

## **APPENDIX C**

### **AMENDED AND RESTATED BYLAWS**

**of**

### **COTTAGES AT SPRUCE WOODS CONDOMINIUM ASSOCIATION**

**Durham, NH**

## **ARTICLE I**

### **GENERAL**

1. The Association. Cottages at Spruce Woods Condominium Association ("the Association") is a condominium association formed for the purpose of maintaining and/or improving the Common Area, governing its use, and in general administering and enforcing the Declaration, these Bylaws, and the Rules promulgated pursuant thereto.

2. Members. An owner of record of a Unit ("Unit Owner" or "Owner") shall automatically become a member of the Association, and the membership of a Unit Owner shall terminate when he ceases to be a Unit Owner, with such membership automatically transferred to such member's successor in interest. All present and future Unit Owners, mortgagees, lessees and occupants of Units, their employees, all associate members and any other person(s) who may use the Common Area in any manner, are subject to these Bylaws, the Declaration, and the Rules and Regulations. As referenced herein, the acceptance of a deed, and/or the conveyance, letting, use or occupancy of a Unit, shall constitute an agreement that the Owner, mortgagee, lessee, guest and/or occupant of any Unit shall abide by these Bylaws, the Declaration, and the Rules and Regulations, as any or all may be amended from time to time.

3. Purpose. The administration of the Condominium shall be governed by these Bylaws which are annexed to the Amended Declaration of Cottages at Spruce Woods Condominium Association and are made a part hereof, and all present and future holders of any interest in the Condominium shall be members of Cottages at Spruce Woods Condominium Association which is a "condominium management association" organized and operated to provide for the acquisition, construction, management, maintenance and care of "association property" as those terms are defined in Section 528 of the Internal Revenue Code as such may be amended or replaced from time to time. No part of the net earnings of said Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of Association property and other than by a

rebate of excess assessments) to the benefit of any Unit Owner.

4. Bylaws Applicability. The provisions of these Bylaws are applicable to the Property and the use, occupancy, sale, lease or other transfer thereof. All present and future Owners, present and future tenants, their guests, licensees, servants, agents, employees and any other person(s) or occupant(s) who shall use the facilities of the Condominium shall be subject to these Bylaws and to the Rules and Regulations of the Condominium. The acceptance of a deed of conveyance or the entering into a lease or the act of occupancy of a Unit or any other portion of the Condominium shall constitute an acknowledgment that such Owner, tenant or occupant has accepted and ratified these Bylaws, the provisions of the Declaration and the Rules and Regulations and will comply with them.

5. Office. The offices of the Condominium and of the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors.

## **ARTICLE II**

### **UNIT OWNERS' ASSOCIATION**

1. Composition. All of the Unit Owners, by and through the Board of Directors, except where otherwise indicated, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the "Cottages at Spruce Woods Condominium Association" or the "Unit Owners' Association" or the "Association", which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium and performing all of the acts that may be required for the Condominium and performing all of the acts that may be required to be performed by the Association by the Condominium Act. Except as to those matters which the Act, the Declaration or these Bylaws specifically require to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board of the Directors (as more particularly set forth in Article III herein).

2. Voting. Each Unit shall be entitled to one undivided vote on all Association matters. All votes shall be weighted equally. Except as otherwise noted in the Declaration and these Bylaws a majority of votes shall mean more than 50% of the Units that are entitled to vote on any given matter. As applied to a person who is not a natural person, such as a Trust or a corporation, the word "person" shall be deemed for the purposes of this section to be the designated representative of any such entity. Since a Unit Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the votes pertaining to that

Unit. But if more than one of such persons is present, the vote appertaining to that Unit shall be cast only in accordance with the agreement of a majority of them and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. Where multiple owners of a Unit cannot agree to cast their Unit vote unanimously (in the case where there are an even number of unit owners present either in person or by valid proxy) or cannot agree to cast their Unit vote in accordance with the agreement of a majority of them (in the case where there are an odd number of unit owners present either in person or by valid proxy), then no vote shall be cast for that Unit. Unless specifically directed otherwise in these Bylaws or the Declaration, the vote either in person or by proxy of more than fifty percent (50%) of the eligible Units shall be binding upon all Unit Owners. As applied to a person who is not a natural person, the word "person" shall be deemed for the purposes of this section to be any natural person having authority to execute deeds on behalf of any person, excluding natural persons, which is, either alone or in conjunction with another person or persons, a Unit Owner.

Voting may be conducted by mail, postal or email, without a meeting, including by ballot pursuant to the terms of RSA 356-B: 39-a as amended from time to time.

Any voting conducted at an Association meeting, Annual or Special, or via ballot may be held open for a period of time of up to sixty (60) days from the date of the meeting or the start of the voting by ballot, after which time if insufficient votes have been acquired, either in person, in writing or by proxy, the vote shall fail, but may be re-presented at any subsequent Association meeting.

3. Place of Meeting. Meetings of the Association shall be held at the principal office of the Condominium or at such other suitable place as may be designated by the Board of Directors and stated in the notice of meeting.

4. Annual Meeting. The Annual Meeting of the Association shall be held on a date to be determined by the Board of Directors, which date, if at all practicable, shall be within sixty (60) days, before or after, of the end of Association's fiscal year. At such Annual Meetings the Owners may transact any business as may properly come before them at such meetings.

5. Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by the Owners of at least twenty-five percent (25%) of the Units. The notice of any Special Meeting shall state the time and place of such meeting and the purpose(s) thereof. If such notice, to include the time, date, place and purpose of said meeting, is not given within ten (10) days after delivery of a written request to call the meeting, the Owner(s) requesting the meeting may fix the time, date

and place of the meeting and give notice to all other Owners. No business shall be transacted at a Special Meeting except as stated in the notice.

6. Notice of Meeting. Notice of Association meetings shall be in accord with the provisions of the Condominium Act, as amended from time to time. The Notice shall state the purpose thereof, as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Units or at such other address as each Owner may have designated by notice in writing to the Secretary.

Notice of the time, place and purpose(s) of any meeting of the members of the Association may be waived in writing by any members of the Association, either before or after the holding of such meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at such meeting without protesting, either prior to or at the commencement of the meeting, the lack of proper notice, shall be a waiver of notice of such meeting.

7. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any Annual Meeting or at any special meeting of the Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Condominium Unit by the Board of Directors as hereinafter provided, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and against his Condominium Unit, at least three (3) days prior to the date fixed for such annual or special meeting. Nothing herein will deny a delinquent Owner from otherwise participating in the meeting.

8. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies in accordance with the provisions of Section 39 IV of the Condominium Act, and as amended. Proxies may be used to establish a quorum. No such proxy shall be revocable except by actual notice to the person presiding over the meeting, by the Unit Owner, that it be revoked. Revocation shall not affect any vote or act previously taken or authorized. The appearance of a Unit Owner at any Association or Special Meeting shall void any proxy previously signed by the Owner. Proxies shall not be allowed for Board meetings.

9. Quorum. A quorum shall be established only if the Owners of at least twenty-five percent (25%) of the Units appear in person or by proxy at any such Association meeting. If a Unit is owned by more than one person, the appearance by any Owner thereof shall be sufficient to meet the requirement that a Unit Owner from each Unit appear in order for a quorum to exist. Regardless of whether an Owner is entitled to vote pursuant to Paragraph 7 herein, the Unit Owner's presence shall be counted for purposes of establishing a quorum. Proxies may be used to establish a quorum.

10. Order of Business. The order of business at all meetings of the Association shall be as follows, unless otherwise changed by the Board of Directors: (a) roll call, (b) recitation of proof of notice of meeting, (c) acceptance of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) reports of committees; (g) election of Directors, if applicable; (h) unfinished business; and (i) new business, any of which may be waived.

11. Conduct of Meeting. The President, or his designate, shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a record book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat. In the discretion of the Board of Directors, Roberts Rules of Order shall govern the conduct of all or any portion of meetings of the Association when not in conflict with the Declaration, these Bylaws or the Condominium Act.

