

15 THIS
THIS NAME??

BY-LAWS OF ASSOCIATION OF RIVER HOUSE CO-DOMINIUMS

ARTICLE I

Members and Membership in Association.

1. The members of the Association shall be the owners of record from time to time of the seven (7) units or apartments which are within the building or structure on land conveyed to Dornier-Veas, Inc. by deed of Nicholas Schaus and David Slingluff dated June 12, 1971 and recorded in Book 25 Page 23 of the Town of Waitsfield Land Records which buildings and apartments have been declared to be under condominium ownership by instrument or declaration dated April , 1972.

ARTICLE II

Board of Directors.

1. The business of the Association may be carried out or supervised by a Board of Directors to be elected by the members of the Association each year at the annual meeting of the members, with the terms of office of the members of the Board to be arranged in such manner as will result in terms of one third of the members thereof or as near one third of the members thereof as may be, terminating every three years. If the number of persons serving on the Board is not divisible by three, the members of the Association shall determine the term or terms of office of each of the members so that there shall be some continuity in office and so that no member of the Board shall serve a term of more than three years.

2. If the members determine that the Association shall have a Board of Directors, it shall have not less than three nor more than five persons as members thereof and such members shall be owners of record (either individually or jointly with one or more other persons) of at least one of the apartments. Ownership of an apartment by a corporation shall not entitle any officer, director, trustee or stockholder thereof to be a member of the Board of Directors nor to be an officer of the Association.

3. The Board of Directors may appoint or otherwise engage some one to serve as a manager of the Association who shall actively perform the function and duties of the Association or superintend, manage and oversee the same so that they are properly carried out and performed in the best interests of the Association and its members.

ARTICLE III

Officers.

1. The officers of the Association shall be a president, secretary and treasurer. The president shall be a member of the Association. The offices of the secretary and treasurer may be filled by the same person, and the person or persons elected to serve in those offices may, but need not be, a member of the Association. The Association may elect such other officers, create such committees and provide for the membership on such committees as the Association may determine from time to time. The president, secretary and treasurer shall be elected by the members of the Association and each shall have a term of office of one year or until the successor of each has qualified.

2. The president shall preside at meetings of the Association members and he shall perform the duties which are normally incident to such office.

3. The secretary shall record, keep and maintain all records of the Association (excepting those pertaining to its financial affairs) and such records shall include a roster or list of the owners and the mortgagees, from time to time, of each of the several apartments. The secretary shall also keep and maintain on file a set of the By-Laws of the Association which shall be the official set and there shall be included therewith all amendments or deletions or changes concerning the same as have been duly made through proper action of the members acting in accordance with the By-Laws and the Declaration of Condominium Ownership pertaining to the apartments and the Association.

4. The Treasurer shall receive and expend all funds of the Association and shall maintain suitable records pertaining to the financial affairs of the Association. Expenditures of funds of the Association shall be made in accordance with the provisions for approval thereof as may from time to time be adopted by the members of the Association or by the Board of Directors, if the Association has such a Board. The treasurer shall be responsible for notifying members of the Association of assessments and the dates when the same are due and payable and he shall have charge of taking all necessary steps whereby delinquent assessments are collected. The accounts of the Association may be drawn upon by the treasurer or by the secretary who shall act for the treasurer during his absence or inability to act. The Association may at its expense require the treasurer to furnish a bond with such sureties as the Association directs.

ARTICLE IV

1. Members of the Association shall be entitled to cast the number of votes and in such manner and under such circumstances as are provided in the Declaration of Condominium Ownership pertaining to the property and apartments which are owned by the members of the Association.

2. Excepting as otherwise provided in the Declaration of Condominium Ownership or in these By-Laws, a quorum at all meetings of the members shall be such number of apartment owners as are entitled to cast not less than one more than 50% of the total votes that may be cast by all of the apartment owners. All questions and actions by the Association shall be based upon a simple majority of all the votes which may be cast at a meeting whereat a quorum is present, except as otherwise specifically provided.

3. Voting at meetings of members of the Association may be by proxies which must be delivered to the secretary at or prior to the time of the voting, with the same to be in such form as the Association or its Board of Directors or its secretary determines to be proper and sufficient.

4. A quorum at a meeting of the Board of Directors shall be a majority of the members thereof and all questions and actions taken by the Board shall be upon the basis of the vote of the majority of those present at a meeting whereat a quorum is present. Members of the Board of Directors may not act by proxy.

ARTICLE V

Meetings.

1. Annual meetings of the Association members shall be at such time, place and on such date in the month of December in each year as the Board of Directors, if there be one, or the president, in the absence of a Board of Directors, shall set. If the Board or the president fails to set a time, date and place for the annual meeting and to give notice thereof prior to the first day of each December preceding the meeting, the same shall be held at 5:00 P.M. on the third Saturday in the month of December at such apartment as is owned by the secretary of the Association, either by himself or jointly with some other person.

2. Special meetings of the Association may be held upon ten days' notice to the members and may be held at any place within or without the State of Vermont.

3. Owners of apartments shall be responsible for keeping the secretary of the Association informed of correct addresses of the owners and of the person (in the case of an apartment with more than one person being an owner of record) who is to receive notice of meetings.

ARTICLE VI

Purposes and Business of the Association.

