NANCY E HAMMOND, REGISTER OF DEEDS
E-RECORDED
Bk 18999 PG 218
Instr # 202201 6059
04/11/2022 11:39:15 AM
Pages 26 YORK CO

CERTIFICATE OF AMENDED AND RESTATED BYLAWS OF SEAGLASS VILLAGE, A SEASONAL COTTAGE CONDOMINIUM COMMUNITY

The undersigned Jerry Schlessel, President of Seaglass Village Condominium Association ("Seaglass Village"), a Maine Non-Profit Corporation with a place of business in Wells, Maine, hereby certifies that The Amended and Restated Bylaws of Seaglass Village, A Seasonal Cottage Condominium Community, attached hereto as Exhibit A, were approved in accordance with the terms of Section 9.1(b) of the Declaration of Condominium of Seaglass Village, A Seasonal Cottage Condominium Community, dated August 20, 2009 and recorded in the York County Registry of Deeds at Book 15709, Page 110, as amended from time to time.

I further certify that Exhibit A attached hereto incorporates and supersedes the Bylaws of Seaglass Village, A Seasonal Cottage Condominium Community, which are attached to the Declaration dated August 20, 2009 and recorded in the York County Registry of Deeds at Book 15709, Page 110, and all prior amendments thereto.

Dated: ~~March~~ April 6, 2022

Seaglass Village Condominium Association

Jerry Schlessel, President

STATE OF ~~MAINE~~ Florida

~~YORK~~, SS. Sumter

2022

~~March~~ April 6, 2022

Then personally appeared the above-named Jerry Schlessel, in his capacity as President of Seaglass Village Condominium Association and acknowledged the foregoing instrument to be his free act and deed and that of the Seaglass Village Condominium Association.

by means of

X physical presence or

_____ online notarization

Jo Ann Conrad

Notary Public

Printed Name: Jo Ann Conrad

Commission Expires: 10/6/2024

JO ANN CONRAD
MY COMMISSION # HH 022970
EXPIRES: October 6, 2024
Bonded Thru Notary Public Underwriters

BYLAWS

SEAGLASS VILLAGE CONDOMINIUM ASSOCIATION

August 20, 2009
Revised June 23, 2019
Revised October 17, 2021

Prepared by
Joseph G. Carleton, Jr.
Attorney at Law
P.O. Box 369
Wells, Maine 04090

TABLE OF CONTENTS

ARTICLE 1 - INTRODUCTORY PROVISIONS 4
- **Section 1.1. Creation** 4
- **Section 1.2. Purposes** 4
- **Section 1.3. Application** 4
- **Section 1.4. Powers** 4
- **Section 1.5. Membership** 4
- **Section 1.6. Office** 4
- **Section 1.7. Recordkeeping Requirements; Inspection by Unit Owners.** 4

ARTICLE 2 – MEETINGS OF UNIT OWNERS 6
- **Section 2.1. Annual Meeting** 6
- **Section 2.2. Special Meetings** 6
- **Section 2.3. Notice of Meetings** 6
- **Section 2.4. Waiver of Notice** 6
- **Section 2.5. Order of Business** 6
- **Section 2.6. Quorum** 7
- **Section 2.7. Adjournment** 7
- **Section 2.8. Voting – Meetings of Unit Owners.** 7
- **Section 2.9. Proxies; Balloting by Proxy** 9
- **Section 2.10. Rules of Order** 10

ARTICLE 3 - BOARD OF DIRECTORS-GENERAL 10
- **Section 3.1. Number, Qualifications and Election** 10
- **Section 3.2. Standing Committee** 11
- **Section 3.3. Powers of Directors** 12
- **Section 3.4. Duties of Directors** 12
- **Section 3.5. Other Duties** 13
- **Section 3.6. Appointment and Vacancies** 13
- **Section 3.7. Removal of Directors** 14
- **Section 3.8. Compensation** 14
- **Section 3.9. Conflict-of-Interest Transaction** 14

ARTICLE 3-A. DIRECTORS MEETINGS 15
- **Section 3-A.1. Meetings** 16
- **Section 3.A.2. Open Meeting Requirements** 16