Owners may attend by telephone, video, or other conferencing process so long as the technology at any place where a meeting occurs allows for same and the Board, in its sole discretion, determines that the cost to make such technology available is appropriate and within the operating budget.

### **ARTICLE III**

#### **BOARD OF DIRECTORS**

1. Powers and Responsibilities. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes herein referred to as the "Board") which shall have all of the powers and responsibilities necessary for the administration of the affairs of the Condominium, including the health, safety and welfare of the owners and occupants of Cottages at Spruce Woods, and may do all such acts and things as are not by the Condominium Act, the Declaration or by these Bylaws directed to be exercised and done exclusively by the Association toward these ends, including waiving or enforcing any provision of the Declaration, Bylaws and/or Rules and Regulations as amended from time-to-time as it deems appropriate in its sole discretion. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters that might arise between meetings of the Board of Directors. In addition to the general duties imposed by these Bylaws, the Board of Directors shall have the power to perform and shall be responsible for the following:

A. Preparation of an annual budget in connection with which there shall be established the assessment of each Owner for the Common Expenses. Further, the Board of Directors shall undertake a Reserve Study conducted by a licensed professional experienced in such matters no less than every ten years, create a budget to institute any recommendations contained therein, and abide by any recommendations contained therein. In keeping with this provision, all

maintenance contracts approved pursuant to Article, V, Paragraph 7 herein, shall show an adherence to the Association's long-term capital improvement plan. The Board of Directors may diverge from this requirement for good cause shown, the reasons for which must appear in the minutes of the Board's meetings.

B. Making assessments against Owners to defray the Common Expenses for the Condominium, establishing the means and methods of collecting such assessments from the Owners, collecting said assessments, depositing the proceeds thereof in a bank depository and using the proceeds to carry out the administration of the Property. Unless otherwise determined by the Board of Directors, the annual assessments against each Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first (1<sup>st</sup>) day of each month;

C. Providing for the operation, repair, replacement and maintenance of all of the Common Area, including designating, hiring and dismissing the personnel necessary therefore, and, where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies and materials to be used by such personnel in the performance of their duties;

D. Making and amending Rules providing detail concerning the operation, use and enjoyment of the Property for the health, safety and welfare of the Owners and occupants of Cottages at Spruce Woods and enforcing by legal means the provisions of the Declaration, these Bylaws and such Rules, and bringing any proceedings which may be instituted on behalf of the Owners;

E. Obtaining and carrying insurance against casualty and liability, as provided in Article VI of these Bylaws, and paying the premium cost thereof and making, or contracting for the making of, repairs, additions and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty;

F. Opening of bank accounts on behalf of the Association and designating signatories required therefor and keeping books with detailed accounts of the receipts and expenditures affecting the Property and the administration of the Condominium. The said books shall be available for examination by the Owners and their duly authorized agents at reasonable times and places. All books and records shall be kept in accordance with generally accepted accounting practices. All funds shall be invested in federally insured institutions or accounts;

G. Leasing, managing and otherwise dealing with the Common Areas or other properties or facilities for which easements or rights are conveyed to the Association;

H. Terminate a Unit Owner's Common Area privileges and services pursuant to the terms of RSA 356-G: 46, IX as amended from time to time; and

I. Such other things and acts not inconsistent with the Condominium Act and with the Declaration.

2. Managing Agent. The Board of Directors may employ or contract with a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Paragraph 1 of this Article III. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws. The term of any employment contract for a manager may not exceed three (3) years and any such employment contract shall provide, inter alia, that such agreement may be terminated without cause upon no less than thirty (30) days and no more than ninety (90) days written notice and without payment of a termination fee. Rollover management contracts shall be permissible.

3. Number of Directors. The Board of Directors shall be composed of three (3) persons. Directors shall consist only of Owners or spouses of Owners, or where a person that is an Owner is not a natural person, any natural person having authority to act as the designated representative of any such entity. Each Unit may have only one Owner on the Board of Directors.

4. Election and Term of Office. The term in office shall be three (3) years. The terms shall be staggered such that one (1) position on the Board of Directors is open each year. Each Director shall hold office until his successor has been elected. Each Unit may have only one Owner on the Board of Directors. Each Director shall be an Owner or the spouse of an Owner.

5. Regular Meetings. Regular meetings of the Board of Directors may be held without call or notice at such time and place as shall be determined, from time to time, by agreement of all of the Directors. At least four (4) meetings shall be held during each twelve (12) month period after the Annual Meeting of the Association. Unit Owners are welcome to attend Board meetings, but may not participate without the express permission of a majority of Board members who may cede such permission to the presiding officer. Meetings may be held electronically including via the Internet.

6. Special Meetings. Any Board member, on five (5) business days' notice to the other Directors, may call special meetings of the Board of Directors. Such notice shall be

given personally or by mail, electronic mail, telephone, text or other Internet communication and such notice shall state the time, place and purpose of the meeting.

7. Waiver of Notice. Before or within ten (10) days after any Special Meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board, in person or electronically, shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

8. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the Directors need appear for a quorum to be established. Proxies are not valid for Board meetings. Board members may appear by audio and/or video conference.

9. Vacancies. Any vacancies on the Board of Directors shall be filled by a vote of the remaining Directors until the expiration of the vacant Director's term of office or until the next Association Meeting at which time the Unit Owners shall vote for the person to fill the unexpired term of the Director who has resigned, whichever shall occur first.

10. Removal of Directors. A Director may be removed from the Board of Directors only by resignation, by an affirmative vote of two-thirds of the Units, or by judicial decree.

11. Compensation. No Director shall receive any compensation from the Association for acting as such. Nor shall any Director accept anything of value from people providing or proposing to provide services or products to the Association. Directors may, however be reimbursed for travel and business expenses.

12. Conduct of Meetings. The President, or his designee, shall preside over all meetings of the Board of Directors and the Secretary shall keep minutes of the meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings, which minutes shall be filed in the Record Book of the Association. Minutes shall be made available either electronically and/or in hard copy as determined by the Board of Directors.

13. Report of Board of Directors. The Board of Directors shall present at each Annual Meeting, and when called for by vote of the Association at any Special Meeting of the Association, a full and clear statement of the business and condition of the Condominium.

14. Fidelity Bonds. The Board of Directors may require that all Directors, Officers, agents (including the Manager), employees and volunteers of the Association handling or responsible for handling funds belonging to or administered by the Association furnish



adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense.

15. Dispensing With Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without meeting if the members of the Board of Directors shall individually or collectively consent in writing (either electronically or on paper ) by simple majority to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors. Any actions taken by the Board outside of a meeting, may be affirmed by majority vote at a duly noticed Board meeting.

16. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Owners for any mistake in judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith or actions that are contrary to the provisions of the Declaration or of these Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and against (i) all contract or negligence liability to others arising out of contracts made by and action taken or omitted by the Board of Directors on behalf of the Owners unless any such contract or action shall have been made, taken or omitted in bad faith due to willful misconduct or contrary to the provisions of the Declaration or of these Bylaws and (ii) expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by such Director(s) in connection with any threatened, pending or completed action, suit or proceeding unless he acted in bad faith or was guilty of willful misconduct or acted contrary to the provisions of the Declaration or these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability (except as Owners) with respect to any contract made or action taken or omitted by them on behalf of the Owners, unless made, taken or omitted in bad faith, due to willful misconduct or contrary to such provisions. It is also intended that the liability of any Owner arising out of any contract, action or omission made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such Owner's assessed ownership interest as referenced in Appendix B of the Declaration. Every written agreement made by the Board of Directors or by the Manager on behalf of the Owners shall, if obtainable, provide that the members of the Board of Directors or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners) and that each Owner's liability thereunder shall be limited to such Owner's assessed ownership interest as referenced in Appendix B of the Declaration.

