

BYLAWS

THE REGENCY WOODS CONDOMINIUM OWNERS ASSOCIATION

ARTICLE 1 - INTRODUCTORY PROVISIONS.

Section 1.1. Applicability.

These Bylaws ("Bylaws") shall relate solely to the condominium property located at 459 U S Route 1, also known as Regency Circle Kittery, Maine called The Regency Woods Condominium, (the "Property"), more fully described in the Declaration of Condominium and the Plats and Plans for the Condominium, dated _____ 2023, recorded in the York County Registry of Deeds, as the same may be amended from time to time.

Section 1.2. Definitions.

The capitalized terms used in these bylaws without definition shall have the same definitions as such terms have in the Declaration and the Maine Condominium Act, Section 1601-103 et. seq. (the "Act"). Unless otherwise provided in the Act, in the event of inconsistencies in definitions between the Act and the Declaration, the Declaration shall control.

Section 1.3. Compliance.

Every Unit owner and all persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4. Office.

The office of the Condominium, the Association and the Executive Board shall be located at the Property or at such other place as may be designated by the Executive Board.

Section 1.5. Incorporation of Statutory Law.

Except as otherwise provided in these Bylaws, the Declaration or the Maine Condominium Act, the Association shall be governed by the provisions of any applicable statute of the State of Maine.

Section 1.6. Mutual Benefit Corporation.

This Association is a mutual benefit corporation under Title 13-B, the Maine Non- Profit Corporation Act.

Section 1.7. Name

The name of the Association shall be "***The Regency Woods Condominium Owners Association.***"

ARTICLE 2 – THE ASSOCIATION

Section 2.1. Membership.

The Association is a Maine nonprofit corporation, all the members of which are the Unit owners of the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person, corporation, trust or other entity shall automatically become a member of the Association at the time of acquisition of legal title to a Unit, and shall continue to be a member until title is transferred elsewhere. A Unit owner shall not be permitted to resign from membership in the Association prior to the time of transfer. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title, but the Association may treat the prior Unit owner as the member for all purposes until satisfactory evidence of the Recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of Recordation of the deed to a Unit in the York County Registry of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. A mortgage conveyance of a Unit, however, shall not operate to transfer membership until the mortgage is foreclosed or the Unit sold in lieu of foreclosure.

Section 2.2. Meetings.

Meetings of the Association shall be conducted in accordance with the following:

A. Annual Meetings.

- 1. Required.** Unit owners shall hold Annual Meetings. The Annual Meeting of both Unit Owners shall be held on the first Saturday in October of each year unless such date is a legal or religious holiday, in which event the meeting shall be held on the next following day. The Executive Board shall have the power to set the exact date of the annual meeting at a different date, not more than one month before or one month after the date set herein. Provided, however, in the event of a state, regional or national emergency, e.g., a pandemic, the Executive Board may postpone the date of the Annual Meeting until such time as the Board deems it safe to hold the meeting.
- 2. Purpose.** The purpose of the Annual Meetings of the Association shall be to elect the members of the Executive Board unless the Unit owners are able to elect these members without a meeting by complying with section 2.2 (g). The Unit owners may also conduct such other business as may be required or permitted by law, the Declaration, or these Bylaws to be done by a vote of Unit owners.
- 3. Treasurer's Report Required.** Treasurer of the Executive Board shall present at each Annual Meeting a compiled financial report of the receipts and Common Expenses for the Association's immediately preceding fiscal year.

B. Special Meetings.

- 1. When Called.** The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Unit owners entitled to cast at least 50% of the votes in the Association.

2. Notice Requirements. The notice of any special meeting shall state the time, the place and the purpose of the meeting.
3. Time Requirements. Such meetings shall be held within thirty days after receipt by the President of said resolution or petition. However, if the purpose includes the consideration of the rejection of a budget or capital expenditure under Article 5 of these bylaws, such meeting shall be held within fifteen days after receipt by the President of said resolution or petition, as required by the Maine Condominium Act.
4. Limitation on Business Transacted. No business shall be transacted at a special meeting except as stated in the notice.
5. Special Meeting required when Declarant gives up control. Within sixty days (60) immediately preceding the date by which all Declarant-appointed Members of the Board must resign pursuant to the Declaration, a special meeting of the Association shall be held. At the time of this meeting all of the members of the Executive Board shall resign, and the Unit owners, including the Declarant if the Declarant owns one or more Units, shall elect successor members of the Executive Board to act in the place of those resigning.
6. Notice; How Delivered. Notices to Unit owners of meetings of the Association (or Executive Board) shall be either hand delivered or sent by email to the email address on record with the Association (requesting a receipt when opened) or sent prepaid by U.S. mail to the mailing address of each unit by prepaid mail to the mailing address of each Unit or to another mailing address designated in writing by the Unit owner to the Board of Directors.
7. Notices to Eligible Mortgage Holders required in some instances. If this notice includes an item on the proposed agenda which would require the approval of all Eligible Mortgage Holders according to the Declaration, a copy of such notice will also be sent to the Eligible Mortgage Holders.
8. Time for Delivery of Notices. All such notices shall be delivered to all Unit owners (and Eligible Mortgage Holders, if applicable) by the Secretary not less than ten nor more than sixty days in advance of the date of the meeting to which the notice relates, as required by the Maine Non-Profit Corporation Act.
9. Content of Notices. The notices shall state the date, time, and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws.
10. Secretary Responsible for Notices. The Secretary of the Executive Board shall cause all such notices to be delivered.
11. When Notice is Deemed Delivered. Notice sent by mail shall be deemed to have been delivered on the earlier of the second day after the date of mailing, or the date of deposit in the Unit owner's or Eligible Mortgage Holder's mailbox. Notices sent by email shall be deemed to have been delivered when a receipt is received.

