

**By Laws
of
Ridgewood Estates Association, Inc.**

Incorporating amendments dated: March 13, 1997
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Article I	Name and Location	Page 2
Article II	Seal	Page 2
Article III	Definitions	Page 2
Article IV	Meeting of Members	Page 3
Article V	Board of Directors	Page 4
Article VI	Meetings of Directors	Page 5
Article VII	Powers and Duties of the Board of Directors	Page 5
Article VIII	Officers	Page 7
Article IX	Committees	Page 9
Article X	Architectural Review Board	Page 9
Article XI	Quorum and Notice	Page 10
Article XII	Fiscal Year	Page 10
Article XIII	Indemnification of Officers and Directors	Page 11
Article XIV	Amendment and Conflict	Page 11
Article XV	Funds	Page 11

Article I Name and Location

The name of the corporation is Ridgewood Estates Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Amherst, New Hampshire, but meetings of members and directors may be held at such places as may be designated by the Board of Directors.

Article II Seal

The corporate seal of the association shall be in circular form and shall bear the name of the Association and the words Corporate Seal.

Article III Definitions

Section 1.

"Declaration" shall mean the covenants, conditions and restrictions and all provisions as set forth in the Declaration of Covenants and Restrictions, as same may from time to time be amended.

Section 2.

"Association" shall mean and refer to RIDGEWOOD ESTATES ASSOCIATION, INC., its successors and assigns.

Section 3.

"Developer" shall mean and refer to Carey Development Corporation, a New Hampshire corporation of Nashua, New Hampshire, together with any successor to all or substantially all of its business of developing the Properties.

Section 4.

"General Plan of Development" shall mean that plan as publicly distributed and as approved by appropriate public agencies, including the local planning and zoning authorities and governing bodies which shall represent the total general scheme and general uses of land in the Properties.

Section 5.

"The Properties" shall mean and refer to all real property which becomes subject to the Declaration.

Section 6. "Open Space" shall mean and refer to those areas of land shown on any recorded subdivision plot of the Properties and intended to be devoted to the common use and enjoyment of the Members.

Article III Definitions continued

Section 7.

"Living Unit" shall mean and refer to any portion of a structure situated on the Properties designed and intended for use and occupancy as a residence by a single family.

Section 8.

"Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Open Space as heretofore defined.

Section 9.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot. The foregoing does not include persons or entities who held an interest in any Lot merely for the performance of an obligation.

Section 10.

"Occupancy" shall mean and refer to the occupant of a Living Unit who shall be the Owner.

Section 11.

"Parcel" shall mean and refer to all plotted subdivisions of one or more lots which are subject to the same Supplementary Declaration.

Section 12.

"Supplementary Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by the Developer which extends the provisions of the Declarations to a Parcel and contains such complementary provisions for such Parcel as are required by Articles II and IV of the Declarations.

Section 13.

"Book of Resolutions" shall mean and refer to the document containing rules and regulations and policies adopted by the Board of Directors as same may be from time to time recorded and amended.

Article IV Meeting of Members

Section 1. Annual Meetings

The annual meeting of the members shall be held during the month of February, beginning in 1983. The Board of Directors shall determine the place, day and hour of the meeting.

Article IV Meeting of Members continued

Section 2. Special Meetings

Special Meeting of the members may be called at any time by the President or the Board of Directors, or upon written request of on third of the members.

Section 3. Proxies

Each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease after one year.

Article V Board of Directors

Section 1.

The affairs of the Association shall be managed by a Board of Directors of not less than five (5) but no more than nine (9) directors who need not be members of the Association.

Section 2. Composition and Term

The appointment of the board between appointed and elected directors shall be as follows:

The initial Board of Directors shall be appointed and serve until the first annual meeting. At that meeting not less than five (5) directors shall be elected for a term of one (1) year.

Thirty days prior to subsequent annual meetings the Board of Directors shall determine the number of directors to be elected at the annual meeting so that the number of elected director seats shall be not less than five (5) nor more than nine (9) elected director seats.

Section 3. Method of Nomination

Candidates for election shall file a petition of candidacy with the Secretary at least three (3) weeks before the annual meeting. The Secretary shall provide all members with a ballot containing the names of all *bona fide* candidates not less than ten (10) days before the annual meeting.

Section 4. Method of Election

Election shall be by secret written ballot at the annual meeting or delivered to the Secretary prior to the start of the annual meeting. The members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected.

Article V Board of Directors continued

Section 5. Resignation and Removal

The unexcused absence of a director from three (3) consecutive regular meetings of the Board of Directors shall be deemed a resignation. If a director residing in a Living Unit at the time of election or appointment ceases to reside in a Living Unit, this shall be deemed a resignation. Any director may be removed from the Board with cause by a three-fourths (3/4) majority vote of the members of the Association.

