPRINGS
PROPERTY OWNERS ASSOCIATION, INC.
(A Vermont nonprofit corporation)

Preliminary Statement

The By-laws of Robinson Springs Property Owners Association, Inc. (the "Association") were adopted by the Board of Directors of the Association on May 15, 1982. Certain amendments to the By-laws relating to administrative procedures of the Association were approved by vote of the members at their 1984 annual meeting. The By-laws are hereby restated in their entirety, consisting of the original By-laws adopted in 1982 and the amendments approved in 1984.

ARTICLE I

PURPOSE AND OFFICE

1.1 Purpose. Robinson Springs Property Owners Association, Inc. is a Vermont nonprofit corporation (referred to herein as the "Association") consisting of all owners of lots now or hereafter created in the residential real estate development known as Robinson Springs Properties situated on Edson Hill in Stowe, Vermont. The purpose of these By-laws is to provide for governance of the Association and to establish procedures formulated to preserve and promote the residential character and living conditions in the development for the common betterment, use, and enjoyment of all lot owners in the Association.

1.2 Office. The principal office of the Association shall be located in Stowe, Vermont or at such other place within the State of Vermont as may be designated by the Board of Directors.

ARTICLE II

MEMBERSHIP

2.1 Membership. Membership of the Association shall consist of all present and future owners of lots now or hereafter created in the Robinson Springs Properties development, being more particularly described as a 550-acre parcel of land on Edson Hill in Stowe, Vermont acquired by Robinson Springs Corporation by two Warranty Deeds from George F. Adams & Co., Inc. dated April 6, 1981 and recorded in Book 101 at Pages 241-242 and 243-244, respectively, of the Stowe Land Records (referred to herein as the "Property"). Each owner, whether one or more persons or entities, of fee simple title to a lot within the Property shall automatically become a member of the Association upon acceptance of a deed to such lot.

2.2 Duration and Termination of Membership. Membership in the Association shall be appurtenant to and may not be separated from ownership of a lot within the Property and shall continue so long as a member is the record owner of fee simple title to such lot. Conveyance or other cessation of ownership of a lot by a member shall automatically terminate membership in the Association.

2.3 Voting Rights. Members of the Association shall be entitled to vote at all membership meetings as follows:

(a) Voting Power. Ownership of each lot within the Property shall entitle the owner or owners thereof, singly or collectively as the case may be, to cast one vote on all matters coming before any regular or special membership meeting.

(b) Co-Owners. In the event two or more persons or entities own the fee simple title to any lot as co-owners, whether as tenants by the entirety, joint tenants, tenants in

common, or other manner of joint or common ownership, all such co-owners shall collectively be entitled to one vote. The vote for each such lot shall be cast by one of the co-owners as the co-owners shall among themselves determine. In the event the co-owners cannot agree on how to cast the one vote to which they are collectively entitled, then the power of such vote shall be divided among the co-owners according to their proportionate ownership interests in the lot they own and cast accordingly.

(c) Entity Ownership. In the event a corporation, partnership, association, or other such entity owns the fee simple title to any lot, then such entity shall appoint in writing a duly authorized agent to cast the vote to which such entity is entitled.

(d) Voting by Proxy. A member may vote either in person or by proxy executed in writing by the member. No proxy shall be valid after eleven months from its date, unless otherwise provided in the proxy.

2.4 Annual Meeting. The annual meeting of the members shall be held on the last Saturday in December of each year, or on such other date as the Board of Directors may designate as more opportune or beneficial for the members of the Association. The purpose of the annual meeting of members shall be to elect the Directors and to transact such other business as may properly come before the meeting.

2.5 Special Meetings. Special meetings of the members may be called at any time by the President or by a majority of the Directors and must be called by the President upon receipt of the written request of not less than twenty-five percent (25%) of the aggregate votes in the Association. Business transacted at any such special meeting shall be limited to those matters stated in the notice of such special meeting.

2.6 Notice of Meetings. Notice of the annual meeting of the members shall be delivered personally or by mail to each member not less than thirty nor more than fifty days before the date of such meeting. Notice of any special or other meetings of the members shall be delivered personally or by mail to each member not less than ten nor more than fifty days before the date of any such special or other meeting. The notice shall state the time, place, and purposes of the meeting. If mailed, the notice shall be directed to each member at his address as it appears on the records of the Association or at such other address provided in writing by a member to the Secretary of the Association.

2.7 Waiver of Notice. Whenever notice of any meeting is required to be given to any member under these By-laws or as otherwise required by law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

2.8 Quorum and Voting Requirements. At all meetings of the members, the presence in person or by proxy of members representing twenty-five percent (25%) or more of the aggregate votes in the Association shall constitute a quorum. All matters properly before any such meeting shall be decided by the affirmative vote of a majority of the votes cast by the members present in person or represented by proxy at such meeting, unless otherwise required by law.