C. Quorum.

Decisions limited to items mentioned in notice. No decision may be made at any Annual Meeting or Special Meeting of the Association, unless the notice for such meeting stated that such subject would be discussed at such meeting.

The presence in person or by proxy of sixteen (16) Unit owners at the commencement of a meeting shall constitute a quorum. If a quorum is not present, Unit owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting for up to forty-eight hours.

D. Voting

1. Number of Votes for each Unit determined by Declaration. Voting at all meetings of the Association shall be as provided in Exhibit B attached to the Declaration.
2. One Unit/Multiple Owners. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owning such Unit is present, then such vote shall be cast only in accordance with the majority in interest of the owners of that unit, pursuant to Section 1603-110 of the Act. There shall be deemed to be majority agreement if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.
3. Meeting by Remote Communication. Any one or more or all of the Unit Owners may participate, and vote, in a meeting of the Members by means of a conference telephone, Skype, Facetime, video conference, or similar communications equipment. Participation by such means shall constitute presence in person at a meeting provided that all persons participating in the meeting can hear each other at the same time and each Unit Owner can participate in all matters before the Association, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the Association
4. Majority of all votes required, not just those present. Except for election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, a **majority of the Allocation Interests** in the entire condominium (not just those present) is required to make decisions.
5. Voting for Executive Board members. In all elections for Executive Board members, each Unit owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Unit owner as provided in Exhibit B of the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. Except as set forth above, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled.

E. Proxies.

A vote may be cast in person or by proxy.

1. Unit owned by more than one person. If a Unit is owned by more than one person, each owner of the Unit may vote through a duly executed proxy.
2. Persons to whom proxies may be given. Such proxy may be given by any Unit owner to any adult.
3. Other requirements for proxies. Proxies must be in writing and signed by the person giving the proxy. They must designate the meeting for which the proxy is given and are valid only for that meeting. They must also be filed with the Secretary before the beginning of the meeting. Written proxies submitted to the Secretary can only be revoked by a writing signed by the person who gave the proxy. No proxy shall be valid for more than 11 months after it is signed. A proxy is void if it is not dated or purports to be revocable without notice.

F. Actions of Association without a Meeting.

Any action required or permitted to be taken by a vote of the Association may be taken without a meeting if all Unit owners shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the Secretary. One or more Unit owners may participate in and be counted for quorum and be counted for voting purposes at any meeting by means of conference telephone or similar communication equipment if all persons participating in the meeting can hear each other.

G. Conduct of Meetings.

The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as keep a record of all transactions occurring at the meeting.

H. Rules of Order.

The Unit owners may adopt and amend, from time to time, Rules of Order to govern its meetings. Until the Unit owners adopt their own Rules of Order, the most current edition of Robert's Rules of Order shall govern the meetings of the owners.

Section 2.3. Copies of Condominium Documents and Association Records.

The Association shall have current copies of the Articles of Incorporation, Declaration, these Bylaws, the Rules and Regulations and any other rules concerning the Condominium available for inspection by Unit owners or holders, insurers and guarantors of first Mortgages secured by Units.

The Executive Board shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its members, Executive Board and committees having any of the authority of the Executive Board and shall keep at its registered office or principal office in this State a record of the names and addresses of its members entitled to vote. All books and records of the Association may be inspected by any officer, director or voting member or the officer's, director's or voting member's agent or attorney, for any proper purpose at any reasonable time, in accordance with the Maine Condominium Act. The books, records and financial statements shall available for inspection at normal business hours by holders, insurers, and guarantors

of first mortgages that are secured by units in the project. Refusal by the Board to make the books and records available for inspection or imposition of unreasonable restrictions thereon may make the Association liable for costs and attorneys' fees under Title 13-B, Section 715.

ARTICLE 3 - EXECUTIVE BOARD

Section 3.1. Composition.

The initial Executive Board (also known as the Board of Directors) shall consist of 3 – 5 members appointed by the Declarant. The members of the initial Executive Board (sometimes referred to as Directors) shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The Declarant-appointed members of the Executive Board shall be replaced with Unit owners other than the Declarant under the provisions of paragraph B of this Section 3.1.