Section 6 Vacancies

In the event of death, resignation or removal of any elected director, his/her successor shall be selected by the remaining elected directors and shall serve for the unexpired term of her/his predecessor.

Article VI Meetings of Directors

Section 1. Regular Meetings

Regular meetings of the Board of Directors shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Article VII Powers and Duties of the Board of Directors

Section 1. Powers

The Board of Directors shall have the power to:

- (a) Exercise for the Association all powers duties and authority vested in or delegated to this Association by law, the Declaration or any Supplementary Declaration and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
- (b) Employ a manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties, subject to approval by a three fourths (3/4) majority vote of the quorum of Owners.

Section 2. Duties

It shall be the duty of the Board of Directors to:

- (a) Adopt and publish rules and regulations governing the use of the Open Space and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof and to include these in the Book of Resolutions'
- (b) Cause to be kept a complete record of all its corporate affairs, including the Book of Resolutions, make such records available for inspection by any member or his/her agent and present an annual statement thereof to the members;

Article VII Powers and Duties of the Board of Directors continued

Section 2. Duties continued

- (c) Supervise all officers, agents and employees of the Association and see that their duties are properly performed;
- (d) Issue upon demand by any member a certificate setting forth whether or not any assessment has been paid and giving evidence thereof for which a reasonable charge may be made;
- (e) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate...;
- (f) Hold a public hearing on the proposed annual budget and approve the annual budget subject to a three-fourths (3/4) majority vote of the quorum of owners;
- (g) Fix annual general and parcel assessments at an amount sufficient to meet the obligations imposed by the Declaration and all Supplementary Declarations;
- (h) Annually set the date(s) assessments are due, decide what if any, interest rate is to be applied to assessments which remain unpaid thirty (30) days after they become due;
- (i) Send notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the annual assessment or first installment thereof;
- (j) Suspend the voting rights and use of the Open Space facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (k) Cause the lien against any property for which assessments are not paid within thirty (30) days after due date to be foreclosed (as notified by certified or registered mail) or cause an action at law to be brought against the Owner personally obligated to pay the same;
 - The procedure for the collection of past due assessments shall include:
 - (1) an interest rate of 18% annually (1.5% monthly) for any assessment which remains unpaid thirty days after it becomes due;
 - (2) an automatic lien on property for any unpaid fees or other unresolved obligations;
 - (3) reimbursement by the owner of any reasonable cost of collection, including legal fees and costs.

Article VII Powers and Duties of the Board of Directors continued

Section 2. Duties continued

- (l) Cause the Open Space and access roads, if any, to be maintained;
- (m) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (n) Enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration and approval by three-fourths (3/4) majority vote of the quorum of Owners;
- (o) Appoint such committees as prescribed in Article IX;
- (p) To obtain advice of counsel and to rely thereon, and to employ, appoint and remove such other persons, agents, managers, officers, brokers, engineers, architects, employees, servants and assistants as they deem advisable, and to define their respective duties and fix their pay and compensation subject to approval by three-fourths (3/4) majority vote of the quorum of Owners;
- (q) To regulate such uses of property as described in the Declaration and to regulate and enforce certain protective covenants and restrictions recorded with the Hillsborough Registry of Deeds at book 2494, Page 140, as well as any and all covenants and restrictions recorded by the Association as hereafter adopted pursuant to these By-Laws;

Article VIII Officers

Section 1. Enumeration of Officers

The officers of this Association shall be a president and vice president who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers

The election of officers shall be by the Board of Directors of the Association and shall take place at the first Board of Directors meeting following the Association annual meeting.

Section 3. Term

The officers of the Association shall hold office for one (1) year unless they should sooner resign, or shall be removed, or otherwise disqualified to serve.

Article VIII Officers continued

Section 4. Resignation and Removal

Any officer may be removed from office with cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer she/he replaces.

Section 6. Multiple Offices

The offices of president and secretary may not be held by the same person.

Section 7. Duties

The duties of the officers are as follows:

(a) **President:**

The president shall preside at all meetings of the Board of Directors and of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes and contracts as the Board may approve from time to time;

(b) **Vice President:**

The vice president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such duties as may be required of him by the Board;

(c) **Secretary:**

The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; maintain the Book of Resolutions; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices to members as provided in Article X; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as are required by the Board and as are described in Article V, Sections 3 and 4;

Article VIII Officers continued

Section 7. Duties continued

(d) Treasurer:

The treasurer shall cause all monies of the Association to be deposited in appropriate accounts and disburse therefrom as directed by resolution of the Board of Directors, shall co-sign any promissory notes and contracts; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each full fiscal year; and shall be the chief officer responsible for the preparation of an annual budget and a statement of income and expenditures to be presented to the Board of Directors and to the membership at its regular annual meetings.

Article IX Committees

Section 1. Other Committees

The Board shall appoint such other committees as it deems appropriate to carrying out its purpose.