ARTICLE 4 - OFFICERS 17
- **Section 4.1. Designation** 17
- **Section 4.2. Election of Officers** 17
- **Section 4.3. Duties** 17
- **Section 4.4. Auditor** 19
- **Section 4.5. General standards for officers** 19
- **Section 4.6. Resignation and Removal** 19
- **Section 4.7. Certification of Amendments to the Declaration and Bylaws** 19
- **Section 4.8. Compensation of Secretary and Treasurer** 19

ARTICLE 5 – FINANCIAL; BUDGETARY 20
- **Section 5.1 Accounting** 20

Section 5.2. Budget Preparation and Adoption 20
Section 5.3. Items in the Budget 20
Section 5.3-A. Reserves 21
Section 5.4. Revised and Special Assessments 21
Section 5.5. Fiscal Year 21
Section 5.6. Capital Improvements 21
Section 5.7. Accounts; Compilations 21
Section 5.8. Statement of Common Expenses 22
Section 5.9. Surplus. 22
Section 5.10. Failure to Fix New Assessments 22
Section 5.11. Signatures on Checks or Other Documents 22
ARTICLE 6 – COLLECTION; ENFORCEMENT 22
Section 6.1. Non-Payment of and Lien for Assessments, Special Charges, Etc 22
Section 6.2. Specific Remedies for Nonpayment of Assessments or Violations of Rules. 23
Section 6.3. Due Process in Enforcement, Opportunity to be Heard; Collection of Assessments and Fines 23
Section 6.4. Limitations on Foreclosure Remedy 24
Section 6.5. Sale or Other Transfer of a Unit 24
Section 6.6. Discretion in Enforcement. 24
ARTICLE 6-A – RULES 25
ARTICLE 7 – INDEMNIFICATION OF DIRECTORS AND OFFICERS 26
Section 7.1. Indemnification 26
ARTICLE 8 – AMENDMENTS OF THE BYLAWS 26
ARTICLE 9 - GENERAL PROVISIONS; DISPUTE RESOLUTION; NOTICE 26

ARTICLE 1 - INTRODUCTORY PROVISIONS.

Section 1.1. Creation.

Seaglass Village Condominium Association (the "Association") is organizedas a Mutual Benefit Corporation under the Maine Nonprofit Corporation Act, title13-B of the Maine Revised Statutes, in connection with the submission of Property known as the Seaglass Village, A Seasonal Cottage Condominium Community (the "Condominium") located in the Town of Wells, Maine to the Maine Condominium Act.

Capitalized terms not otherwise defined in these Bylaws shall have the meaningsas specified in the Condominium Act or the Declaration.

Section 1.2. Purposes.

The purposes of the Association are to establish an association of Unit owners pursuant to the Maine Condominium Act for the government, operation andmaintenance of the Condominium.

Section 1.3. Application.

All present and future Unit owners, mortgagees, lessees, licensees and occupants of the Units (including House Units), their employees, agents and customers, and any other persons who may enter upon the Property in any mannerare subject to these Bylaws.

Section 1.4. Powers.

The Association shall have the powers set forth in the Maine Condominium Actand the Maine Non-Profit Corporation Act, and the specific powers set out in Section 7.2 of the Declaration, which are incorporated into these Bylaws by reference. The Association shall act through its Board of Directors, except as limited in Section 7.3 ofthe Declaration and these Bylaws.

Section 1.5. Membership.

Membership in the Association shall consist exclusively of all owners of Units in the Condominium. Membership is transferred automatically to new owners when aUnit is transferred. Use of the term "member" shall have the same meaning as the term "Unit owner".

Section 1.6. Office.

The principal office of the Association shall be located at the Condominium.

Section 1.7. Association Records. The Association must retain the following:

(a) Records of receipts and expenditures affecting the operation and administration of the Association and other appropriate accounting records for the past 6 years;

(b) Minutes of all meetings of its members and Board of Directors, other than executive sessions, a record of all actions taken by the members or Board without a meeting and a record of all actions taken by a committee in place of the Board on behalf of the association;

(c) The names of current members in a form that permits preparation of a list of the names of all members and the addresses at which the Association communicates with them, in alphabetical order showing the number of votes each unit owner is entitled to cast;

(d) Copies of its original or restated organizational documents and bylaws and all amendments to them and all rules currently in effect;

(e) All financial statements and tax returns of the Association for the past 3 years;

(f) A list of the names and addresses of its current Board members and officers;

(g) Its most recent annual report delivered to the Secretary of State;

(h) Financial and other records sufficiently detailed to enable the Association to comply with section 1604-108;

(i) Copies of current contracts to which it is a party;

(j) Records of Board or committee actions to approve or deny any requests for design or architectural approval from members; and

(k) Ballots, proxies and other records related to voting by members for one year after the election, action or vote to which they relate.

