

Granliden Community Association

Bylaws

Article 1. Definition of the Association. The Association shall be a voluntary corporation under and pursuant to the provisions of the Revised Statutes Annotated of New Hampshire, Chapter 292, and shall be subject to the provisions of said Chapter and shall have the general corporate powers as provided by said Chapter.

Article 2. Association Name. The name of the voluntary corporation, hereinafter referred to in these Bylaws as the Association, shall be **GRANLIDEN COMMUNITY ASSOCIATION.**

Article 3. Association Objective. The object for which the Association is established is for social recreation and improvement for the members of the Association; to provide for efficient and effective management of the property of the Association for the mutual benefit of the entire membership; to purchase insurance upon Association property and insurance for the protection of the Association and its members; and to promote, in accordance with these Bylaws, the growth, prosperity and well being of the Granliden On Sunapee development area.

Article 4. Association Office. The principal office of the Association shall be in Sunapee, in the County of Sullivan and State of New Hampshire on community property.

Article 5. Powers of the Association. In furtherance of and not in limitation of the general powers conferred by the Laws of the State of New Hampshire for voluntary corporations, it is expressly provided that the Association shall have the following powers:

5.1 To purchase, lease, take in exchange, or otherwise acquire and or convey lands or interests or easements therein, together with any buildings or structures that may be on the said lands by a two-thirds (2/3) majority vote of the membership at a duly constituted meeting.

5.2 To alter and improve all lands, structures and facilities owned by the Association or its members, under conditions specifically authorized under these Bylaws or majority vote of the membership at a duly constituted meeting.

5.3 To borrow or raise money for the objectives and purposes of the Association and to pledge or mortgage its property as security for such borrowings

provided such action is approved by two-thirds (2/3) of the membership of the Association voting at any duly held meeting for such purpose. Notwithstanding the foregoing, the Board of Directors shall have the authority to borrow up to fifteen thousand dollars (\$15,000) to meet the current needs and obligations of the Association.

5.4 To dedicate or transfer to the Town of Sunapee any rights of way, roadways or streets owned by the Association by two-thirds (2/3) vote of the membership at a duly constituted meeting.

5.5 To employ such persons and enter into such agreements and contracts and do such things as may be deemed necessary to carry out the objectives and purposes of the Association.

Article 6. Authorized Shares. The total number of authorized shares of the Association shall not exceed one hundred twenty-five (125).

Article 7. Written Notice. Whenever under the provisions of these Bylaws notice is required to be given to any Director, officer or member, it shall not be construed to require personal notice, but such notice may be given in writing by mailing the same, postpaid, to the address as registered on the books of the Association.

Article 8. Membership. The membership of the Association shall consist of the owners of the lots, parcels and individual townhouses in the Granliden On Sunapee development in Sunapee, New Hampshire, and each such owner shall be considered as a member in good standing and shall be entitled to one (1) share and one (1) vote in the Association. There shall not be issued or transferred on the books of the Association any fractional shares. However, any one (1) share may be jointly owned by more than one (1) owner, provided any such lot, parcel or townhouse is owned by such persons. Such owners shall not be entitled to separate vote, but shall collectively be designated as one (1) member. Exception is granted to spouses who are not joint owners of a unit. Irrespective of the identity of the spouse(s) who are legal owner(s), all spouses are Members, with all rights and responsibilities thereto but between all owners of a unit, there will remain one vote.

8.1 At the time of transfer of title of any home or townhouse unit the new owner shall pay the Association an initiation fee of \$5,000, provided, however that this Assessment shall not apply to property transfers (i) between spouses, (ii) between parents and children, (iii) between siblings, (iv) by an owner into a trust established for the benefit of the aforementioned, (v) from a trust to a trust's beneficiaries, (vi) by gift, will or intestate succession, (vii) between existing owners, or (viii) between an owner and the Association. All monies collected from the initiation fee shall be deposited in the Capital Fund.

8.2 Members who have not paid their assessments, dues, fines or other impositions in accordance with these Bylaws within sixty days of the due date shall have their right to vote and member in good standing status suspended.

Article 9. Place of Meetings. All Association Meetings referred to herein shall be held on community property except as Directors or members deem appropriate.