17. Availability of Records. The Board of Directors shall make available to all Owners, mortgagees, and to insurers or guarantors of any mortgage on a Unit within seven (7) business days of a written request current copies of the Declaration, Bylaws, and Rules and Regulations concerning the Condominium and the books, records and financial statements of the Association. "Available" means available for inspection and copying at the requesting owner's expense, upon request, during normal business hours or under

other reasonable circumstances. Any holder, insurer or guarantor of a mortgage on a Unit shall be entitled, within a reasonable time after written request, to an audited or reviewed financial statement for the immediately preceding fiscal year at a cost to be determined by the Board of Directors, which cost, if any, shall be assessed to the Unit Owner(s) making the request. No member or affiliated group of owners shall make such a request or be otherwise entitled to inspect any records of the Association more frequently than every ninety (90) days. Further, the Board may assess a fee for oversight and monitoring and copying any such records.

18. Licenses and Easements. The Board members on behalf of the Unit Owners' Association shall have the power and authority to grant permits, licenses and easements over the Common Area for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

19. Voting. Each Board member is entitled to one vote. All votes shall be treated equally regardless of the percentage of unit ownership each Board member possesses. Proxies shall not be valid for meetings of the Board of Directors.

20. Enforcement. The Board of Directors is empowered to pass any Rules and Regulations regarding the enforcement of the provisions of the Declaration, Bylaws and Rules and Regulations, including, but not limited to, setting fine and fee schedules, towing vehicles, and instituting legal actions, any costs of which shall be deemed assessments for purposes of collection.

21. Audit. At least every third year the Board of Directors shall ensure a financial review or compilation by a certified public accountant is undertaken and completed and a full audit at least every ten (10) years.

## **ARTICLE IV**

### **OFFICERS**

1. Designation. The principal officers of the Association shall be a President, a Secretary and a Treasurer, all of whom shall be elected by the Board and who must be Board members. The Board may appoint such other officers as in its judgment may be necessary who need not be on the Board of Directors. All Officers shall consist only of Owners or spouses or where an Owner is not a natural person, any natural person having authority to act as the designated representative of any such entity. The same person may only hold the offices of Treasurer and Secretary.

2. Election of Officers. The officers of the Association shall be elected annually by the Board at the first meeting of each new Board after the Association's Annual Meeting and

shall hold office at the pleasure of the Board. The Board at a regular meeting or special meeting called for such purpose shall fill any vacancy in an office.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and accept such office. Any officer elected or appointed by the Board of Directors may be removed at any time by vote of a majority of the Board of Directors with or without cause.

An Officer is no longer an Officer once the person or the entity the person represents transfers his or its interest in a Unit.

4. President. The President shall be the chief executive officer; he or his designate shall preside at meetings of the Association and, if present, at meetings of the Board of Directors and shall be an ex officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties that are usually vested in or incident to the office of president of a stock corporation organized under the laws of the State of New Hampshire. Any of the powers of the President herein may be designated to a management company or any other designee, although the President shall assume final responsibility for all Association actions.

5. Secretary. The Secretary, or the Secretary's designee, shall attend all meetings of the Board of Directors and all meetings of the Association, shall record the minutes of all proceedings in the Record Book of the Association, and shall perform like duties for committees when required. The Secretary shall keep the Record Book current and in his custody. The Secretary shall give, or cause to be given, notice of all meetings of the Association, special meetings of the Board and meetings of the committees and shall perform such other duties as may be prescribed by the Board or President. The Secretary may compile and keep current at the principle office of the Association (i) a complete list of the Owners and their last known post office addresses; (ii) a complete list of names and addresses of Unit mortgagees, together with conformed copies of mortgages; and (iii) copies of the Condominium Instruments. These lists and Condominium Instruments shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same at reasonable hours during regular business days. No member or affiliated group of members who share a common cause as determined by the Board of Directors shall make such a request or be otherwise entitled to inspect any records of the Association more frequently than every ninety (90) days. Any of the powers of the Secretary herein may be vested in a management company or other designee, to be known as the Association's Secretary, although the Secretary shall assume final responsibility for all Association records.

6. Treasurer. The Treasurer shall have the custody of all funds and securities that are now not under the control of the Directors or Manager, if any, and, with the assistance of

the Directors or Manager, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data and shall deposit all money and other valuable affects in such depositories as may be designated by the Board. Such records shall include, without limitation, chronological listings of all assessments and Common Expenses on account of the Common Area and each Unit and the amounts paid and the amounts due on such assessments by each Owner. The books and records of the Association should be kept in accordance with generally accepted accounting principles and procedures. The Treasurer shall disburse funds as ordered by the Board, where possible, taking proper vouchers for such disbursements and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association. Owners shall have the right to examine the books of the Association at reasonable times and places pursuant to Rules and Regulations to be established by the Board of Directors. No member, or affiliated group of members, shall make such a request or be otherwise entitled to inspect any records of the Association more frequently than every ninety (90) days. Any of the powers of the Treasurer herein may be vested in a management company or other designee, although the Treasurer shall assume final responsibility for all Association records.

7. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations may be executed by any Officer of the Association or by such other person or persons as may be designated by the Board of Directors.

8. Compensation of Officers. No Officer shall receive any compensation from the Association for acting as such. Nor shall any Officer accept anything of value from people providing or proposing to provide services or products to the Association.

## **ARTICLE V**

### **OPERATION OF THE PROPERTY**

1. Determination of Common Expenses and Assessments Against Owners.

A. Fiscal Year. The fiscal year of the Association shall be the same as the calendar year. The fiscal year herein established shall be subject to change by the Board of Directors.

B. Preparation and Approval of Budget. Each year the Board of Directors shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary during the ensuing fiscal year for the cost of maintenance, management, operation, repair and replacement of the Common

Area, including Limited Common Area, and any parts of the Units as to which it is the responsibility of the Board of Directors to maintain and/or repair. Such budget shall also include such reasonable Reserves as further referenced in Paragraph D herein. The said budget shall constitute the basis for determining each Owner's assessment for the Common Expenses of the Condominium.

The Board shall present the budget for ratification by the Owners pursuant to the terms of RSA 356-B: 40-c as amended from time to time.

C. Assessment and Payment of Common Expenses. The total amount of the estimated funds set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit according to each Unit's Percentage of Undivided Interest as shown in Appendix B to the Declaration, and shall be a lien against each Owner's Condominium Unit in accordance with the Condominium Act. On or before the first day of each month in each fiscal year, each Owner shall be obligated to ensure payment to the Association at a place designated by the Board of Directors one-twelfth (1/12<sup>th</sup>) of the assessment for such fiscal year made pursuant to the foregoing provisions. The Board of Directors, in its discretion, may change this period to reflect the wishes of the Association to include pre-payment of sums, quarterly payments or other payment periods as the Board of Directors deems appropriate. Additionally, the Board of Directors shall present such an accounting of the Association at each Annual meeting. Any amount accumulated in excess of the amount required for actual expenses and budgeted reserves shall, in the discretion of the Board of Directors, either be rebated to the Owners in accordance with each Owner's Percentage of Common Interest by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, shall be added to reserves, or shall be rolled over into the next fiscal year's operating budget.

Notwithstanding anything else to the contrary here or in the Declaration, any Common Expenses associated with the maintenance, repair, renovation, restoration, or replacement of any Limited Common Area may be specially assessed against the condominium unit(s) to which that Limited Common Area was assigned at the time such expenses were made or incurred in the discretion of the Board of Directors. This provision shall also apply to the expansion or creation of Limited Common Areas pursuant to RSA 356-B:19, III. If the Limited Common Area involved was assigned at that time to more than one condominium unit, however, such expenses shall be specially assessed against each such condominium unit equally so that the total of such special assessments equals the total of such expenses, except to the extent that the condominium instruments provide otherwise.

Further, any common expenses benefiting less than all of the Units, or caused by the conduct of less than all those entitled to occupy the same or by their

licensees or invitees, may be specially assessed against the condominium unit or units involved in the discretion of the Board.