Section 1.7-A. Member Access to Records. Except as provided in section 1.7-B, all records retained by the Association shall be available for examination and copying by a member or the member's authorized agent, during reasonable business hours or at a mutually convenient time and location, with 10 days advance notice in writing reasonably identifying the specific records of the association requested.

Section 1.7-B. Denial of Access. Records may be withheld from inspection and copying by members to the extent that they concern:

(1) Personnel, salary and medical records relating to specific individuals;
(2) Contracts, leases and other commercial transactions to purchase or provide goods or services currently being negotiated;
(3) Existing or potential litigation or mediation, arbitration or administrative proceedings;
(4) Existing or potential matters involving federal, state or local administrative or other formal proceedings before a governmental tribunal for enforcement of the declaration, bylaws or rules;
(5) Communications with the Association's attorney that are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
(6) Information the disclosure of which would violate law other than this Act;
(7) Records of an executive session of the executive board; or
(8) Individual unit files other than those of the requesting member.

Section 1.7-C. Copying and Use restrictions. The Association may charge a reasonable fee for providing copies of records and for supervising the member's inspection. A right to copy records includes the right to receive copies by photocopying or other means, including copies through an electronic transmission if available upon request by the member. The Association is not obligated to compile or synthesize information. Information provided toa member from Association records may not be used for commercial purposes or any other purpose not reasonably related to the management of the Association or the duties, rights or responsibilities of members, officers or Board members under Maine Condominium Act or the Association's governing documents.

ARTICLE 2 – MEETINGS OF UNIT OWNERS

Section 2.1. Annual Meeting.

Meetings of the members shall be held annually on a date set by the Boardof Directors, provided that such date shall be held not more than 14 months after the previous annual meeting. The annual meeting and any special meetings shall be held at the Condominium's principal office or such other place as may be designated in the Notice of Meeting.

Section 2.2. Special Meetings.

Special meetings of the members may be held at any time upon the call of the President, the Board of Directors, or the greater of five owners or ten percent (10%) or more of the total votes in the condominium.

Only matters described in the meeting notice may be considered at a special meeting.

Section 2.3. Notice of Meetings.

Notice of meetings of Unit owners shall be given to Unit owners by the Secretary according to Section 10.8 of the Declaration, whose provisions are incorporated herein by reference.

Section 2.4. Waiver of Notice.

The presence of a Unit owner, in person or by proxy, at any meeting shall conclusively establish the meeting's validity, unless any member shall object at the meeting to the noncompliance with this Article. Any meeting so held without objection shall be valid for all purposes.

Section 2.5. Order of Business.

The order of business at all meetings of the members shall be generally as follows, if applicable:

Roll call.

Proof of notice of meeting or waiver of notice.

Reading of minutes of preceding meeting.

Reports of Officers.

Report of Board of Directors.
Report of committees.
Election of the Board of Directors.
Unfinished business.
New business.
Adjournment

Section 2.6. Quorum

The presence at the beginning of any meeting of the Association, in person or by proxy of Unit owners whose aggregate voting interest is three votes or twenty (20) percent of the total votes therein, whichever is greater, shall constitute aquorum for the transaction of all business.

Section 2.6-A. Participation by Unit Owners.

Unit owners must be given a reasonable opportunity at any meeting to comment regarding any matter affecting the condominium community or the Association.

The Board of Directors may establish reasonable rules or regulations governingthe participation of unit owners in unit owner meetings. The presiding officer at any such meeting may set reasonable time limits and other reasonable limitations on unit owner comments, that are not contrary to such rules or regulations or other direction by the Board of Directors.

Section 2.7. Adjournment.

Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the members present,whether a quorum be present or not. Reasonable Email notice of the time and place where the adjourned meeting will be continued shall be given. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 2.8. Voting – Meetings of Unit Owners.

a. General. At a meeting of unit owners:

1. Unit owners may vote by proxy, or by voice vote, show of hands, standing, or any other method for determining the votes of Unit owners, as designated by the person presiding at the meeting. Election of Directors must beby ballot unless the number of candidates is equal to or less than the number of positions to be filled, in which case a voice or hand vote shall be sufficient. Mail in ballots for Directors shall be opened and counted with any ballots cast at the meeting, as shall written approvals for amendment of the declaration submittedin advance by unit owners.

2. If only one of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast all the votes allocated to that Unit. If more than one of the owners is present, the votes allocated to that Unit maybecast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the 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. Unless a greater number or fraction of the votes in the Association is required by the Maine Condominium Act or the declaration, a majority of the votes cast determines the outcome of any action of the association.

Explanatory Note: This note is not a part of the Bylaws, but explanatory only. Different matters require different approval percentages to be enacted or approved. In addition, some questions, such as approval of amendments to the Declaration or disapproval of a budget adopted by the Board of Directors, requires approval of a percentage of all Unit owners, not just those inattendanceor those who vote. Finally, most matters affecting the operation of the Association and of the Condominium are solely reserved to the Board of Directors. In such cases, votes of Unit owners may be considered by the Board as advisory only. Care should be taken to confirm the vote required for any particular matter. Approval of amendments to the Declaration may be made by agreement of Unit owners, as set out in the Declaration.

b. Voting Power. Voting power in the Association is allocated by Unit. "One person, one vote", does not apply. Each Unit has the vote allocated to it by Exhibit B of the Declaration, as it may be amended from time to time, and the owner or ownersof each Unit may exercise that voting power in accordance with these Bylaws. By way of example, if one person owns two Units, he or she may exercise the combined vote allocated to both Units. If two people together own one Unit, those two people have only the vote of that one Unit.

c. Persons and Entities. The owner of record as determined by documents onfile in the York County Registry of Deeds, whether the owner be a person or persons, a partnership, limited liability company, corporation, trust, or other legal entity, shall be entitled to cast the vote of the Unit. The owner may cast the vote or give a properly executed proxy to someone else to cast that vote. The personal representative of a deceased person may cast the vote of the person until a deed of distribution is recorded in the York County Registry of Deeds. Persons purporting to vote for trust, corporate, partnership, estate or limited liability company shall, upon request, show sufficient evidence of authority to act for the owner.

d. Units owned by the Association. No vote pertaining to a Unit owned by the Association may be cast. The voting interest of such a Unit shall not be deemed to be outstanding in determining the presence of a quorum or the

percentage of approval needed to act.

Section 2.9. Proxies; Balloting by Proxy.

a. What are Proxies. Proxies are written authorizations by a Unit owner to allow another person to vote in their place. Proxies are commonly given by a Unit owner (who may not be attending a meeting of Unit owners) to a person who will beattending the meeting. Proxies may be directed proxies, in which the person giving the proxy directs the proxy holder to cast his or her vote in a particular way, or undirected proxies, in which the proxy holder decides how the proxy is to bevoted.

b. Proxies allowed for meetings of Unit owners. Votes allocated to a Unit maybe cast pursuant to a written proxy duly signed by a Unit owner and filed with the Secretary. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly signed written proxy. A Unit owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presidingover the meeting.

c. Requirements for a valid proxy. A proxy:

1. must be in writing, containing a signature of the Unit ownergivingthe proxy. Photocopies or scanned copies, sent by email, of an otherwise valid proxy are acceptable.
2. is void if it is not dated
3. is void if it purports to be revocable without notice
4. automatically terminates eleven (11) months after its date, unlessit specifies a shorter term.
5. can be given by an executor, administrator, personal representative, guardian, or trustee, upon satisfactory evidence ofauthority provided to the Association.
6. can be given to any person attending the meeting.
7. cannot be used in meetings of the Board of Directors

No email, fax or other written or oral communication shall be valid unless it shall meet the requirements of a proxy set out above. A purported proxy sent by email without a signature is invalid.

d. Balloting by Proxy. The Association shall include proxies with any noticeof meeting of Unit owners at which the following actions are on the agenda, allowing Unit owners to designate proxies for such actions:

1. Election of Directors
2. Ratification of a Budget.
3. Approval of Amendments to the Declaration or Bylaws
4. Any other action requiring approval by Unit owners.