Article 10. Call and Conduct of Meeting The Secretary shall call any meeting of the Association, including the Annual Meeting, by mailing a written notice there of setting forth the time, place and purpose thereof as well as the exact wording of all motions intended to be presented for consideration at the meeting. Not less than twenty-one (21) days nor more than sixty (60) days notice shall be given of any meeting.

10.1 Only such motions or amendments or substituted motions germane to such motions may be considered at the meeting, except for items the Directors determine to be of an emergency nature and two-thirds (2/3) of the members in good standing in person or by proxy determine should be considered.

10.2 A quorum for a meeting of the membership of the Association shall be two-thirds (2/3) of the members in good standing. An affirmative vote of a majority of those present and voting shall be required to pass any motion, vote or resolution, except where two-thirds (2/3) vote is specifically required by these Bylaws. Members may vote by duly executed and authorized proxy. Proxies shall be included in the counting of the quorum.

10.3 Except as otherwise provided, Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Covenants or these Bylaws.

10.4 A meeting of the Association under these Bylaws shall have the same meaning as any official meeting of the members under these Bylaws, the covenants or otherwise as required by law.

Article 11. Annual Meeting. The Annual Meeting of the Association shall be held on the Saturday of the Federal Memorial Day weekend of each year at nine o'clock (9:00) in the forenoon at a place designated by the Directors in Sunapee, New Hampshire. Such meeting shall include:

- 11.1 the annual election of a director,
- 11.2 the approval of the annual budget,
- 11.3 such other items required by these Bylaws to be considered at the annual meeting,
- 11.4 such other items placed on the agenda of the Notice of the Meeting by the Directors,
- 11.5 any typewritten motion by a member in good standing cognizable under these Bylaws which has been received by the Directors at least forty-five (45) days before the date for that Annual meeting,
- 11.6 any typewritten Appeal with the reasons therefore under Article 45 received by the Directors prior to the mailing of the Notice of such meeting, and
- 11.7 any other items in typewritten form received fifteen (15) days prior to the sending of the Notice of such meeting which need to be presented to the members for their consideration and which are otherwise presented in a timely manner and in a proper form under these Bylaws, the Rules and Regulations in effect from time to time or otherwise required to be included by law.

Article 12. Labor Day Meeting. The Association shall also hold a regular meeting in each year on the Sunday preceding Labor Day at nine (9:00) o'clock in the forenoon at a place designated by the Directors in said Sunapee. Such meeting shall include any items designated in Articles 11.4 to 11.7.

Article 13. Special Meetings. Special meetings of the Association shall be held in said Sunapee at a place designated by the Directors whenever the Directors determine or whenever written application is made therefore signed by at least one-fourth (1/4) of the members in good standing which shall include a typewritten copy of any motions to be presented thereat. Such special meeting shall then be held not more than two (2) months later with such notice as is required under Article 10.1.

Article 14. Nominating Committee. The President of the Association, on or before January 1st of every year, shall appoint the most recent past three surviving President's to serve on the nominating committee. All nominees must be members in good standing. Any member wishing to be a candidate for the office of Director shall so notify the Nominating Committee on or before March 1. The Nominating Committee shall consider all members including those who submit in writing an interest in being a candidate. The Nominating Committee shall meet sufficiently in advance of the Annual Meeting to select and propose candidates, the names of which are to be included with notice of Annual Meeting. Other nominations by members may be made from the floor at the annual meeting. In accordance with Robert's Rules of Order, a member in good standing may request a secret ballot for the election of Directors.

Article 15. Officers of the Association. The Officers of the Association shall consist of a President, Treasurer, and Secretary, and such other officers as the Directors may designate, and shall be elected by the Board of Directors from their membership at their annual meeting.

Article 16. Duties of the President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors and shall perform such other duties and have such other powers as the Board of Directors may from time to time designate consistent with the terms and provisions of the within Bylaws.