D. Reserves. The Board of Directors shall build and maintain both an adequate operating reserve and an adequate capital reserve for contingencies and replacements of the Common Area, which shall be funded by regular monthly payments, as provided hereinabove. At the end of each fiscal year all funds accumulated during such year for reserves for contingencies and replacement of the Common Area shall be placed in a separate, interest-bearing bank account, or such other financial account as the Board determines, segregated from the general operating funds and used only for such purposes. If for any reason, including nonpayment of any Owner's assessment, the reserves are inadequate, the Board of Directors may, at any time, levy a further assessment, which shall be assessed against the Owners according to their respective votes in the Association and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on the Owners by a statement in writing giving the amount and reasons therefore and such assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments. The Board of Directors may only so specially assess either for emergency repairs/safety measures for which the capital reserve account has insufficient funds or to provide sufficient funds pursuant to a long-term capital study commissioned by the Board and which the Association follows. The Reserves may be used for any purpose, including but not limited to legal costs and fees, in the discretion of the Board of Directors.

Further, the Board of Directors shall undertake a Reserve Study conducted by a professional experienced in such matters no less than every ten (10) years, create a budget to institute any recommendations contained therein, and abide by any recommendations contained therein. In keeping with this provision, all maintenance contracts approved pursuant to Article, V, Paragraph 7 herein, shall show an adherence to the Association's long-term capital improvement plan. The Board of Directors may diverge from this requirement for good cause shown, the reasons for which must appear in the minutes of the Board's meetings.

E. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing

monthly rate established for the previous fiscal period until ten (10) days after a statement has been mailed or delivered showing the monthly payment which is due under this new annual or adjusted budget.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Paragraph 1 of this Article V. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Condominium Unit or other acquiring Owner by virtue of any transfer or other conveyance, but said Owner shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the conveyance, without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquirer therefor; subject, however, to the provisions of Paragraph 3 of this Article V relative to recordable statements of unpaid assessments and Article VI of the Declaration regarding the rights of first mortgagees.

3. Recordable Statement of Unpaid Assessments. Any such acquiring Owner or transferring Owner shall be entitled to a recordable statement from the Board of Directors or the Manager setting forth the amount of the unpaid assessments against the transferring Owner and such acquiring Owner shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth. Failure to make available such a statement within ten (10) days from receipt of such request by the Board or Manager, shall extinguish the lien for unpaid assessments. Payment of a fee not exceeding the maximum allowable under the Condominium Act may be required as a prerequisite for issuance of such statement.

4. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Owner that remain unpaid for more than seven (7) days from the due date for payment thereof.

5. Uncollectible Assessments. Any assessments that are not collectible due to waiver or limitation by the provisions of Paragraph 3 above, or due to the provisions of Article VI of the Declaration relative to first mortgagees, may be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective votes in the Association.

6. Payment of Real Estate Taxes. The real estate taxes due to the Town of Durham for individual Units along with that Unit's Percentage of Undivided Interest in the Common Area, shall be paid by the Unit Owner directly to the Town when due. Taxes for each Unit are not divisible between the Unit and the Common Area. This section of

Article V may not be revised or deleted without the approval or waiver of the appropriate governing authority of the Town of Durham.

7. Maintenance and Repair.

A. By the Board of Directors. Except as otherwise provided in Section B below, the Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of an Owner, or of a person gaining access with said Owner's actual or implied consent, in which case such expense shall be charged to such Owner) of all of the Common Area, the cost of which shall be charged to all Owners as a Common Expense.

B. By the Owner. Except for the portions of his Unit required to be maintained, repaired and replaced by the Board of Directors and except as provided in Article VII hereof relating to repair and reconstruction after fire or other casualty, each Owner shall be responsible for the maintenance, repair and replacement, at his own expense, of his Unit and any part thereof, including, but not limited to, any interior walls, finished interior surface or perimeter walls, ceiling and floors, window glass, glass vents of his Unit, entrance doors and any glass doors connecting his Unit with Limited Common Area reserved for his Unit, kitchen and bathroom fixtures and appliances and those parts of the heating and air conditioning, plumbing and electrical systems which may or may not be wholly contained within his Unit and serve no other. Electrical, plumbing, hot water, heating and air conditioning equipment, and chimney/flue serving a Unit shall be the sole responsibility of the Unit Owner. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Areas, that his failure to properly inspect and timely maintain, repair or replace same may engender. Further guidance as to maintenance responsibility for Limited Common Areas is in the Declaration.

Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Owner shall be responsible for all damage to any and all other Units or to the Common Area resulting from his negligence, misuse or neglect or from his failure to inspect and clean, properly maintain or make any of the repairs required to be made by him in this Section. Each Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager, any defects or need for repairs for which the Board of Directors is responsible.

Each Unit Owner shall ensure the interior temperature of their Unit shall not be less than fifty (50) degrees.



C. Maintenance, Repair and Replacement - Quality. All maintenance, repairs and replacements shall be substantially similar to the original construction and installation and shall be of first class quality. The method of approving payment vouchers for all repairs and replacement shall be determined by the Board of Directors.

D. Maintenance, Repair and Replacement – Cost. For projects that may reasonably be determined to cost in excess of \$25,000.00 the Board of Directors shall acquire a minimum of three written bids. The Board of Directors may diverge from this requirement for good cause shown, the reasons for which must appear in the minutes of the Board's meetings.

8. Additions, Alterations or Improvements by the Association. The Board of Directors shall have the authority to require additions, alterations or improvements regardless of cost. Notwithstanding the foregoing, if, in the opinion of the Board, such additions, alterations, maintenance or improvements are exclusively or substantially exclusively for the benefit of a limited number of Owner or Owners requesting the same, such requesting Owners shall be assessed therefore in the such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors. No addition, alteration or improvement shall be made without appropriate permits and approvals by the Town of Durham or any of its governmental subdivisions.

9. Additions, Alterations or Improvements by Owners. No Owner shall make any structural addition, alteration or improvement in or to his Unit or the Common or Limited Common Area without the prior written consent thereto of the Board of Directors or by a majority of the Unit Owners. No Owner shall paint, decorate or otherwise change the external appearance of his Unit or Limited Common Area, including the doors and windows, without the prior written consent thereto of the Board of Directors and/or with the consent of a majority of the Unit Owners. The Board of Directors shall be obligated to answer any written request by an Owner for approval of such proposed structural addition, alteration or improvement or such external change within thirty (30) days after such request and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration, improvement or change. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Association and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by the Board of Directors only without, however, incurring any liability on the part of the Board of Directors to anyone on account of such addition, alteration or improvement. Notwithstanding any other language to the contrary herein, no Unit may be sub-divided. The Secretary shall record any necessary amendment to the Declaration to effect such action as provided in Sections 31 and 32 of the Condominium Act. No addition, alteration or improvement shall be

made without appropriate permits and approvals by the Town of Durham or any of its governmental subdivisions. All costs for such additions, alterations or improvements including, but not limited to, attorney's fees, and new site and/or floor plans, shall be borne by the Unit Owner.

10. Restrictions on Use of Units. To assist the Association in providing for congenial occupancy and the protection of the value of the Units, it is necessary that the Board of Directors have the right and authority to exercise reasonable controls over the use of the Units. Violation of the following enumerated prohibitions shall not be permitted and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator:

A. No decorations, awnings, screens, sun shades or covers, fans, advertisements, signs or posters of any kind shall be affixed to the exterior of a Unit or otherwise placed, posted in or on Property, including within the Unit, so as to be visible from the outside of a Unit except as authorized by the Board. Air conditioning equipment and/or units may be allowed with the approval of Board of the Directors and which approval may be revoked at the discretion of the Board of Directors.

B. No clothing, laundry, rugs or other objects shall be hung from any window or exterior portion of a Unit or otherwise left or placed in such a way as to be exposed to public view except as authorized by the Board. All refuse, trash and recycling shall be placed in locations specifically designated by the Board and no garbage, trash or recycling shall be permitted to remain in public view.

C. As a general rule, pets are allowed with discretion of Board of Directors. If the Board of Directors determines, in its sole discretion, any animal kept on the Condominium has become a nuisance, the Board may notify the Unit Owner that the animal has to be removed. Owners shall immediately pick up and dispose of the waste of each of their pets that relieves itself outside the Unit. Any such decision of the Board may be appealed to the Association, but shall remain in effect unless and until overturned by the Association, which meeting has to be scheduled with all due haste by the Board.

D. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed which is an unreasonable source of annoyance to any resident or which unreasonably interferes with the peaceful possession or proper use of the Condominium by any Resident. The Board of Directors shall determine what constitutes a "nuisance", "unreasonable source of annoyance" and/or "unreasonably interferes".

E. Nothing shall be done in any Unit or in, on, or to the Common Area which may impair the structural integrity of the Property or which would structurally change a building or improvements thereon, except as provided in the Declaration or these Bylaws. Nothing shall be altered or constructed in or removed from the Common Area, except upon written consent of the Board of Directors. Nothing shall be hung from any sprinkler head.

F. Unless authorized by the Board of Directors, no Owner, tenant or guest shall direct or engage any employee of the Condominium on any private business, nor shall he direct, supervise or in any manner attempt to assert control over or in any way interfere with any such employee.

G. No activity shall be done or maintained in any Unit or upon any Common Area which will increase the rate of insurance on any Unit or the Common Area or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors and any increase in insurance is to be the responsibility of the Unit that has caused the insurance increase. No waste shall be committed or stored in the Common Area. In the use of the Units and the Common Area of the Condominium, Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules adopted by the Board. The Common Area shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

H. No RVs, boats, trailers, campers, all-terrain vehicles or snowmobiles shall be operated and/or stored within the Condominium without the written permission of the Board of Directors. Motorcycles, motorbikes, motorized bicycles, mopeds, minibikes and other similar motorized two-or three wheeled vehicles, and other vehicles as determined by the Board of Directors, are allowed at the Association unless use or operation is determined to be a nuisance by the Board of Directors.

I. Owners, or their tenants, are entitled to maintain two (2) State-registered motor vehicles, to include cars or trucks (of a size no greater than  $\frac{3}{4}$  ton) on Association property. Additional vehicles are allowed with prior written permission of the Board of Directors. Parking spaces other than those reserved for each Unit are assigned by the Board of Directors.

Further, each occupant at Cottages at Spruce Wood must provide the Board of Directors with the license plate number of each vehicle the occupant shall have at the Association. Only such Association-registered vehicles shall be allowed at the Association, and all other State and/or Association unregistered vehicles are subject to being towed without further notice at the owner's expense.

No vehicle maintenance of any kind, with the exception of changing a flat tire or other such minor or emergency repairs, the determination of which is left to

the discretion of the Board of Directors, shall be conducted at the Association. Owners are strongly recommended to receive permission from the Board before undertaking any repairs or maintenance.

Nothing is allowed to be stored in the parking spaces other than operable vehicles and any other items expressly allowed, in writing, by the Board of Directors.

Unregistered and/or uninspected motor vehicles are not allowed without the express, written permission of the Board of Directors and are subject to being towed at the owner's expense without further notice.

Parking spaces shall be subject to any such further Rules as established by the Board of Directors and the Board of Directors is herein specifically allowed to tow any such vehicle that is in violation of the provisions listed herein and/or any provisions passed by the Board of Directors without further notice to the Unit Owners and/or tenants. The Unit Owner(s) shall be responsible for the cost of said towing.

The Board of Directors is expressly granted the authority to take any action it may need to take, including fining or acquiring a Court Order, to enforce the provisions herein mentioned. Its remedy is expressly not limited to towing any offending vehicles, but may include towing.

J. Noise. No Owner, guests, tenant, and/or lessee is allowed to create noise, personally or through the use of such items as musical instruments, radios, televisions or other sources such that such noise become a nuisance to another Owner, guest tenant and/or lessee, the determination of which is left to the sole discretion of the Board of Directors. There shall be no discharging of firearms at the Condominium.

K. Littering. Paper, cans, bottles, cigarettes, food and other trash are to be disposed only in appropriate trash and recycling containers and under no circumstance are such items to be dropped or left on the grounds or other Common Area.

L. Trash, Refuse, Garbage and Recycling. No one shall place trash, garbage, recyclables or other refuse, to include animal waste, except in the area(s) designated by the Board of Directors and in containers and in a manner as approved by the Board of Directors.

M. Outdoor Equipment. Bicycles, sporting goods, cooking equipment, baby carriages, lawn furniture and other personal articles and equipment, shall be allowed unless and until any of the items become a nuisance. Nothing shall be left on the common area overnight, with the exception of grills, which may be stored on Limited Common Area so long as such storage and use abides by all Town Ordinances.

N. Maintenance of Common Area. Only the Board, except where written permission of the Board has been obtained by a Unit Owner, shall perform improvements, maintenance and landscaping of the Common Area.

O. Improper Use of Common Area. There shall be no use of Common Area which injures or scars the Common Area or the plantings thereon, increases the maintenance thereof, or causes unreasonable embarrassment, disturbance or annoyance to other Owners in their enjoyment of the condominium.

P. Outside Activities. Functions such as parties, graduations, etc., that will utilize the Common Area shall be allowed only with the written permission of the Board of Directors and pursuant to any reasonable restrictions for same (including event insurance) as the Board of Directors may deem appropriate.

Q. Children and Guests. Owners and lessees shall be held responsible for the actions of their children and guests. If occupancy by guests creates a nuisance to other Owners, the Board shall have the right to require that the offensive guests leave.

R. Sex Offenders. Neither Tier II, nor Tier III sex offenders as defined by RSA 651-B: 1, as amended from time-to-time, may reside on either a permanent or temporary basis at the Association, which determination of whether such a sex offender is residing at the Association shall be left to the discretion of the Board of Directors. Further, reasonable notice of when and for what duration any Tier II or Tier III sex offender will be on site at the Association must be given to the Board via letter, text or email. The determination of what reasonable notice is and whether the notice is sufficient shall be left to the Board's discretion. Should someone desire to have a guest, as determined by the Board of Directors, come on the Property who is such a registered Sex offender, the Owner must first receive written permission from the Board of Directors.

S. Consent Revocable. Any consent or approval of the Board or its authorized agent given under these Bylaws shall be revocable with or without cause.

T. Complaints. Complaints of violations of these Bylaws and/or the Declaration and/or the Rules must be made to the Board of Directors or its authorized agent in writing (i.e. letter/fax/email). If the Board feels the complaint is justified, it will take whatever action it deems necessary and appropriate. The Board of Directors will notify the complainant in writing as to what action, if any, has been taken. Any action taken by the Board of Directors may be appealed to the Association at the next Association meeting.

U. In the use of the Units and the Common Area of the Condominium, Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules adopted by the Board. The Common Area shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

The restrictions on use of Units in this Paragraph 10 of Article V of the Bylaws shall be classified as Rules of the Association, and the Board may revise these Rules in any way at any time as conditions warrant, provided that a written and/or email communication is sent to each owner advising him of the change. In revising the Rules, the provisions as to amendments of the Declaration and Bylaws are not applicable.

Further, all determinations as to whether there has been a violation of the terms of the condominium instruments and/or the Rules and Regulations and/or whether any such violation(s) shall be enforced are left to the sole discretion of the Board of Directors. Any such determination or violation may be appealed in writing by the offending Owner(s) to the Association at the next Association meeting, Annual or Special.

11. Right of Access. A right of access to each Unit shall exist in favor of the Board of Directors or the Manager, or any other person authorized by the Board for the purpose of making inspections, or for the purpose of correcting any condition originating in a Unit and threatening another Unit or Common Area, or for the purpose of performing installation, alterations or repairs to the mechanical or utility services or other Common Area, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner(s). In case of any situation deemed an emergency in the discretion of the Board of Directors, such right of entry shall be immediate regardless of whether the Owner is present. In the Board's discretion, any costs for emergency entry may be assessed to the Unit Owner.

12. Rules. Rules and Regulations concerning the operation and use of the Units and the Common Area may be promulgated and amended by the Board of Directors, provided that such Rules are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. The Board of Directors shall furnish copies of the Rules Regulations to each Owner prior to the time when the same shall become effective.

13. Rent Collection Upon Delinquency in Payment of Assessment. The Board of Directors, pursuant to the provisions of RSA 356-B: 46-a, as amended from time-to-time, shall have the authority to collect rent from the tenant of any delinquent unit owner.