2.9 Adjournment of Meetings. If any meeting of the members cannot be duly convened for lack of a quorum, the meeting may be adjourned by a majority of votes present in person or represented by proxy at such meeting from time to time until a quorum is present.

2.10 Place of Meetings. All meetings of the members shall be held at the principal office of the Association or at such

other suitable place within the Town of Stowe convenient to the members as may be designated by the Board of Directors.

2.11 Conduct of Meetings. The President shall preside over all meetings of the members, and the Secretary shall keep the minutes of all such meetings and shall record all business transacted thereat. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings.

ARTICLE III

BOARD OF DIRECTORS

3.1 Number and Qualifications. The business and affairs of the Association shall be governed by a Board of Directors composed of five persons, all of whom shall be members of the Association. All officers of a corporation or other entity that is the record owner of fee simple title to a lot shall be deemed to be members of the Association so as to qualify as a Director hereunder. The Directors shall act only as a Board, and individual Directors shall have no power as such.

3.2 Election and Term of Office. Directors shall be elected by the members at each annual meeting of members by a majority of the votes cast in person or by proxy at such meeting. The initial Board of Directors, consisting of those persons designated as such in the Articles of Association, held office until the first annual meeting of the members. At said first annual meeting, the members elected one Director to hold office for a term of one year, one Director to hold office for a term of two years, and one Director to hold office for a term of three years. The two additional Directors were each elected to serve for a term of two years. Hereafter, as the term of each Director expires, the members shall elect a successor to serve for a term of two years. A Director may succeed himself in office.

3.3 Powers and Duties. The Board of Directors is authorized and empowered to take all actions as are necessary or desirable to carry out its duties in governing the business and affairs of the Association. In addition to all general powers and authorizations conferred upon the Association by virtue of the Vermont Nonprofit Corporation Act or otherwise by law, the Board of Directors acting for and on behalf of the Association shall have the following specific powers:

(a) To adopt and amend from time to time Rules and Regulations governing activities within the Property for the common benefit, health, safety, and welfare of members of the Association;

(b) To employ and retain, and at its discretion to discharge and suspend, such attorneys, accountants, assistants, employees, and agents as it may choose from time to time, and to fix their respective salaries or compensation;

(c) To open savings, checking, and other accounts at banks and other depositories and to designate the signatories thereon, and to borrow money and incur liabilities under such terms and conditions as it shall determine;

(d) To purchase, acquire, receive, own, improve, use, and otherwise deal with real and personal property, or any interest therein, of every nature and description;

(e) to sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of any or all of such property;

(f) To make contracts, hire contractors, and arrange for the proper operation and management of the Property;

(g) To execute and deliver any check, draft, note, receipt, endorsement, release, or other document serving to bind and obligate the Association;

(h) To prepare annual budgets deemed necessary for operation of the Association, to determine annual and special assessments, and to establish the means and methods of collecting such assessments from members, all subject to and in accordance with the Declaration of Protective Covenants and Conditions imposed upon the Property and other provisions of these By-Laws, as the same may be amended from time to time; and

(i) To enforce by legal means all provisions of said Declaration and these By-laws, and to take all other lawful actions as are deemed by the Board of Directors to further the interests of the Association.

3.4 Regular Meetings. The Board of Directors shall conduct regular meetings at least twice a year, one of which such meetings shall immediately follow the annual meeting of the members and shall be for the purpose of electing officers and transacting such other business as may properly come before such meeting. Other regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors.

3.5 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President and shall be called by the President or Secretary upon request of any Director. Business transacted at any such special meeting shall be limited to those matters specified in the notice thereof, provided, however, that if all Directors are present at any such special meeting, any lawful business may be transacted regardless of specification in the notice.

3.6. Notice of Meetings. Notice of regular meetings of the Board of Directors shall be delivered personally or by mail to each Director not less than ten nor more than fifty days before the date of such regular meeting. Notice of any special meetings shall be given to each Director by mail, telegraph or telephone at least twenty-four hours before the date of such special meeting. All notices shall state or specify the purposes for which a meeting is being called and the business to be transacted thereat.

3.7 Waiver of Notice. Whenever notice of any meeting is required to be given to any Director under these By-laws or as otherwise required by law, a waiver thereof in writing signed by such Director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

3.8 Quorum and Voting Requirements. At all meetings of the Directors, a majority of the Directors shall constitute a quorum. All matters properly before any such meeting shall be decided by the affirmative vote of a majority of the votes cast by Directors present at such meeting, unless otherwise required by law.