The transition from Declarant-appointed members of the Executive Board to Unit owners other than the Declarant shall occur as follows:

1. No later than the earlier of (i) sixty (60) days after the conveyance of 75% of the Units to Unit owners other than the Declarant or (ii) seven (7) years following conveyance of the first Unit to a Unit owner other than the Declarant, members of the Executive Board appointed by the Declarant shall resign and the Unit owners (including the Declarant to the extent of Units owned by the Declarant) shall elect 5 new members of the Executive Board.
2. The members of this Executive Board shall serve until the first regular election of the Executive Board held at the first regular meeting of the Association held in accordance with the Bylaws.
3. The Declarant may, in its absolute discretion, relinquish control of the Board prior to the expiration of the Declarant Control Period of seven (7) years.
4. The Executive Board shall have all of the duties and powers granted to the Executive Board by the Act.

Qualifications. Any Unit owner (or joint Unit Owner) is qualified to be nominated as a member of the Executive Board. In the event the ownership is vested in a corporation, any officer of the corporation may be nominated as a member of the Executive Board. In the event the ownership is vested in a limited liability company, any member or manager of the company may be nominated as a member of the Executive Board. In the event the ownership is vested in a Trust, any trustee or person of legal age who is the holder of a present legal interest in the trust assets may be nominated as a member of the Executive Board.

Section 3.2. Election and Term of Office.

Subsequent to turning the Executive Board over to the Unit Owners, members of the Executive Board shall be elected at the Annual Meeting of Unit owners. Each member shall serve a term of three years, except that at the first election of Executive Board members, two (2) members shall be elected for a three year term, two (2) members for a two year term, and one (1) member for a one year term. The only exceptions are those

members of the Executive Board which may be appointed by the Declarant, and those members who may be appointed because of a vacancy. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

Any qualified person may be nominated for election to the Executive Board at the Annual Meeting or any Special Meeting called for the purpose of replacing a vacant seat on the Board.

Section 3.3. Discharge of Duties of Directors and Officers. A director or Officer shall discharge their duties:

1. In good faith;
2. With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
3. In a manner the director, or officer, reasonably believes to be in the best interests of the Association and not for their own personal interest.

Section 3.4. Meetings.

A. Meetings of the Executive Board shall be conducted as follows:

1. Time and Location.

The Executive Board shall hold an Annual meeting within ten days following the Annual Meeting of the Association to elect officers and conduct any other business which they have the authority to conduct. The President or a majority of the Executive Board can call meetings. The Executive Board shall meet at least 4 times each fiscal year unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings. The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than specified in the notice of the meeting.

2. Notice.

Forty-eight hour written notice is required for Executive Board meetings. The notice must contain the date, time, and place of the meeting. The notice can be given by hand, by mail, email, facsimile or telegram, but in any event it must be given to each Executive Board member. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice at such meeting.

In addition to notice to the Directors, the Board shall make reasonable efforts to notify unit owners of the time and place of meetings of the Board by posting notices at the Association offices, by email, web site postings or other methods, but notification to every unit owner is not a prerequisite to the validity of such meetings.

3. Quorum of the Executive Board.

At all meetings of the Executive Board, a majority of the members shall constitute a quorum for the transaction of business, and ***the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision*** of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum and voting purposes at any meetings by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

4. Voting

Each member of the Executive Board shall be entitled to cast one vote. ***A vote of the majority the members of the Executive Board present at any meeting at which a quorum is present shall bind the Executive Board*** for all purposes unless otherwise provided in the Declaration or these Bylaws. ***No proxy voting is allowed*** in meetings of the Executive Board because the duties of directors are non-delegable.

5. **Meeting by Remote Communication.** Any one or more or all of the members of the Executive Board may participate, and vote, in a meeting of the Directors by means of a conference telephone, Skype, Facetime, video conference, or similar communications equipment. Participation by such means shall constitute presence in person at a meeting provided that all persons participating in the meeting can hear each other at the same time and each Board Member can participate in all matters before the Association, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the Association.

6. Conduct of Meetings.

The President shall preside over all meetings of the Executive Board and the Secretary shall keep a Minute Book of the Executive Board meetings, recording all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The Board may set aside as a separate agenda item a time for unit owners to speak.

7. Action without a Meeting.

Any action required or permitted to be taken by a vote of the Executive Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action and forward these consents to the Secretary. Consents may take the form of an email or text message, which the Secretary shall maintain in the Association's records.

If a meeting otherwise valid of the Executive Board or of any committee is held without call or notice where such is required, any action taken at such meeting shall be deemed ratified by a director or committee member who did not attend, unless, after learning of the action taken and of the impropriety of the meeting, he makes prompt objection thereto.

Objection by a member, director or committee member shall be effective only if written objection to the holding of the meeting or to any specific action so taken is filed with the clerk or the secretary of the Association.