## **ARTICLE VI**

### **INSURANCE**

1. Insurance Required. Pursuant to Section 43 of the Condominium Act as amended from time to time, the Board of Directors shall obtain (i) a master casualty policy affording all risk coverage in an amount equal to the full replacement value of the structures within the Condominium; (ii) a master liability policy covering the Association, the Board of Directors, the Manager and agents or employees of the foregoing with respect to the Condominium and all Owners and other persons entitled to occupy any portion of the Condominium (this shall be deemed to require that the Board obtain what is commonly known as “officers’ and directors’ liability” insurance coverage); and (iii) such other policies as specified hereinbelow, which insurance shall be governed by the following provisions:

A. Property and fire insurance with standard extended coverage endorsement, vandalism and malicious mischief coverage, and any required or acquired flood and quake endorsements insuring all the buildings in the Condominium, including, without limitation, all such portions of the interior of such buildings as are for insurance purposes normally deemed to constitute part of the building and customarily covered by such insurance, such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, ceiling and floor surfaces, including any wall to wall floor coverings, bathroom and kitchen cabinets and fixtures, including appliances which are affixed to the buildings and heating and lighting fixtures, except for improvements made by an individual Owner which are not reported to the insurer, such insurance to be in an amount at least equal to the replacement value of the buildings and to be payable to the Board as trustee for the Owners and their mortgagees as their respective interests may appear.

B. Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000.00) for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Paragraph 1 above against any liability to anyone and with cross liability coverage with respect to liability claims of anyone insured thereunder against others insured thereunder. This insurance, however, shall not insure against individual liability for negligence occurring within a Unit.

C. A master or blanket policy of property insurance covering all the general Common Area and Limited Common Area, including fixtures and building service equipment to the extent that they are part of the Common Area of the Condominium, as well as common personal property and supplies, and other common personal property belonging to the Owner’s Association. The policy shall be in an amount equal to One Hundred Percent (100%) current replacement cost. The name of the insured under such policies shall be “Cottages at Spruce Woods Condominium Unit Owners’ Association”. The loss shall be payable to

such Association as trustee for each Unit Owner and each such Owner's mortgagee, if any. Each Unit Owner and such Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership set forth in the Declaration.

D. Workmen's compensation insurance as required by law.

E. Such other insurance as the Board may determine.

2. General Insurance Provisions.

A. The Board of Directors shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for under Paragraph 1 above and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review to include an appraisal of improvements within the Condominium and shall make any necessary changes in the policies provided for under Paragraph 1 above (prior to the expiration date set forth in any agreed amount endorsement contained in said policies) in order to meet the coverage requirements of said Paragraph 1.

B. The Board of Directors shall be required to make every effort to see that all policies of physical damage insurance provided for under Paragraph 1 above: (i) shall contain waivers of subrogation by agents, members of the Board, the Manager, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has "no control"; (iii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Owners collectively, have no control; (iv) shall not be cancelled without notice to all of the insureds thereunder and all mortgagees of Units in the Condominium; (v) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and (vi) shall exclude policies obtained by individual Owners for consideration under any "no other insurance" clause.

3. Individual Policies.

A. Any Owner and any mortgagee shall obtain at his expense additional insurance (including, without limitation, a "condominium unit-owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Owner and not covered under the master casualty policy referred



to in Paragraph 1 above). Such insurance should contain the same waiver of subrogation provisions as that set forth in Paragraph 2(B) of this Article VI. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Paragraph 1 above and each Owner hereby assigns to the Board, as trustee for the Owners and their mortgagees, the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Association.

B. Each Owner shall obtain at his expense, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Homeowner's Policy", or its equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of his Unit or Limited Common Area, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Any such insurance shall cover any loss, injury or damage to persons or to floor coverings, appliances and other personal property, not covered in the master policy, and all improvements to his Unit that are not reported to the Board.

C. In addition to the other requirements of law, or requirements imposed by the Declaration or these Bylaws, each Owner, prior to commencement of construction of such improvements, shall, for insurance purposes, notify the Board of all proposed improvements to his Unit (except personal property other than fixtures) in excess of \$1,000.00. Upon receipt of such notice, the Board shall notify the insurer under any policy obtained pursuant to Paragraph 1 hereof, of any such improvements.

D. Each unit owner shall forward a copy of their unit owner's insurance certificate for his/her unit within thirty (30) days of purchasing their Unit(s) or the effective date of this provision to the Board of Directors.

Each such certificate must include either a statement from the insurer or a copy of a cancelled check from the unit owner that the policy is paid in full and/or current.

Each such certificate must contain the expiration date.

Each such certificate must contain language that the Insurance shall not be terminated or non-renewed without at least thirty (30) days prior written notice to the Board of Directors.

Each such insurance policy must provide coverage for the Unit as outlined in the Declaration and Bylaws.

It shall be the unit owner's responsibility to provide proof of an updated insurance policy each year to the Board of Directors within thirty (30) days of the date of expiration on the then-current policy.

Failure to provide the requested information may result in the levying of a fine of up to \$1,000.00 by the Board of Directors and may result in the Board of Directors purchasing a policy for the unit and assessing to the Unit the cost for same.

All costs to enforce this rule, including but not limited to, attorney's fees, court costs, insurance costs, shall be assessed to and borne by the Unit.

4. Notice to Unit Owners. When any policy of insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein, or in such initial policies or termination thereof shall be promptly furnished to each Unit Owner by the Secretary of the Association. Such notice shall be sent to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated to the Secretary; or such notice may be hand-delivered by the Secretary or Manager.

## **ARTICLE VII**

### **REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY**

1. Determination to Reconstruct or Repair. If any part of the Condominium shall be damaged by casualty, whether it shall be reconstructed or repaired shall be determined in the following manner:
  - A. Common and Limited Common Areas. If the damage is to a Common and/or Limited Common Area, the damaged property shall be reconstructed or repaired.
  - B. Units. If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, and the Master Policy does not provide coverage, then the Unit Owner shall be responsible for and pay the cost of such reconstruction and repair after the casualty. In all other instances, the responsibility and cost of such reconstruction and repair after the casualty shall be that of the Association. If the casualty loss is to a Unit, it shall be reconstructed or repaired at the expense of the Unit Owner, subject to receipt of required permits and resolution of insurance claims, such reconstruction or repair shall commence within ninety (90) days of the loss, or such additional time as may be

reasonable under the circumstances, and shall be constructed to completion with due diligence.

- C. Building. If the damaged portion of the Condominium is the building containing the Units, the damaged property will be reconstructed or repaired unless within sixty (60) days after the casualty, all of the unit owners and the eligible mortgage holders vote, at a meeting duly called, not to reconstruct the destroyed Unit or Units and decide to terminate the Condominium in accordance with New Hampshire RSA 356-B: 34. In the event of any such termination of the Condominium, the insurance proceeds shall be held as a fund for the benefit of the Owners of Units that are not reconstructed and their mortgagees, as their interest shall appear. Such fund shall be paid to the affected Unit Owners, and/or to their mortgagees, pro-rata based upon the proportion of the percentage of the undivided interest held by each affected Unit, as it bears to the total undivided interest of all affected Units. In the event of any such termination of the Condominium, the Board of Directors shall cause instruments of termination to be drawn for and executed by the Unit Owners, as required by RSA 356-B:34, and shall record the same at the Strafford County Registry of Deeds. Such termination shall in all other aspects conform to that section or other applicable sections of the Condominium Act, and the profit or loss of the Association shall be determined and assessed to or distributed to the remaining Owners in accordance with New Hampshire RSA 356-B:34.
  - D. Certificate. Any mortgagee may rely upon a certificate of the Association made by its President and Secretary to determine whether the damaged property is to be reconstructed or repaired.
  - E. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating work in his Unit(s).
2. Procedure for Reconstruction and Repair.
- A. If the Board of Directors determines pursuant to the provisions of Article VII, Paragraph 1 hereof that the Common Area shall be reconstructed or repaired, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the damage to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary. The Board shall contract for such repair and restoration and in doing so shall exercise its sole discretion in selecting from among said estimates.