Article 17. Duties of the Treasurer. The Treasurer, with designated bookkeeper, shall have the care and custody of the funds of the Association and shall exercise, under the supervision of the Board of Directors, all the powers and duties commonly incident to the office. The bookkeeper, reporting to the Treasurer, shall be required to give bond at Association expense in such sum and with such sureties as may be satisfactory to the Board of Directors. The bookkeeper and General Manager may on behalf of the Association, endorse for deposit or collection all checks, notes and other obligations payable to the Association or its order, and may accept drafts on behalf thereof. The bookkeeper shall keep accurate books of accounts of all Association transactions, which books shall be the property of the Association and, together with all other of its property in his or her possession, shall be subject at all times to the inspection and control of the Board of Directors. All receipts and vouchers for

payments made to the Association and all checks, drafts, notes or other corporate obligations for the payment of money by the Association shall be signed by the Treasurer except as the Board of Directors may otherwise specifically order.

Article 18. Duties of the Secretary. The Secretary or other designated scrivener of the Association shall be present at all meetings of the members and Board of Directors and shall keep accurate records of the proceedings of such meeting, which books shall respectively be open at all reasonable times to the inspection of any Director or member. The Secretary shall perform all duties commonly incident to the office and shall perform such other duties and have such other powers as the Board of Directors may from time to time designate.

Article 19. Election and Term of Office. Three (3) Directors shall be elected. The term of office of one (1) Director shall be fixed at one (1) year; the term of one (1) other Director shall be fixed at two (2) years; and the term of office of the third Director shall be fixed at three (3) years. At the expiration of the initial term of office of each respective Director, each successor shall be elected at subsequent annual meetings of the Association to serve a term of three (3) years. The Directors shall hold office until the conclusion of the meeting at which their respective successors have been elected, or until such time as they are no longer considered as members in good standing.

Article 20. Organization Meeting. The first meeting of the members of the Board of Directors following the Annual Meeting of the Association shall be held immediately after such annual meeting, and no notice shall be necessary to the newly elected Director(s) in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat.

Article 21. Responsibilities of Directors. The affairs and business of the Association shall be managed by a Board of Directors which shall have all of the powers and responsibilities necessary for the administration of the affairs of the Association and may do all such acts and things as are not by statute or by these Bylaws directed or required to be exercised by the members of the Association.

Article 22. Duties of Directors. The Board of Directors in addition to the foregoing shall perform such duties as are directed by the members consistent with statutes of these Bylaws. Such duties include:

22.1 Prepare an annual budget which reflects the annual operating costs as well as any capital expenses and contingency funds;

22.2 Supervise the expenditures by the General Manager to ensure that they conform with approved Capital and Operating budgets,

22.3 Authorize expenditures in excess of the approved Capital and Operating budgets in cases of emergency and report those expenditures to the members at the next Association meeting,

22.4 Make and amend Rules and Regulations concerning the operations, use and enjoyment of Granliden on Sunapee (subject to the condition that such Rules and Regulations shall not be in conflict with the Laws of the State of New Hampshire or with the Covenants of these Bylaws, and subject to the provisions of Article 45 hereof) and enforce by legal means the provisions of the Covenants, these Bylaws and such Rules and Regulations;

22.5 Obtain and carry insurance against casualty and liability, as provided in these Bylaws, and pay the premium cost thereof and make, or contract for the making of, repairs, additions, and improvements or alterations as appropriate, in accordance with the other provisions of these Bylaws;

22.6 Open bank accounts on behalf of the Association and designate signatories required therefore, and keep books with detailed accounts of the receipts and expenditures affecting the Association and the administration of same. The said books shall be available for examination by the members, and their duly authorized agents, at reasonable times and places. All books and records shall be kept in accordance with generally accepted accounting practices and business controls;

Article 23. Powers of Directors. The Board of Directors, with appropriate authorization by the membership, shall have the power to:

23.1 Execute easements through the Association property benefiting the Association or any portion thereof;

23.2 Negotiate, settle and litigate, including the execution of any necessary documents, any proceedings by any governmental authority to condemn all or any portion of the Association property, any dispute concerning the location of the boundaries of Association property, disputes concerning title to all or any portion of

the Association property and any other dispute which affects the Association property;

23.3 Execute any documents necessary to encumber all or any portion of Association property;

23.4 Do such other things and acts not inconsistent with the Covenants and/or Bylaws which it may be authorized to do by a resolution of the Association.