3.9 Place of Meetings. All meetings of the Directors shall be held at the principal office of the Association or at such other suitable place within or without the State of Vermont as the Directors may designate.

3.10 Removal or Resignation. At any duly convened meeting of the members, any one or more of the Directors may be removed for any reason by the affirmative vote of a majority of the votes cast by the members present in person or represented by proxy at such meeting, and a successor may then and there be elected to fill the vacancy thus created for the balance of the unexpired term appertaining to such vacancy.

3.11 Vacancy. Any vacancy in the Board of Directors caused by any reason other than the removal of a Director by vote of the members shall be filled by vote of a majority of the remaining Directors, though less than a quorum thereof may exist at the time of such vote. Any Director so elected by the Board of Directors shall hold office for the balance of the unexpired term appertaining to such vacancy.

ARTICLE IV

OFFICERS

4.1 Number and Qualifications. The officers of the Association shall be the President, one or more Vice Presidents, Secretary, and Treasurer. Any two offices, except those of President and Secretary, may be held by the same person. All officers must be members of the Association.

4.2 Election and Term of Office. The officers shall be elected annually by a majority vote of the Board of Directors at the regular meeting of the Directors following the annual meeting of members. Each officer shall serve for a one-year term and shall continue in office until the next annual election of officers. An officer may succeed himself in office.

4.3 Officers. The principal officers of the Association are as follows:

(a) President. The President shall, when present, preside at all meetings of the members and of the Board of Directors. He shall have and exercise general supervision over the business and affairs of the Association, including but not limited to, execution of all documents and taking of all actions necessary or desirable to further the interests of the Association. As chief executive officer, the President

limited to, execution of all documents and taking of all actions necessary or desirable to further the interests of the Association. As chief executive officer, the President shall perform all duties incident to the office of President and shall have and exercise such additional powers and duties as may be assigned to him from time to time by the Board of Directors.

(b) Vice President. The Vice President shall perform the functions of the President in the event the President is absent or otherwise unable to serve. In addition, the Vice President shall perform such other duties as may be assigned to him from time to time by the President or the Board of Directors.

(c) Secretary. The Secretary shall have charge of all books and records pertaining to the organization and operation of the Association and shall be responsible for keeping and filing all reports, statements, and other documents required by law, except to the extent that the same are to be kept or filed by the Treasurer. The Secretary shall keep true and complete minutes of all meetings of the members and of the Board of Directors.

The Secretary shall keep an accurate and current record of the names and addresses of all members of the Association. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors in accordance with these By-laws or as otherwise required by law. In addition to these particular duties, the Secretary shall perform all other duties incident to the office of Secretary and shall have such other responsibilities as may be assigned to him from time to time by the President or the Board of Directors.

(d) Treasurer. The Treasurer shall have custody of and be responsible for all of the funds of the Association and shall keep accurate and complete records of all receipts, disbursements, and other financial transactions of the Association. The Treasurer shall deposit all receipts and other funds of the

Association in such banks or other depositories as are designated by the Board of Directors and shall disburse funds of the Association in such amounts and to such persons as may be ordered by the Board of Directors. He shall render to the Board of Directors upon their request, and at least annually, an accounting of all financial transactions of the Association and of its financial condition. In addition to these particular duties, the Treasurer shall perform all other duties incident to the office of Treasurer and shall have such other responsibilities as may be assigned to him from time to time by the President or Board of Directors.

4.4 Removal or Resignation. At any duly convened meeting of the Board of Directors, any officer may be removed for any reason by majority vote of the Directors, and a successor may then and there be elected to fill the vacancy thus created for the balance of the unexpired term appertaining to such vacancy.

An officer may resign at any time and shall be deemed to have resigned automatically upon sale, conveyance, or other cessation of ownership of the lot or lots owned by the officer.

4.5 Vacancy. In case any office of the Association becomes vacant for any reason, the Board of Directors may by majority vote elect a successor, who shall hold office for the balance of the term appertaining to such vacancy.

ARTICLE V

COMMON EXPENSES AND ASSESSMENTS

5.1 Authorization. The Board of Directors is authorized and empowered to fix, determine, and collect such annual and special assessments to be paid by the members as are necessary or desirable for operation of the Association, subject, however, to the conditions contained in these By-Laws and to the limitations

set forth in the Declaration of Protective Covenants and Conditions governing the Property. All assessments shall be used exclusively for the purposes of promoting the recreation, health, safety, and welfare of the members and of preserving and enhancing the residential character and living conditions of the Property for the common use and enjoyment of the members.