8. Informal or Irregular Action by Directors.

Action taken without a meeting by agreement of a majority of directors shall be deemed action of the Executive Board if the Directors take informal action pursuant to a custom of the Association known generally to its members and all directors know of the action taken, and no director makes prompt objection thereto.

9. Rights of Unit Owners at Meetings of the Executive Board.

Unit owner may attend, but Unit owners shall have no right to participate in meetings of the Board, unless invited to do so by the Board. The Board shall have as an agenda item for each meeting, a time set aside for comments and questions from Unit owners. The Board may establish rules or policies providing reasonable limits to such comments.

10. Executive Sessions.

All meetings of the Executive Board shall be open for unit owners to attend, except that the Executive Board may go into Executive Session to discuss those legal issues, personnel issues, and other sensitive matters which are ordinarily the subject of Executive Sessions under Maine's Freedom of Access laws which regulate the conduct of state and local governments in Maine. The motion to go into Executive Session must be accompanied by an explanation of the precise nature of the business of the Executive Session, and no other business shall be discussed while in Executive Session. The Executive Board may decide that there shall be no formal minutes of Executive sessions, except such decisions as may be required by law to be recorded.

Section 3.5. Resignation and Removal.

At a special meeting of members called expressly for that purpose, any individual director may be removed, with or without cause, by a vote of the members. Such removal may be accomplished by the affirmative vote of 2/3rds of the members entitled to vote for directors. If any director is removed at such meeting of the members, new directors may be elected at the same meeting without express notice being given of such election. Directors may be removed by a court in accordance with Maine State law.

This section does not apply to Executive Board members which the Declarant has the right to appoint.

Section 3.6. Vacancies.

Any vacancy or vacancies on the Executive Board (except members appointed by the Declarant), whether caused by resignation, removal, death, adjudication of incompetency, or an increase in the size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association, at which time such vacancy may be filled by the vote of more than fifty percent of the votes of the Unit owners. If the vacancy results from the removal by vote of the Unit owners, the election of a new member or members may be held at the same meeting where such removal takes place and notice of an election for removal shall be considered notice of an election to fill each

vacancy so caused. The vote of more than fifty percent of the Unit owners present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

Section 3.7. Compensation.

No member of the Executive Board shall receive pay for performing his duties as a member of the Executive Board unless such pay is expressly authorized or approved by a vote of more than fifty percent of the votes of all Unit owners, at any Annual or Special Meeting of the Association.

Section 3.8. Conflict-of-interest transaction.

- A. A conflict-of-interest transaction is a transaction in which a director or officer of the Association has a direct or indirect financial interest. For the purposes of this section, a director or officer has an indirect interest in a transaction if:
 - 1. Another entity in which the director or officer has a material interest or in which the director or officer is a general partner is a party to the transaction; or
 - 2. Another entity of which the director or officer is a director, officer or trustee is a party to the transaction.

- B. A conflict-of-interest transaction is not voidable or grounds for imposing liability on a director or officer of the Association if the transaction was fair at the time it was entered into or is approved as provided in the subsection below.

- C. A transaction in which a director or officer has a conflict of interest may be approved by the directors or the members of the Association before or after consummation of the transaction as follows:
 - 1. The Executive Board or a committee of the Board may authorize, approve or ratify a transaction under this section if the material facts of the transaction and the director's or officer's interest are disclosed or known to the Board or committee of the Board.
 - 2. A conflict-of-interest transaction is approved if it receives the affirmative vote of a majority of the directors on the Executive Board of the Association or on a committee of the Board who have no direct or indirect interest in the transaction, but a transaction may not be approved under this subsection by a single director. If a majority of the directors on the Board who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this section.
 - 3. The Executive Board, without regard to this section, has authority to fix the compensation of directors for their services as directors or officers or in any other capacity.

Section 3.9. Powers of the Executive Board.

A. Enumeration.

The Executive Board shall have all of the powers and duties granted by the Act and the laws governing corporations and unincorporated associations.

B. Limitation.

Nothing in this section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by the Unit owners.

C. Delegation of Powers; Managing Agent.

The Executive Board shall employ for the Condominium a managing agent at a compensation established by the Executive Board. The managing agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws. Where a managing agent does not have the power to act under the Act, the Declaration or these Bylaws, the managing agent may act as an advisor to the Executive Board. The Executive Board may delegate to the managing agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

1. to adopt an annual budget and any amendment thereto or to assess Common Expenses;
2. to adopt, repeal or amend Rules and Regulations;
3. to designate signatories on Association bank accounts;
4. to borrow money on behalf of the Association;
5. to acquire mortgages on Units; and
6. to assign Common Elements as Limited Common Elements.

Any contract with the managing agent must provide that it shall be cancelable by either party without cause and without a termination fee upon not less than sixty days nor more than ninety days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty days written notice. Any such contract negotiated by the Declarant shall not exceed three (3) years but may be renewed upon consent of the Association.