Article X Architectural Review Board

Section 1. Composition

The Architectural Review Board shall be comprised of a chair and two or more members, all appointed by the Board of Directors. A quorum for Review Board action shall be three (3) members.

Section 2. Purpose

the Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the properties so as to preserve and enhance neighborhood values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

Section 3. Conditions

No improvements or alterations affecting the outward appearance of any structure nor any excavation or change in grade, except as noted below, shall be made to the property from its natural or improved state existing on the date that owner took title and beneficial use to the property without the prior approval of the Architectural Review Board. Excluded, however, shall be the owner's right to make necessary and needed repairs (including excavation), to choose and apply exterior paint colors of owner's choice, and to make internal changes and modifications as may fit owner's personal tastes. Also excluded shall be the owner's right to select and incorporate into the property such improvements in landscaping as bushes, trees, shrubs, flowers, plants, and gardens. Owners may at their discretion may make minor changes to the property's grade so as to accommodate the aforementioned landscape improvements. Such changes in grade, however, may not be made where as a result changes in rainwater runoffs or seasonal thaws may occur and adversely affect the property of an abutting owner. The Board, by these covenants and for the common benefit of all property owners, shall be required to review all plans and proposals for the construction of new homes, fences, walls, utility storage sheds, building additions, and swimming pools (except children's wading pools.

Article X Architectural Review Board continued

Section 4. Procedures

In the event the Board fails to approve, modify, or disapprove in writing an application within thirty (30) days after plans and specifications have been submitted to the Board in writing, in accordance with adopted procedures, approval will be deemed granted. The applicant may appeal an adverse Architectural Review Board decision to the Board of Directors who may reverse or modify such decision by two thirds (2/3) vote of the directors.

Article XI Quorum and Notice

Section 1. Quorum

The quorum for meetings where action by Owners is required by the Declaration shall be the presence of Owners in person or by proxy who are entitled to cast one half (1/2) of the votes of the Owners. If the required quorum is not forthcoming at the meeting, the meeting may be adjourned to another time no sooner than one week nor later than one month from that date. Should a quorum not be present at any meeting, the quorum requirement shall be reduced by half for the subsequent adjourned meeting.

The quorum for all other meetings of members shall be the presence at meetings of members in person or by proxy who are entitled to cast twenty five (25%) of the votes of the members then outstanding.

Section 2 Notice

Notice as required by the Declaration, the Articles of Incorporation or these By-Laws shall be provided in writing by mailing a copy of such notice, first class postage prepaid, to the member at the address last appearing on the books of the Association, or supplied by such member for the purpose of notice.

Notice for meetings where action by Owners is required shall be provided to Owners at least ten (10) days and not more than thirty (30) days prior to such meeting. Notice of all other meetings of members shall be provided to members at least ten (10) days before such meeting.

Notice of meetings shall specify the place, day and hour the meeting, and in the case of a special meeting, the purpose of the meeting.

Article XII Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the day of incorporation.

Article XIII Indemnification of Officers and Directors

Each officer and director of the Association in consideration of his/her services as such, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by her/him in connection with the defense of any action, suit or proceeding, civil or criminal, to which he/she may be a party by reason of being or having been a director or officer of the Association. The foregoing right of indemnification shall not be exclusive of any other rights to which the director or officer or person may be entitled by law, or agreement, or vote of the members or otherwise.

Article XIV Amendment and Conflict

Section 1. Amendment

These By-Laws may be amended by a vote of three fourths (3/4) of the Owners at any meeting duly called for that purpose, providing the notice of the meeting has been given to the members at least ten (10) days prior to the meeting.

Section 2. Conflict

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Article XV Funds

Section 1. Annual Budget

The treasurer shall prepare a statement for presentation to the Board of Directors and to the membership at its regular annual meeting to include, but not be limited to, the detail of income / expenditure for the past year and the detail of proposed income / expenditure for the budgeted year.

Section 2. Use of Funds - Operating Expenses

(a) Spending Authority

The Board of Directors shall have the authority to spend monies for the purposes budgeted in the Operating Expense accounts, but limited in any fiscal year of the budgeted Total Operating Expenses voted by the membership at its regular annual meeting with the exception that any monies designated in the budget detail for the Capital Expense Fund may not be expended in any other way.

(b) Overspending the Budget

Any requirement to spend additional monies for operating expense purposes requires the Board of Directors to call a Special Meeting of the members called with proper notice to present a revised budget. A three fourths (3/4) majority vote of the quorum is required to pass a revised budget.

Article XV Funds continued

Section 3. Use of Funds - Water System Capital Expense Fund

(a) Spending Authority

Any non emergency requirement to spend monies of the Capital Expense Fund requires a three fourths (3/4) majority vote of the quorum of a Special Meeting called with proper notice or at the annual meeting.

(b) Emergency Use

The Board of Directors shall have the authority to spend Capital Expense Fund monies for the sole purpose of restoring the water supply to proper operation.