Article 24. Board of Directors Meetings. Board of Directors meetings may be held without call or notice at such time and place as shall be determined from time to time, by a majority of the Directors, provided that forty-eight (48) hours notice of the next meeting following any such determination shall be given to the Director not present when such determination is made. Such notice shall be given personally or by mail or telephone, and such notice shall state the time, place and purpose of the meeting.

24.1 The President or, in his or her absence a president pro tem elected by the Board, shall preside over all meetings of the Board of Directors.

24.2 Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

24.3 Waiver of Notice. Before or within 10 days after any 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 shall be a waiver of notice by that Director 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.

24.4 Quorum for Directors' Meetings. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors.

Article 25. Vacancies for Office of Director. If the office of any Director becomes vacant, the remaining Director or Directors shall appoint a successor or successors from the GCA membership. Should all three (3) positions become vacant

simultaneously, the General Manager or any member of the Association shall call a special meeting for the purpose of filling the vacancies.

Article 26. Removal of Directors. Directors may be removed for malfeasance or non-feasance at a regular or special meeting. Removal of a Director requires a two-thirds (2/3) vote of the membership present at a meeting at which a quorum including proxies is present called with notice of purpose. Any Director whose removal has been proposed by the members shall be given at least twenty-one (21) days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting.

Article 27. Directors Compensation. No Director shall receive any compensation from the Association for acting as such.

Article 28. Report of Board of Directors. The Board of Directors shall present at each Association meeting, a statement of the business and condition of the Association. The Board of Directors shall also communicate to the members at least every six (6) months as to the Directors doings and the general status and operation of the Association.

Article 29. General Manager. The Board of Directors shall employ a General Manager, whose duties shall include but not be limited to:

29.1 Formulation of a plan annually to be approved by the Board of Directors for the care and maintenance of all Association property;

29.2 Implementation of the policies of the Board of Directors;

29.3 Management of the day to day operation of the physical plant and staff;

29.4 Communication with the membership, as well as being the official representative, along with the Directors, for the Association in its contact with members, guests, tenants, and the outside community at large;

29.5 Enforcement of the Rules and Regulations and Bylaws of the Association in accordance with these Bylaws;

29.6 Administration, with the Directors, of the normal business and financial activities of the Association, including the signing of checks of not more than Two-Thousand Dollars (\$2,000).

29.7 Performance of such other duties as may be established from time to time by the Board of Directors.

29.8 In addition, the Directors may delegate to the General Manager powers granted to the Board of Directors by these Bylaws, provided that any such actions by the General Manager with respect to Articles 5, 5.3, 23.4, 24.1 and 24.2 shall require written consent of the Board of Directors.

Article 30. Indemnification of Officers. The Association shall indemnify every Director, every Officer, and the General Manager, their heirs, executors, and administrators, against all loss, cost and expense reasonable incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their being or having been a Director or Officer of the Association, except as to matters wherein they shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence, willful misconduct, or lack of good faith in the interests of the Association. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

Article 31. Fidelity Bonds. The Board of Directors may require that all Directors, agents, General Manager, employees and volunteers of the Association handling or responsible for handling funds belonging to, or administered by, the Association, be covered by adequate employee dishonesty insurance in the form the of fidelity bonds. The premiums on such bonds shall constitute a common expense. The amount of such bonds shall approximate the funds in the custody of the Association but in no event shall the amount of the bonds be less than the total of one-third (1/3) of the total annual assessments against all Units plus reserve funds.

Article 32. Fiscal Year. The fiscal year of the Association shall end with the thirtieth day of April of each year.

Article 33. Assessments. Each member shall be assessed a sum each year, as determined by a majority vote of the membership at the annual meeting, which shall be of such an amount that each member shall bear an equal portion of the annual operating costs and expenses of the Association as well as any annual capital expenses, special assessments and contingency fund, payments, which is proportionate to the total number of lots, parcels and townhouses sold in the Granliden On Sunapee development. Such operating costs and expenses shall include premiums for any

master insurance policy obtained by the Association to insure against damage, casualty or destruction to any of the structures within the Granliden On Sunapee development. Such assessment shall be based on a financial budget for the ensuing year prepared by the Board of Directors and approved by the membership at a special or regular meeting.