B. If the proceeds of insurance, paid to the Board as trustee for the Owners and their mortgagees pursuant to Paragraph 1 of Article VI hereof, are not sufficient to defray completion of reconstruction and repair, to include the Association's insurance deductible, or upon completion of construction and repair the funds for the payment of the costs thereof are insufficient, and in the Board's determination, based upon information provided by the carrier, the cause of the damage is not attributable to the actions of one or more unit owners, then assessments in sufficient additional amounts to provide payment of such costs shall be made against all Unit Owners according to their percentage of unit ownership. If, in the Board's discretion, the cause of the action that led to the insurance claim is traceable to the actions or inactions of a unit owner or owners, and the proceeds of insurance are not sufficient to defray completion of reconstruction and repair, or upon completion of construction and repair the funds for the payment of the costs thereof are insufficient, the Board may assess any deficiency to the offending unit owner(s) in proportion to the cost of reconstruction and repair of both their Unit(s) as well any affected Common Area. If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of such costs, the Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Article XII of these Bylaws.

C. Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the damaged property was originally constructed or most recently renovated.

D. Encroachments upon or in favor of units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with the original plans and specifications under which the damaged building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the building (as reconstructed) shall stand.

3. Assessments (Deductibles): Unit Owners who have been assessed all or a portion of the Association's deductible shall be obligated to pay, subject to the collection policies established by the Board of Directors, said deductible within 30 days of the billing invoice or notice, or upon the Board's discretion, any such deductible contribution from the Unit Owner may be deducted from any insurance proceeds payments made by the insurer and/or the Board to the Unit Owner. If allowed, the Unit Owners may seek reimbursement of any such payments from their individual Unit insurance policies.

4. Disbursements of Construction Funds.

A. The net proceeds of insurance collected on account of a casualty and any additional amounts collected by the Board of Directors from assessments against Owners on account of such casualty shall constitute a construction fund from which the Board of Directors shall disburse payment of the cost of reconstruction and repair.

B. The construction fund shall be paid by the Board of Directors in appropriate progress payments to such contractors, suppliers and personnel engaged in performing the work or supplying materials or services for the repair and reconstruction as are designated by the Board of Directors.

C. It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Owners in accordance with their respective Interests.

D. When the damage is to both Common Area and Units, the insurance proceeds shall, to the extent practical, be applied first to the cost of repairing the Common Area, second to the Limited Common Area, and the balance to the cost of repairing the Units.

**ARTICLE VIII**

**SALES AND ALIENATION OF UNITS**

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage or instrument conveying or mortgaging the title to his Unit without including therein the Undivided Percentage of Interest of such Unit in the Common Area, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage or other instrument purporting to affect such title or one or more of such interests, without including such title or one or more of such interests, without including all such title or interests, shall be deemed and taken to include the title or interests so omitted, even though the latter shall not be expressly mentioned or described therein. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Condominium Act, the Undivided Percentage of Interest in the Common Area allocated to any Unit shall not be altered and any purported transfer, encumbrance or other disposition of that interest without the Unit to which appertains shall be void.

2. Payment of Assessments. No Owner shall be permitted to convey, mortgage, sell, lease, give or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors with respect to this Unit and shall have satisfied all unpaid liens with respect to his Unit, except mortgages. Where this provision is satisfied at the time of execution of a mortgage, there shall be no requirement that it again be satisfied at the time of a subsequent foreclosure of such mortgage or deed in lieu of such foreclosure. In the event that the Unit is subject to outstanding assessments previously levied against such Unit and the acquiring Owner or the transferring Owner requests a recordable statement pursuant to Paragraph 3 of Article V, the statement shall expressly state any waiver of or failure or refusal to exercise the right of the Association to prevent the disposition of such Unit, in any case where such waiver, failure or refusal may exist. Failure or refusal to furnish such a statement as provided in said Paragraph 3 shall not only constitute a waiver of such assessment, but will also make the above-mentioned prohibition inapplicable to any such disposition of the Unit.

## **ARTICLE IX**

### **AMENDMENT TO BYLAWS**

Except as otherwise provided in the Condominium Act and herein, these Bylaws may be modified or amended by the procedure set forth in Article III of the Declaration. No such Amendment shall be effective unless and until is filed with the Strafford County Registry of Deeds.

## **ARTICLE X**

### **DEEDS AND MORTGAGEES**

Change of membership in the Association shall be established by recording in the Registry of Deeds for Strafford County, State of New Hampshire a deed establishing record title to a Unit in the Condominium. Upon such a transfer of ownership, the Buyer shall immediately deliver to the Board of Directors of the Association a photostatic copy of the deed showing the Volume and Page of same. Should the new owner fail to do so within thirty (30) days of the date of the filing of said Deed or within thirty (30) days of the passage of this amendment, the Board may acquire one, and the unit owner shall pay all costs, including Registry and attorney's fees, and such fees shall act as a lien against the unit until paid in full. The Board of Directors shall keep such photostatic copy on file as evidence of the Grantee's membership in the Association for all purposes, rights, and obligations as set forth in this Declaration and Bylaws. The Unit Owner designated by

such instrument shall thereby become a member of the Association. At such time, the membership of the prior Unit Owner shall be thereby terminated.

The same requirements shall apply to mortgages. A copy of that portion of the mortgage that identifies the name and address of the mortgagor and mortgagee must be forwarded to the Board of Directors within thirty (30) days of the signed date of each such mortgage (or within thirty days of the passage of this provision). Should the new owner fail to do so within thirty (30) days of the date of signing of said mortgage(s) (or within thirty days of the passage of this provision), the Board may acquire a copy of each mortgage, and the unit owner shall pay all costs, including Registry and attorney's fees, and such fees shall act as a lien against the unit until paid in full. The Board of Directors shall keep such photostatic copy on file as evidence of the Grantee's membership in the Association for all purposes, rights, and obligations as set forth in this Declaration and Bylaws.

Further, no one shall enter into a reverse mortgage without ensuring that all condominium fees, assessments, fines, interest and other costs, if any shall be, from the time of the signing of the reverse mortgage, paid by the mortgagee directly to the Association.

All costs, including Registry and attorney's fees, incurred to enforce this Paragraph, shall be assessed to the Unit and shall act as a lien against the unit until paid in full.

## **ARTICLE XI**

### **NOTICE**

1. Manner of Notice. Except as otherwise provided in the Declaration and these Bylaws, all notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States first class mail, postage pre-paid (i) if to an Owner, at the address of his Unit and at such other address as the Owner may have designated by notice in writing to the Secretary or (ii) if to the Association, the Board of Directors or the Manager, at the Condominium or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the Act, the Declaration or of these Bylaws, a waiver thereof, in writing, to include electronic writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Condominium Act.

## **ARTICLE XII**

### **COMPLIANCE AND DEFAULT**

1. Relief. Each Owner shall be governed by and shall comply with all of the terms of the Declaration, these Bylaws and the Rules and any amendments of the same. A default by an Owner of any of the provisions of said Declaration, Bylaws and/or Rules shall entitle the Association, acting through the Board of Directors or the Manager, to the following relief:

- A. Fines. The Board of Directors shall have the right to levy against Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these Bylaws or the Rules and Regulations of the Condominium. All such fines shall be added to and shall constitute a Common Expense assessed to that Unit and payable by such Unit Owner(s). Until such time as the Bylaws or Rules and Regulations are amended, the fine for each violation of any portion of the Declaration, Bylaws or Rules and Regulations shall be up to \$1,000.00 for each such violation, which amount is left to the sole discretion of the Board of Directors. Any such fine levied by the Board of Directors may be appealed for review by the Association as the next scheduled Association meeting. Further, any costs incurred to enforce the provisions of the Declaration, Bylaws and/or Rules and Regulations shall be assessed to the Unit Owner.
- B. Inspection Rights. The Board of Directors shall have the right, but not the obligation, to make annual inspections of such items as, hot water systems, heating systems, chimneys and any other systems that provide services to the Unit and/or the Association, and any other portions of the Units it deems necessary in its discretion, and if it finds that maintenance, repair and/or replacement is required, the Board may perform or cause to be performed same unless such Unit Owner, within five days after receiving notice of such default by the Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. The Board shall also have the right to enter into any Unit it deems necessary to inspect and/or otherwise help with the maintenance and/or safety of the Unit and/or the Association.
- C. Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws and the Rules shall be grounds for relief which may include, without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of



all assessments, any other relief provided for in these Bylaws or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Manager or, if appropriate, by any aggrieved Owner.