5.2 Annual Assessments. Annual assessments shall be based on a budget of the anticipated common expenses of the Association adopted by the Board of Directors each year after consideration of current costs and future needs of the Association. Said budget, which shall be adopted no later than the fifteenth day of November of each year, shall contain an estimate of the total amount required for operation of the Association and for provision of such services and facilities deemed necessary or desirable for the members for the ensuing calendar year. The budget may also include such reasonable amounts as the Board of Directors considers necessary to provide a general operating reserve and reserves for contingencies. On or before the next succeeding first day of December, the Board of Directors shall mail or cause to be mailed to each member a copy of the proposed budget which sets forth in a reasonably itemized manner the total amount of the estimated funds required from assessments for the ensuing calendar year. The amount of such estimated funds shall constitute the total annual assessment of the Association and shall be borne in equal shares by the members, each such share to be determined by dividing said total annual assessment by the number of lots existing within the Property at the time such annual assessments are levied against the members, as provided hereinafter.

5.3 Payment of Annual Assessments. The annual assessments determined by the Board of Directors shall be submitted to the members for consideration at the annual meeting of the members. Upon approval by a majority of votes entitled to be cast at such annual meeting, the annual assessments shall become binding upon

all members and shall become a charge upon each lot within the property to the extent of each lot's proportionate obligation for payment of the total annual assessment. Each member shall be obligated to pay the annual assessment attributable to the lot or lots such member owns in equal quarterly installments on or before the first day of January, April, July, and October of the year during which such annual assessment is in effect. In the event of transfer of ownership of a lot, the annual assessment attributable to such lot shall be pro-rated between the owners thereof.

5.4 Special Assessments. In addition to the annual assessments authorized hereinbefore, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair, or replacement of any capital improvement upon the property or the cost of any extraordinary expense not covered by the annual assessments. Any such special assessment shall require the approval of at least two-thirds of the votes entitled to be cast at a special meeting of the members called for the purpose of considering such special assessment, proper notice and quorum requirements as provided in these By-Laws having been satisfied.

5.5 Default in Payment of Assessments. Each assessment authorized under these By-Laws shall be the personal obligation of the member or members against whom the assessment is made. If any assessment is not paid when due, then such assessment shall become delinquent and immediately payable, together with interest thereon and costs of collection thereof as provided hereinafter, by such member or members. In addition, the amount of such assessment, together with interest and costs of collection, shall become a lien on the lot to which the delinquent assessment is attributable upon recordation of a notice of assessment by the Board of Directors. Said lien shall be a continuing lien on the lot running with the land and shall be binding upon the owner or

owners of such lot, and his or their heirs, personal representatives, and assigns.

If the delinquent assessment is not paid within thirty days after its due date, the assessment shall bear interest thereafter at the rate of eighteen percent (18%) per annum. The Board of Directors may thereupon institute legal action on behalf of the Association to collect the unpaid assessment, and there shall be added to the amount of such assessment all costs, including reasonable attorney's fees, of bringing and maintaining such action until the unpaid assessment, with interest and costs of collection as provided herein, is paid in full. Such legal action may be brought against the member or members personally obligated to pay the assessment, or to foreclose the lien against the lot in the manner provided under Vermont law for foreclosure of real property, together with a power of sale in connection therewith.

ARTICLE VI

ACTION BY MEMBERS OR DIRECTORS WITHOUT A MEETING

6.1 Action Without a Meeting. Any action required to be taken at a meeting of the members or the Board of Directors, or any other action which may be taken at any such meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, or all of the Directors, as the case may be. Such written consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Vermont Secretary of State or in any other document. Any such written consent shall be installed in the minute book of the Association.

ARTICLE VII

INDEMNIFICATION

7.1 Indemnification. The Association shall indemnify any member against all damages, costs, and expenses reasonably incurred by such member in connection with any action, suit, or proceeding in which such member is made a party by reason of such member being or having been an officer or Director of the Association, except in relation to matters wherein such member shall be finally adjudged liable for gross negligence or willful misconduct in the performance of his duties.

ARTICLE VIII

COMPENSATION AND EXPENSES

8.1 Prohibition Against Sharing in Association Income. No member, whether serving as an officer or Director of the Association or in such other similar capacity, shall receive at any time any of the earnings, income, or profit from the operations of the Association. This prohibition shall not, however, preclude payment of reasonable compensation for services performed for the Association in effecting any of its purposes or reimbursement of expenses actually incurred in connection therewith, nor shall this prohibition have any effect on the distribution of assets of the Association to the members in the event of dissolution of the Association.

ARTICLE IX

AMENDMENT

9.1 Amendment Procedure. The provisions of these By-laws may be amended, added to, or repealed in whole or in part at any meeting of the members by the affirmative vote of two-thirds of

Attest,

Alan Thorndike
Alan Thorndike
Secretary