33.1 The annual assessment shall be due and payable in two (2) equal installments, the first due May 1 and the second due November 1 of each year. Members shall be billed forty-five (45) days prior to the due date. To avoid an overdue interest charge on the unpaid balance, the total amount due must be received by the Association not later than the due date. Interest shall accrue at 18% per annum.

33.2 All assessments hereunder paid by a member shall be applied to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances as provided herein and general or special assessments, in such manner and amounts as the Board of Directors determines in its sole discretion.

33.3 The failure to either prepare or to obtain approval for a financial budget for the ensuing year shall not constitute a release of a member's obligation to pay his or her allocable share of the common expenses as herein provided, whenever the same shall be determined. In the absence of any annual budget or adjusted budget, each member shall be assessed at the rate determined by the previous fiscal period until a new annual budget is adopted, which shall be paid as specified above.

Article 34. Assessment Liability. The owner of any qualifying lot, parcel or townhouse shall be liable and responsible for any unpaid assessment or fine assessments and for obligations attributable to such lot, parcel or townhouse.

Article 35. Delinquent Assessments. In the event that any assessment shall not have been paid when due, the Board of Directors shall take any and all legal action it deems necessary to collect the same and may impose such sanctions as it deems fit upon such delinquent member respecting the use of any facilities owned by the Association.

Article 36 Lien For Assessments.

36.1 Liens and Assessments. The Granliden Community Association shall have a lien on each unit, consisting of the lots, parcels, individual townhouses, and single family dwellings, in the Granliden on Sunapee Development, for

unpaid assessments levied against that unit in accordance with these Bylaws, together with the costs of collecting the lien, including reasonable attorneys' fees incurred by the Association, in addition to any remedies it may have against the unit owners. The Association may perfect its lien by recording in the Sullivan County Registry of Deeds, within six months after the assessment is due and payable, a notice of lien, signed by an officer of the Association, stating:

- A. A description of the unit;
- B. The names of the persons who are the unit owners;
- C. The amount of unpaid assessments currently due or past due, together with the date on which each fell due; and
- D. The date of issuance of the memorandum.

Interest shall be payable on any unpaid assessment at an annual rate of eighteen percent.

36.2. Assignment of Liens. The Association may assign its rights to any such liens to any financial institution providing financing to the Association, as security for repayment of the financing.

36.3. Nonexclusive Remedy. The lien rights granted by this section shall be in addition to any other rights or remedies granted the Association or the Board of Directors for enforcement of the rules and regulations of the Association and the collection of any fines and assessments made by the Association.

Article 37. General and Capital Funds. All funds collected by reason of a capital assessment shall be maintained in and expended from a separate Capital Fund account. All other sums collected by the Association from other assessments may be commingled in a single General Fund or divided into more than one fund, as determined by the Board of Directors of the Association

Article 38. Audit. An audit of the accounts of the Association shall be made upon written request signed by a majority of the members in good standing of the Association. The Board of Directors may likewise conduct any audit it deems necessary.

Article 39. Common Property. The land, buildings and facilities owned by the Association shall

be held by the Association as common areas for the mutual and collective use and benefit of the members of the Association in accordance with the provisions of the Bylaws and subject to such Rules and Regulations, and conditions as are duly enacted. Further, the rental of any unit and the use of any and all Association property, buildings, facilities and/or rights shall be subject to such reasonable Rules and Regulations and conditions as may be duly enacted.

Article 40. Protection of Common Property. There shall be no use of Association property, exclusive of any roads, except recreational uses which do not alter, injure or scar the Association property or the vegetation or facilities thereon, increase the cost of maintenance thereof, or cause unreasonable embarrassment, disturbance, or annoyance to the members in their enjoyment of their private areas, or in their enjoyment of Association property.

Article 41. Use of Common Property. Association property which may be used for such temporary activities and dining, skating, art shows, exhibits, and the like, shall require prior approval of the Board of Directors for a specific use and time, and such use may not permanently alter or injure the landscape or appearance of the Association property.

Article 42. Conveyance of Common Property. No premises, land or facilities as owned by the Association shall be sold, transferred or conveyed by it without the consent of two-thirds (2/3) of the members of the Association, except rights of way or roadways covered by Article 5.4, or as otherwise provided by these Bylaws and the Covenants.