Section 3.10. Scope of Rulemaking Authority.

- A. The Board has authority to enact Rules & Regulations relating to use of the Common Elements.
- B. The Board does not have authority to enact rules changing the uses to which any Unit is restricted, or to enact any other rules affecting Units, except as they are ancillary to the Board's power to control the Common Elements. Limitations on leasing and occupancy of Units are considered to be ancillary to control of the Common Elements, since lessees use the Common Elements. Restrictions regarding smoking and noise are also considered to be ancillary to control of the Common Elements, since such activities affect the Common Elements.

- C. The Board may not enact rules which contravene the Maine Condominium Act, the Declaration of Condominium, the Bylaws, the Maine Non-profit Corporation Act or other state or federal law.

ARTICLE 4 - OFFICERS

Section 4.1. Election.

The Executive Board shall elect officers at its Annual Meeting, provided a quorum is present. The term of office for each officer is one year. They shall, however, serve until their successors are elected. The officers to be elected are: President, Secretary, Treasurer and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continues to be re-elected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.2. Duties.

The duties of the officers shall be as follows:

A. President.

The President shall:

1. be the chief executive officer of the Association and the chairperson of the Executive Board.
2. be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the State of Maine, the Condominium Documents and the actions of the Executive Board.
3. have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with or without the signatures of any other officers as may be determined by the Executive Board.
4. preside at all meetings of the Association and the Executive Board at which he is in attendance. If the President is absent from such meetings, the senior officer of the Association present at such shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside.
5. have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Maine, and,
6. to prepare or cause to be prepared, amendments to the Declaration on behalf of the Association, and to execute, certify and record such amendments.

B. Secretary.

Unless otherwise determined by the Executive Board, the Secretary shall:

1. keep, or cause to be kept, all records (or copies thereof if the original documents are not

available to the Association) of the Association and the Executive Board and shall have the authority to affix the seal of the Association to any documents requiring such a seal;

2. give, or cause to be given, all notices as required by law, the Declaration or these Bylaws;
3. keep, or cause to be taken and kept, minutes of all meetings of the Association and the Executive Board;
4. take and keep, or cause to be taken and kept, at the Association's office a record of the names and addresses of all Unit owners as well as copies of the Declaration, the Plats and Plans, these Bylaws and the Rules and Regulations, all of which shall be available at the office of the Association; for inspection by Unit Owners, or prospective Unit Owners, during normal business hours and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Executive Board;
5. keep, or cause to be kept, the register of Eligible Mortgage Holders; and
6. perform all duties and have such other powers as are ordinarily attributable to the Secretary of a corporation domiciled in Maine.

The Secretary need not be a member of the Executive Board nor a unit owner.

C. Treasurer.

Unless otherwise determined by the Executive Board, the Treasurer shall:

1. have the charge and custody of, and be responsible for, all funds and securities of the Association;
2. deposit, or cause to be deposited, all such funds in such depositories as the Executive Board may direct;
3. keep, or cause to be kept, correct and complete accounts and records of all financial transactions of the Association and the Executive Board;
4. submit, or cause to be submitted, to the Executive Board and the Association such reports as the Act, the Declaration, the Executive Board or these Bylaws may require. Such records shall:
5. include chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements and each Unit;
6. include the amount of each assessment for Common Expenses and expenses assessable to individual Units, if any, and the amount paid and the amounts due on such assessments.
7. specify and itemize the maintenance, repair and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expenses incurred by the Association.
8. upon request, provide a statement of unpaid assessments under Section 1603-116(h) of the Act, and resale certificates under Section 1604-108(b) of the Act.

9. perform such duties and have such powers as are ordinarily attributable to the Treasurer of a Maine corporation.

These financial records shall be kept at the Association's office and shall be available there for inspection by Unit owners, or prospective Unit Owners, during normal business hours.

The Treasurer need not be a member of the Executive Board or a unit owner.

Section 4.2-A. General standards for officers.

An officer with discretionary authority shall discharge that officer's duties under that authority:

- A. in good faith;
- B. with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- C. In a manner the officer reasonably believes to be in the best interests of the Association and its members and not for the officers own personal interest.

Section 4.3. Compensation.

Except for the Secretary and Treasurer, the officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved by a vote of more than fifty percent of the votes of all Unit owners, at any Annual or Special Meeting of the Association. The Executive Board may pay the Secretary and/or Treasurer such compensation as it deems suitable.

Section 4.4. Resignation and Removal.

Any officer may resign at any time by written notice to the Executive Board. This resignation will become effective at the next Executive Board meeting. Any officer, except for the Treasurer or Secretary, who ceases to be a member of the Executive Board for any reason also shall be deemed to have resigned. Any officer may be removed from his office at any time by a majority vote of the Executive Board whenever in the judgment of the Executive Board the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of Executive Board.

Section 4.5. Vacancies.

Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members if the vacancy resulted from action by the Executive Board. If, however, the vacancy resulted from action by the Unit owners, such vacancy shall be filled in the same manner as set forth above for filling Executive Board vacancies.

ARTICLE 5 - COMMON EXPENSES: BUDGETS

Section 5.1. Fiscal Year.

The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board. However, the first fiscal year shall begin upon the Recordation of the Declaration and end on December 31 of the same year.

Section 5.2. Preparation and Approval of Budget.

A. Adoption.

On or before September 1st of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay:

1. the cost of wages, maintenance, management, operation, repair, services, supplies, replacement of the Common Elements as to which it is the responsibility of the Executive Board to maintain, repair and replace;
2. the cost of such insurance and utilities as may be furnished by the Association;

The amount of such reserves as shall be reasonably established by the Executive Board including operating contingency reserves for expenses both unanticipated and extraordinary and reserves for periodic maintenance, repair and replacement of the Common Elements and Limited Common Elements; and such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods.

B. Available for Inspection.

On or before September 30th (or fifty-five days before the beginning of the fiscal year, as the case may be), the Executive Board shall make the budget available for inspection at the Association offices and shall mail to each Unit owner a summary of the budget in a reasonable itemized form that sets forth the amount of the Common Expenses. Such budget shall be the basis for determining each Unit owner's assessments for General Common Expenses of the Association.

C. Ratification of Budget.

Within 30 days after adoption of any budget for the condominium, the Executive Board shall provide a summary of the budget to all Unit owners and shall set a date for a meeting of the unit owners to consider ratification of the budget not less than 14 nor more than 30 days after mailing of the summary. Unless at that meeting a majority of all the unit owners or any larger vote specified in the declaration reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the unit owners shall be continued until such time as the unit owners ratify a subsequent budget proposed by the Executive Board.

D. Reasonable Efforts.

The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 5.3 Assessment and Payment of Common Expenses.

A. General Common Expenses.

1. Annual Assessments required. The Executive Board shall determine and make assessments against Unit owners at least annually.
2. Calculation of Assessments. The Executive Board shall calculate the Regular Assessments for General Common Expenses against each Unit in accordance with the Declaration.
3. When Assessments are Payable. Such assessments, shall be due and payable at such times within the fiscal year as the Executive Board shall determine from time to time and shall be a lien against each Unit owner's Unit as provided in the Declaration.
4. Accounting required. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit owner and to each Eligible Mortgage Holder an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves.
5. Shortages. Any net shortage in General Common Expenses shall be assessed promptly against the Unit owners and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

B. Reserves.

1. The Board shall establish reserves including one for capital repairs (sometime called a working capital reserve) and for emergency repairs.
2. Payment of Extraordinary Expenses. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against reserves for working capital, operations, contingencies and replacements.
3. Reserves inadequate to pay Extraordinary Expenses. If the reserves are inadequate, the Executive Board may levy a Special Assessment. The Special Assessment shall be levied against each Unit owner according to each owner's Percentage Liability for Common Expenses, and shall be payable as the Executive Board shall determine.
4. Service charges. Service charges (other than Common Expenses) may be assessed separately to each Unit or group of Units benefited thereby and shall be paid by the Unit owner within 15 days of deposit in the U.S. Mail or hand delivery of the notice of such charges, and shall be a lien on the Unit with the same status as a lien for common charges set forth in the Declaration.

Section 5.4. Notice of Assessments.

The Executive Board shall serve notice on all Unit owners of Assessments by a statement in writing giving the amount and reasons for the Assessment. Such further assessments, unless otherwise specified in the notice, shall become effective with the next Regular Assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit owners so assessed shall be obligated to pay such Regular Assessments. Such assessment shall be a lien as of the effective date as set forth in the preceding Sections 5.3.A and 5.3.B.

Section 5.5. Initial Budget.

The Executive Board shall adopt a budget at or prior to the time of the first Assessment, for the period beginning on the date of the first Assessment, and ending on the last day of the fiscal year.

Section 5.6. Effect of Failure to Prepare or Adopt Budget.

If the Executive Board fails to prepare or adopt a budget in time, the Unit owners shall continue to pay each Regular Assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 5.7. Accounts; Compilations.

- A. Funds authorized. All sums collected by the Executive Board may be held in as many separate funds as permitted by law or required by the secondary market, at the discretion of the Executive Board. All collected funds for capital reserves shall be held in a separate account and may only be drawn upon with the signatures of the Treasurer and one other member of the Executive Board.
- B. Accepted accounting practices required. All books and records of the Association shall be kept in accordance with good and generally accepted accounting practices.
- C. Annual verification required. At the discretion of the Board of Director, the Association accounts may be verified once each year by an independent accountant retained by the Executive Board.
- D. Financial statements furnished to mortgagees. The Association shall make a financial statement for the preceding fiscal year available to any holder, insurer or guarantor of a first Mortgage secured by any Unit who submits a written request therefor to the Association.