1. The general purposes for which the Association shall exist are the caring for the common areas and the common facilities and other matters of common interest of, or owned by the owners of, the several apartments. The

- is provided with respect to some particular apartment or apartments, the proceeds therefrom shall not be payable to the Association or to the owner or mortgagee of any apartment other than the one for which such insurance was obtained. Proceeds from insurance obtained by the Association shall be payable to an insurance trustee to be selected by the Association whose duties shall be those hereinafter set forth. The Association shall also obtain, keep in force and pay the premiums for a policy or policies of public liability insurance whereby the Association and those members and owners of the common area and facilities are protected from liability to others for injuries or damages sustained on or about the premises owned by the Association or the members thereof including all of the apartments and the common areas and facilities pertaining thereto. Such liability coverage shall be at least \$100,000 per claimant, \$300,000 per incident and \$50,000 property damage.
3. The insurance trustee shall receive and hold any proceeds which may be payable under the provisions of the fire and casualty insurance coverage and shall pay out the same as authorized and directed by the Association or the Board of Directors or its president acting under specific authority conferred upon him by the Association or the Board. The Association shall have charge of adjusting insurance claims on behalf of itself with respect to policies of insurance obtained by it or issued for its benefit and the benefit of the members of the Association collectively. The insurance trustee may be authorized to issue releases and arrange for settlement in connection therewith.
4. The determination of whether the building will be repaired, restored or rebuilt in the event of its destruction or damage thereto by fire or other casualty shall be in accord with the vote and procedure outlined in the Declaration of Condominium Ownership.

ARTICLE VIIAssessments.

1. The Board of Directors or the officers of the Association shall prepare and present to the members of the Association at each annual meeting a budget for the ensuing year which shows anticipated expenses and debts to be paid by the Association during such year.
2. At each annual meeting, the members of the Association shall consider the budget which is to be prepared and presented by the Board or officers and a budget shall be adopted by the members upon which annual assessments against the owners of the several apartments shall be based. Assessments with respect to general Association expenses shall be made against each apartment according to that percentage of ownership of the common areas which is assigned to each apartment under Article VI under the Declaration of Condominium Ownership. Assessments for expenses incident to the maintenance of limited common areas and to those facilities which are for use by less than all of the apartments in common, shall be apportioned and assessed between or among the apartment owners using or entitled to the use of the particular facility, according to the extent of their respective rights to the use thereof.
3. Assessments to cover the annual budget adopted by the Association shall be payable in two equal installments, with one due on or before January 15 and the other on or before June 15 of each calendar year, excepting as may be otherwise agreed upon by action of the Association at a meeting called for that purpose.
4. In the event an owner fails to pay an assessment when due, he shall be liable for interest thereon from the due date at the same rate as the Association must pay for money borrowed by it by reason of failure of such

same shall include attending to necessary repairs, maintenance, supervision, restoration, rebuilding, and otherwise managing the overall property and interests of the members of the Association. Particularly, by way of description and not limitation, the Association acting by itself or by its Board of Directors, superintendent or president as determined by policies of the Association and the normal and usual attributes of such bodies, officers or employees, shall care for or attend to the collection and disposition of trash and garbage, the plowing of snow, the maintenance of the roads and parking areas, the mowing of grass, the maintenance of lawns, flower beds, shrubs and vegetation, the division or separation of the common area into sections or parts for different types of uses by the owners of the apartments, the maintenance and care of exterior surfaces of the entire structure and deciding upon changes in the same, so long as they do not interfere with or unreasonably affect the structural aspects or value of the building and each apartment, the maintenance of the water supply and sewage disposal systems whereby each apartment shall have those services available at all times, the lighting of exterior common areas, the maintenance of limited common areas to the extent requested and agreed upon by the owners or users thereof, and acting cooperatively with similar Associations when desirable or necessary and in the best interests of this Association.

2. The Association shall obtain, keep in force and pay the premiums of such policy or policies of insurance as are required in order to furnish insurance against losses by fire and other casualties which are covered by the normal fire insurance policy with extended coverage provisions included and with the limits of the insurance coverage to be such as are decided upon by vote of the Association. Any owner or mortgagee of an apartment may obtain such additional insurance as may be desired but if additional coverage

owner to pay the assessment, and such owner shall also be liable for payment of attorney's fees and costs of collection of the assessment.

5. In the event an owner does not pay an assessment when due, the treasurer shall notify such owner's mortgagee and that mortgagee may pay the assessment.

6. The Association may terminate any and all services to any apartment which is delinquent as regards payment of any annual or special assessment and the same, when discontinued or terminated, shall not be resumed until payment of the assessment has been made in full with all costs of collection and interest on the same.

ARTICLE VIII

Incorporation.

The Association may incorporate itself under the laws of the State of Vermont and act under such form of organization providing the members of the Association vote unanimously so to do and providing the affairs and business of the Association as generally outlined herein are carried out.

ARTICLE IX

Amending By-Laws.

1. The By-Laws may be amended from time to time by vote of 75% of the total votes which may be cast by the members of the Association, with the same to be done at any annual or special meeting for which notice has been given in writing to the members of the substance of the amendment at least ten days prior to the date of the meeting, or for which a written waiver of notice has been executed by all members eligible to vote, which waiver must contain the substance of the Amendment.

2. Notwithstanding anything to the contrary herein, these By-Laws may not be amended during such time as Dormez-Vois, Inc. owns one or more apartments within the building described in Article I hereof unless Dormez-Vois, Inc. agrees to such amendment.

ARTICLE XProvisions Re: Interpretation of By-Laws.

If there is any variance as between the provisions of the By-laws of the Association and of the Declaration of Condominium Ownership, the latter shall control. The provisions of the Declaration and of these By-laws shall be severable and the invalidity of any part of either shall not serve to invalidate the whole.