Article 43. Management of Waterfront Facilities. The Board of Directors shall administer and regulate the use and enjoyment of boating facilities, slips, moorings and the waterfront area in accordance with duly enacted Rules and Regulations.

Article 44. Rules. Rules and Regulations not otherwise specified or prohibited may be established by a majority of the Directors. Such Rules and Regulations will be effective when notice is sent to all members and suitably posted on an Association bulletin board. Rules and Regulations imposed by the Directors remain in effect unless modified, changed, or voided at a regular or special meeting of the members. Rules and Regulations shall be published in full for every member for posting in each home and appropriate common areas.

Article 45. Compliance with Rules. The Board of Directors shall promptly take any and all necessary steps to ensure compliance with the Bylaws and Rules and Regulations duly enacted, including but not limited to the imposition of a fine of up to one hundred dollars (\$100) per day for each day of violation. Any and all charges, costs, expenditures, and expenses of any nature whatsoever by the Association in enforcing compliance with and/or in seeking enforcement and/or compliance within the Rules and Regulations and for damages incurred shall be borne by the owner involved including any such action of his/her tenant, guests, or visitors.

Article 46. Enforcement of Rules. The Board of Directors shall have the responsibility and authority for enforcement of the Bylaws, Rules and Regulations and for assessment of fines for damage to Granliden facilities and violations of the Bylaws and Rules and Regulations. Violations shall be acted upon by:

46.1 A verbal notice to the violator, by a Director or someone acting on their behalf. This must be issued within 15 days of discovery of the violation.

46.2 A written notice by certified mail signed by a Director to the member whose family, guest or renter are in violation or caused damage. This must be issued within fifteen (15) days of the verbal notice.

46.3 By assessing a fine not to exceed one hundred dollars (\$100) per day for each violation for which a written notice was provided, and assessing an amount for actual damage if such be the case.

46.4 Notice of such fine or assessment shall be sent to the violator and/or member, by the General Manager in the form of a bill or statement for money due.

46.5 If assessment or fine is not paid within two (2) months, the Board of Directors shall, at their discretion, institute suit and/or impose a lien duly recorded in the County seat and/or other appropriate place, to be put on the member's property, to secure amount due, plus costs and fees.

46.6 In extreme cases, or cases of repeated violation, the Directors may restrict the violator from use of Association facilities.

46.7 Subject to requirements of these Bylaws, any member who feels unfairly aggrieved by a decision imposing an assessment or sanction for violation of Bylaws, Rules and Regulations, or damage to property may appeal within twenty-one (21) days of

receipt of said decision by letter to the President of the Association setting forth the basis of such appeal and have the matter reviewed at an Association meeting or special meeting of the membership whereat a quorum is present. A two-thirds (2/3) vote shall be necessary to change or modify the decision previously made. The decision of the Directors, if not changed or modified by vote of the membership, shall be final.

Article 47. Time-Sharing Prohibition. Time-sharing of a unit of any nature is prohibited. The leasing or ownership of a unit by more than two (2) families is prohibited. For purposes of this rule, a family shall include a husband and wife and their children. Nothing in this rule shall require any change in the form of ownership existing on or before May 1, 1984, or prohibit testamentary transfers of title to a unit to more than two (2) families. The sole purpose of this Bylaw is to prohibit time-sharing or interval ownership of a unit at Granliden. The definition of time-sharing shall be construed in a manner consistent to New Hampshire law.

Article 48. Renters. Lessors are responsible for any and all actions of their tenants (and guests of tenants) and are liable for repair and/or replacement of Association property damaged by any tenant or guests of tenants (and the property of others) and for fines levied due to all actions of their tenants. A tenant is not permitted to house or bring any pet within the Granliden development. All lessors are required to submit to the GCA office, prior to commencement of the lease term, a copy of the current Rules and Regulations signed by the tenant. A minimum lease term shall be one (1) week except between July 1 and Labor Day, when the minimum lease term shall be two (2) weeks.

Article 49. Member Certificates. Every member of the Association who qualifies as the owner of a lot, parcel, or townhouse in the Granliden On Sunapee development shall be entitled to a certificate evidencing ownership of one (1) share of the Association. For the purpose of registering such certificate, every member shall be required to file with the Association, in writing, that address to which all notices are to be sent by the Association, and thereafter, until written notification of change shall have been received by the Association, any notice mailed postage prepaid and addressed to any member at such address shall for all purposes be deemed to have been duly received.