Section 5.8. Limitations on Expenditures and Borrowing.

The Association, by a vote of more than fifty percent of all votes in the Association, may reject any capital expenditure or borrowing approved by the Executive Board, within thirty days after approval by the Executive Board.

Section 5.9. Statement of Common Expenses.

When requested in writing, the Executive Board shall promptly provide any Unit owner, contract purchaser or proposed Mortgagee with a written statement (i.e., a Resale Certificate) of all unpaid assessments for Common Expenses and Limited Common Expenses, if any, due from such Unit owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation.

ARTICLE 6 - INSURANCE

Section 6.1 Policies. The Executive Board on behalf of the Association shall obtain, or cause to be obtained, and shall maintain as a Common Expense, the policies of insurance described herein to the extent that such policies shall be reasonable available from reputable insurance companies. To the extent that said insurance described in herein is not reasonable available as described in the preceding sentence, the Executive Board on behalf of the

Association shall give notice of that fact to the Unit Owners and the Eligible Mortgage Holder of Mortgages of their units by hand-delivering securing a receipt therefore, or by prepaid United States mail, return receipt requested. The Executive Board of the Association is hereby irrevocably appointed as attorney-in-fact for each owner of each other interest in the Property for the purpose of purchasing and maintaining the insurance described herein, the collection and appropriate disposition of the proceeds thereof with any bank or trust company authorized to do business in the State of Maine as trustee for all Unit Owners and their Mortgagees as their respective interests may appear (the "Insurance Trustee").

Section 6.2 Property Insurance.

The Executive Board shall obtain on behalf of the Association and all Unit Owners property insurance on the Common Elements, insuring against all risks of direct physical loss commonly insured against. The total amount of insurance after application of any deductibles shall be 100% of the actual replacement cost of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies.

To the extent reasonably available, the Property Insurance shall carry either of the following endorsements:

-a Guaranteed Replacement Cost Endorsement (under which the insurer agrees to replace the insurable property regardless of the cost) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance) ; or

-a Replacement Cost Endorsement (under which the insurer agrees to pay up to 100% of the property's insurable replacement cost, but no more) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance).

Section 6.3. Liability Insurance. The Executive Board shall obtain and maintain as a Common Expense comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Executive Board member, the managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death, bodily injury or property damage arising out of, or incident to, the maintenance, ownership or use of the Common Elements and or relating to any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain: (a) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; and (c) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Executive Board shall review such limits once each year, but in no event shall such insurance be less than one million dollars covering all claims for bodily injury of property damage arising out of one occurrence.

Section 6.4 Other Insurance. The Executive Board shall obtain and maintain as a Common Expense:

To the extent requested by a majority in voting interest of the Unit Owners or required by any governmental or quasi-governmental agency, including without limitation, the Federal National Mortgage Association or the Federal Home Mortgage Corporation, adequate fidelity coverage to protect against dishonest acts on the part of officers, members of the Executive Board, trustees and employees of the Association and all others who handle, or are responsible for handling, funds of the Association, including managing agent.

To the extent reasonably available, "directors and officers" liability insurance, to satisfy the indemnification obligations of the Association;

Section 6.5 Memoranda, Cancellation, Additional Required Provisions. All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association, and, upon request, to any Unit Owner or Mortgagees. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses. All policies under this Article shall in addition contain the following provisions: "The insurer waives any right to claim by way of subrogation against the Association, the Executive Board, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households."

Section 6.6 Insurance Requirements. All insurance policies written on behalf of the Association shall be written by an insurance carrier that meets Secondary Market requirements for an AM Best rated insurer.

ARTICLE 7 - REPAIR OR RECONSTRUCTION

Restoration of Property Out of Common Expense Fund.

The Executive Board shall promptly repair and restore any damage to or destruction under the provisions of the Declaration and Sections 1603-113(e) and (h) of the Act. The disbursements of funds for such repair or reconstruction shall, at the option of the Executive Board, be made only as the work progresses upon approval of a qualified person who shall have furnished a description satisfactory to the Executive Board of the costs involved and the services and materials to be furnished by the contractors, subcontractors and materialmen. Unit owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expenses as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition, as determined by the Executive Board, as it was immediately prior to the damage. Each Unit owner shall personally assume the additional expense of any improvements to his Unit which he desires, to restore it beyond such condition. If any physical changes are made to any restored Unit or the Common Elements, or any combination of them, which makes inaccurate the Plats and Plans which are then of Record, the Executive Board shall record amended Plats and Plans showing such changes.

ARTICLE 8 -SEPARATE REAL ESTATE TAXES

Each unit shall have separate property tax bills. However, in the first year of the existence of the Condominium, if there are no tax assessments against individual Units, each Unit owner shall pay a portion of the tax bill for the whole Condominium in accordance with that Unit's Percentage Interest.