- D. Additional Liability. Each Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by the act, neglect or carelessness of the act, neglect or carelessness of any member of his family or his tenants, guests, employees, agents or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.
- E. No Waiver of Rights. The failure of the Association, the Board of Directors or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors or any Owner to such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, or the Rules and Regulations shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity.
- F. Interest. In the event of a default by an Owner against him for the imposition of any fine, fee, late payment or expense which continues for a period in excess of fifteen (15) days, such Owner shall be obligated to pay interest on the amount due at the rate of eighteen percent (18%) per annum, from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting owners in an amount to be set by the Board of Directors on any amount so overdue, if any such properly assessed fees, fines and/or assessments are not received within fifteen (15) days of the date due. The Unit Owner is also subject to the said interest on any unpaid late payment charge if the late payment charge is not paid within fifteen (15) days after imposition of the late payment charge.

- G. Late Fees. Any fee that is not paid within seven (7) days of the date due shall be subject to a late fee of \$50.00 for each thirty day period it is overdue. This fee is subject to interest and is to be considered a delinquency subject to collection as if it were a delinquent assessment.
- H. Abatement and Enjoinment of Violations by Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any of the provisions of these Bylaws contained herein or the breach of any provision of the Declaration shall give the Board of Directors or the Manager, in addition to any other rights set forth in these Bylaws, the following rights:
- a. to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of provisions hereof;
  - b. to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or
  - c. to suspend or limit the right of the Owner committing the violation to use any part of the Common Area during the continuance of such violation.
- I. Costs and Fees. In any action, the prevailing party shall be entitled to reimbursement of the reasonable costs and reasonable attorneys' fees incurred in the action in the discretion of the Court. Notwithstanding this provision, all attorney's fees incurred in a collection case shall be paid by the delinquent unit owner(s).
- J. Except as otherwise noted herein, all payments made to the Association on any Unit Owner account shall be applied in the following order of priority:
- a. Interest
  - b. Late fees
  - c. Fines
  - d. Costs and fees
  - e. Special assessments (when such a payment is made, it shall be credited, if due in installments, from most delinquent installment to least delinquent installment)
  - f. Regular assessments (payments shall be credited from the most delinquent assessment to the least delinquent assessment)

All of the items listed herein are to be considered a Common Expense assessed to the Unit.

2. Lien for Assessments.

A. The total annual assessment of each Owner for the Common Expenses including any special assessment levied pursuant to these Bylaws is hereby declared to be a lien levied against the Unit of such Owner as provided in the Condominium Act (including, without limitation, the priority provisions set forth in Section 46 thereof) which lien shall be effective when perfected in accordance with said Act.

B. In any case where an assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Owner, the Board of Directors may then choose to call forward, on a continuing basis, six months of condominium fees owed, including any special assessments due during this period of time. Should this six-month period extend into the next fiscal year, and the budget for such fiscal year not be yet adopted by the Board of Directors, the installment fees due shall be in the same amount as fees in the current fiscal year.

C. Any lien for assessments and/or other Common Expenses shall include, but not be limited to, interest, late charges, costs and attorneys' fees as provided in Paragraph A of this Article XII and may be foreclosed in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages or by suit brought in the name of the Board of Directors acting on behalf of the Association. Should the Association foreclose in this manner the Owner shall be required to pay a reasonable rental for the Unit as assessed by the Board of Directors, unless and until the Unit is further sold either by foreclosure of an entity having higher priority than the Association or by judicial decree.

D. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same and foreclosure shall be available without bringing suit to recover a money judgment.

### **ARTICLE XIII**

#### **RESALE BY OWNER**

1. In the event of any resale of a Unit or of any interest therein by any Owner, the prospective Owner shall have the right to obtain from the Association, prior to the contract date of the disposition, the appropriate statements pursuant to RSA 356-B:46, VIII and, if applicable, RSA 356-B:47 of the Condominium Act as amended from time to time.

2. Unit Ownership Transfer Fee. Upon the transfer or sale of any Unit, the buyer of said Unit shall be assessed a sum equal to two (2) months of condominium fees as a contribution to the Association's capital reserve fund. This assessment is to be collected at closing by the selling or conveying party or his agent and is to be delivered to the Association through its Board of Directors or Management Company within five (5) days of recording of the Unit deed. Cottages at Spruce Woods Condominium Association shall not be required to return, rebate or credit this transfer fee to any seller, buyer or owner of a Unit.

Further, any mortgagee who obtains title to a Unit, for any duration, as a result of a foreclosure, deed in lieu of foreclosure, or any other method, shall pay to the Association a transfer fee equal to twelve months' of condominium fees. Failure to pay this fee shall subject the mortgagee to all costs connected in any way to the collection of this fee.

3. Any mortgagee of a first mortgagee of record or other purchaser of a unit who obtains title to the unit as a result of foreclosure of a mortgage, his successors or assigns shall be liable for the share of the common expenses or assessments by the 'Association' of unit owners chargeable to such unit which became due prior to the acquisition of title to each unit by such acquirer. This provision recognizes the provisions of RSA 479 ... as it relates to the discharge of any encumbrance, such as a Memorandum of Lien, filed against the Unit by the Association, but also recognizes that any such debt is owed the Association under theories including, but not limited to, Unjust Enrichment and Quantum Meruit.

#### **ARTICLE XIV**

##### **COMPLIANCE, CONFLICT AND MISCELLANEOUS PROVISIONS**

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Condominium Act.

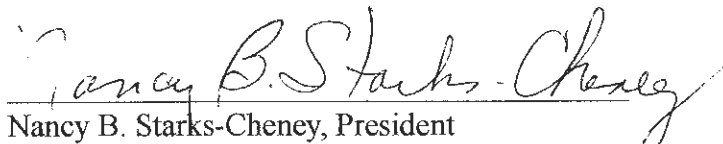
2. Severability. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

3. Waiver. No provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same (except where a right is dependent upon notice to be given within a specified period), irrespective of the number of breaches which may occur.

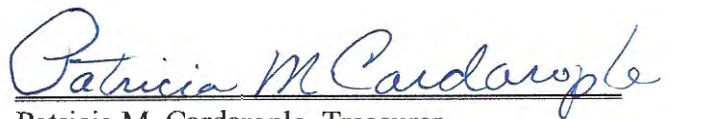
4. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

5. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

These amendments to the Declaration and Bylaws were executed this 12<sup>th</sup> day of February 2017 by:

  
Nancy B. Starks-Cheney, President  
Cottages at Spruce Woods Condominium Association

These amendments to the Declaration and Bylaws were executed this 21<sup>st</sup> day of February 2017 by:

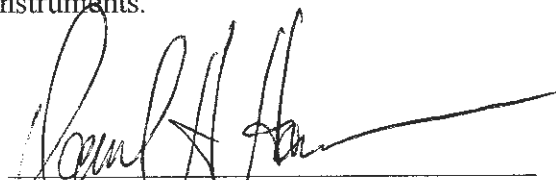
  
Patricia M. Cardarople, Treasurer  
Cottages at Spruce Woods Condominium Association

#### **CERTIFICATION OF THE SECRETARY**

I, Daniel H. Hanson, Secretary of the Cottages at Spruce Woods Condominium Association, do hereby certify that the above Declaration and Bylaws Amendments were approved by at least a two-thirds vote of those unit at a meeting of the Association on January 31, 2017 and that said vote complied with the requirements of the Condominium Act (RSA 356-B) required for amending the condominium instruments.

Date:

Feb 22, 2017

  
Daniel H. Hanson, Secretary

Cottages at Spruce Woods Condominium Association