49.1 Certificates or shares issued by the Association shall not be sold, assigned or transferred by the holder

thereof and shall become void upon the conveyance or transfer by the owner of the legal title of the qualifying lot, parcel or townhouse in Granliden On Sunapee development and the holder thereof shall not be entitled to any of the rights or privileges in and to the Association.

49.2 Upon such conveyance or transfer by the holder of such certificate or share, the certification share shall be delivered to the Association of evidence of such succession.

49.3 The provisions of this Article shall not apply to any conveyance by way of mortgage deed and shall not entitle any holder of any mortgage to membership in the Association until such time as the equity of redemption is foreclosed with respect to the qualifying lot, parcel or townhouse.

49.4 In case of loss, mutilation or destruction of a certificate, a duplicate may be issued upon such terms as the Board of Directors may prescribe.

Article 50. Unit Changes. Pursuant to Covenant 2, any requested changes in appearance to village houses must be approved by two-thirds (2/3) of the membership.

50.1 Any requested change will be added to the agenda and voted on at the next Association meeting, provided that ninety (90) days prior to the meeting, a typewritten request is submitted to the Directors. The request must include compliance with the then current Requirements for Changes to Exterior of Townhouses, as adopted by the Directors from time to time.

50.2 The Directors will review all such requests and must inform the requester of inconsistencies and/or unfulfilled requirements within thirty (30) days. In any event, such matter shall be considered at the next Association meeting.

Article 51. Amendment Procedure. Except as otherwise provided by law, these Bylaws may be amended, added to, altered or repealed, in whole or in part, by two-thirds (2/3) vote of members present and entitled to vote at an annual meeting or special meeting called for such purpose, provided notice of such meeting contains written proposed changes to the Bylaws.

Article 52. Roofs Maintenance, Repairs and Replacement.

52.1 Every unit owner shall attend their roof and maintain and repair their roof so that it does not cause any injury or damage to the person or property of another or otherwise affect the use or enjoyment of anyone else's property.

Article 53. Townhouse Exterior Painting. The scheduled exterior painting of the Townhouse units shall be administered by the Association. Townhouse units shall be painted on a rotating schedule. The cost of the painting shall be billed equally to all the townhouse unit owners. Any funds that have been received from unit owners for the purpose of painting the townhouse buildings, as well as any interest that has been received on these funds shall be accounted for as the "Painting Fund".

Each Townhouse owner shall be assessed a sum each year as determined by majority vote of the membership at the annual meeting, which shall be of such amount that each townhouse unit owner shall bear an equal portion of the average annual painting costs. The painting schedule and budget will be presented to the membership at the annual meeting.

The annual painting assessment shall be due and payable in two (2) equal installments, the first due May 1, and the second due November 1 of each year. Members shall be billed forty-five days prior to the due date. A penalty will be charged on unpaid assessments at the rate of 18% per annum.

Article 54. Insurance. The owners of townhouses shall maintain replacement value insurance on their Granliden townhouses. The owner is responsible for ensuring that their insurance carrier properly determines the replacement value. Those who rent shall maintain insurance appropriate for rental property. Upon initial coverage and at each annual renewal, or when changing coverage, each owner shall file a certificate of insurance evidencing their property coverage with the General Manager. Certificates shall require that the Association be given thirty days' notice prior to cancellation. Failure to provide the General Manager with proof of replacement value coverage within 5 days of notification of delinquency will result in a penalty assessment of \$50 per day until proof is received. The fee will be waived if the owner shows good cause.

Article 55. Prevailing Bylaws. The Bylaws contained herein supersede all prior Bylaws on this subject.

55.1 If any Rules and Regulations are in conflict with the Bylaws, the Bylaws shall prevail.

55.2 Should any section, clause or provision as contained herein be declared illegal by a court of

competent jurisdiction, that section, clause or provision shall be deleted from the within Bylaws to the extent that it violates the law. The remaining sections and clauses shall remain in full force and effect.

55.3 The headings of any Articles or paragraphs shall have no substantive meaning in interpreting these Bylaws.

Revised 5/28/2016