ARTICLE 9 - AMENDMENTS

Section 9.1. General Requirements; Consent of Declarant or Holders of Mortgages; Curative Amendments to Bylaws.

- A. Amendments require majority of all Unit owners. Except as otherwise provided in any one or more of these Bylaws, or the Declaration, these Bylaws may be amended by the vote of the Unit owners entitled to cast a majority of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws.
- B. Declarant's assent required in certain cases. If the amendment makes any change which would have a material effect upon any rights, privileges, powers and options of the Declarant, the amendment shall require the joinder of the Declarant.
- C. Mortgagees assent required in certain cases. No amendment seeking:
 - 1. to abandon, partition, subdivide, encumber, sell or transfer any portion of the Common Elements, or
 - 2. to abandon or terminate the form of ownership of the Property except as otherwise provided in the Declaration, shall be effective without the prior written approval of all Mortgagees with mortgages encumbering the Units.
- D. Two thirds vote required for "material" changes. Notwithstanding the foregoing, amendments of a material nature require a two-thirds vote of Unit owners and a majority vote of Eligible Mortgage Holders.
- E. What constitutes a "material" change. An amendment affecting any of the following is considered material:
 - (i) Voting rights in the Association;
 - (ii) Change in percentage liability for common expenses, assessment liens for common expenses, priority of assessment liens, or the subordination of assessment liens, or increases in the assessments of more than 25% over the prior year;
 - (ii) Reduction in reserves for maintenance, repair and replacement of Common Elements;
 - (iv) Responsibility for maintenance and repairs;
 - (v) Reallocation of pro rata interests in the Common Elements, the Limited Common Element or rights to their use;
 - (vi) Alteration of the definitions of the boundaries of any Unit, including the partition or subdivision of a Unit;
 - (vii) Convertibility of Units into Common Elements or vice versa;
 - (viii) Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
 - (ix) Hazard insurance or fidelity bond requirements;

- (x) Imposition of any restrictions on the leasing of Units;
 - (xi) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
 - (xii) A decision by the Association to establish self-management after more than 50 Units have been created when professional management had been required previously by an Eligible Mortgage Holder or by the Condominium Declaration or the Bylaws;
 - (xiii) Restoration or repair of the Property (after damage or destruction, or partial taking by eminent domain or condemnation) in a manner other than that specified in the Declaration;
 - (xiv) Any action to terminate the Condominium after substantial damage destruction or condemnation occurs;
 - (xv) Any provisions of this Article and any other provision of this Declaration expressly benefits mortgage holders, insurers or guarantors; or
 - (xvi) Any provisions of this Article.
- F. Corrective amendments. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision of the Bylaws, the Maine Non-Profit Corporation Act or the Declaration, then the Executive Board, acting through the President or any Vice President, may amend these Bylaws without the approval of the Unit owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of a written opinion from legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Section 9.2. Amendments to the Declaration.

The President or Secretary shall prepare, execute, certify and record amendments to the Declaration in the manner required by the Act.

ARTICLE 10 - GENERAL PROVISIONS

Section 10.1. Severability.

- A. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the project which the Declaration (including the Plats and Plans and these Bylaws) are intended to create.
- B. The Maine Non-Profit Corporation Act and the Declaration shall control in the event of any conflict between them and the Bylaws. The Maine Non-Profit Corporation Act, the Declaration and these Bylaws shall control in the case of any conflict between them and the Rules and Regulations. In the event that these sources do not provide a clear answer in matters of interpretation, it is the intent that these provisions be interpreted in accordance with the provisions of the Maine Condominium Act.

Section 10.2. Notices.

- A. Writing Required All notices or other communications required or permitted under these Bylaws shall be in writing (email or text messaging shall qualify as written notice).

- B. Time. All notices and other communications shall be deemed to have been given when personally delivered or on the second business day after the day on which mailed by certified mail, return receipt requested, postage prepaid; or in the case on email, a receipt is obtained notifying the sender that the addressee has received and opened the email:
1. if to a Unit owner at 1) the single address which the Unit owner shall designate in writing and file with the Secretary; or 2) if no such address is designated, at the address of the Unit of such Unit owner; or 3) the email address which the Unit owner shall designate in writing and file with the Secretary; or 4) the text message address/number which the Unit owner shall designate in writing and file with the Secretary or management company.
 2. if to the Association, the Executive Board or to the managing agent, at the principal office of the Association and to the managing agent or at such other address as shall be designated by notice in writing to the Unit owners pursuant to this Section.
- C. Multiple owners. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices.

Section 10.3. Headings.

The headings preceding the various Sections of these Bylaws and the Table of Contents are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision of them.

Section 10.4. Gender.

The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

Section 10.5. Disposal of Assets

Upon dissolution of the Association, all remaining assets after the payment of debts and expenses, shall be disposed of in accordance with the Maine Condominium Act.

Seen and accepted by the Declarant this ____ day of _____, 2023.

Regency Woods Development, Inc.

By: _____
Dennis M. Page, President