The proxy form sent by the Board shall allow Unit owners to direct, if they so choose, how the proxy holder is to cast the vote of the Unit on each pending question, or to choose that the proxy be undirected. It may name the presiding officer or secretary to be the proxy holder, but the proxy form shall allow the unit owner to fill in the name of another person as theproxy holder. All proxies shall be filed with the secretary of the meeting at or during the meeting.

This section does not preclude other persons giving or soliciting proxies.

Section 2.10. Rules of Order.

The Unit owners may adopt and amend, from time to time, Rules of Order not conflicting with these Bylaws or the Declaration, to govern its meetings. Until the Unitowners adopt their own Rules of Order, the most current edition of Robert's Rules of Order shall govern the meetings of the owners.

ARTICLE 3 - BOARD OF DIRECTORS-GENERAL

Section 3.1. Number, Qualifications and Election.

a. The affairs of the Association shall be governed by a Board of Directors, composed of 5 directors.

b. Election to Staggered Terms at Annual Meeting. At the next annual meeting of Unit owners following the initial election of Directors by Unit owners, the terms of the five Directors shall expire and five new members of the Board of Directors shall be elected. At that time, two Directors shall be elected for a term ofone (1) year, two shall be elected for a term of two (2) years and one shall be elected to a term of three (3) years. After the expiration of said terms, the termsof the Directors shall then be three (3) years each. The number of Directors may be changed between 3 and 7 by amendment to the Bylaws.

c. Who Can be a Director. A Director may be an occupant of a Unit, or theowner or the spouse of a Unit owner, or if a Unit owner is a corporation, limited liability company, partnership, trust or estate, then an officer, director, member, manager, partner, trustee, beneficiary or appointed agent thereof. Other persons may be Directors, but a majority of Directors are required to be owners, spousesof owners or such agents, in accordance with Section 1603-103 (e) of the Maine Condominium Act.

d. How Long to Hold Office. The members of the Board of Directors shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. A Director may serve anunlimited number of terms and may succeed himself.

e. Election of Directors.

1. Nomination by Nominating Committee. Nomination for election to theBoard of Directors, commencing with the first meeting at which Owners are entitled to elect members of the Board, shall be made by a Nominating Committee appointed by the Board of Directors. The Nominating Committee shall consist of not more than one member of the current Board of Directors, who shall not be the President of the Association, and two other persons. The Nominating Committee shall recruit and evaluate suitable candidates and make recommendations for membership on the Board.

The Nominating Committee shall nominate candidates for the Board as follows:

a). Selected by the Nominating Committee. The Nominating Committee may submit its own nominations to the Secretary, as set forth above.

Nomination by Petition. The Nominating Committee shall submit for vote by the Unit owners the nominations of others when it receives timely nominating petitions signed by at least five Unit owners and either signed by thenominee or accompanied by a document signed by the nominee indicating a willingness to serve on the Board. The Nominating Committee shall forward

to the Secretary all such petitions nominating a person qualified to be a Director and received by the Nominating Committee at least fourteen (14) days before the notice of annual meeting at which elections will be conducted.

The names of all qualified persons timely nominated by petition or by the Nominating Committee in accordance with this subsection shall be included in the materials mailed as part of the meeting notice.

All nominees must be either (1) present at the meeting and consent tothe nomination, or (2) have indicated in a writing submitted to the Secretary prior to the meeting that he or she is willing to serve on the Board.

A written mail-in ballot for voting for Directors is authorized by these Bylaws, pursuant to Title 13-B, Section 604 (b) of the Maine Revised Statutes andthe Articles of Incorporation of the Association. Such ballot materials shall be included with the notice of annual meeting and shall include the names of all persons properly nominated through or by the Nominating Committee. The Nominating Committee may indicate in these materials which candidates were submitted by nomination of the Nominating Committee and which were submitted by petition. The Secretary shall include any candidate statement, no more than one page in length, timely submitted on behalf of the candidate with the notice of meeting.

f. Conduct of Election. Election to the Board of Directors shall be by written ballot (including the mail-in ballots) unless the number of nominated candidates for the position does not exceed the number of positions to be filled, in which case the Directors may be elected as a slate by voice vote or show of hands. There shall be separate elections for one-year terms, two-year terms and three-year terms. The candidates receiving the largest number of votes shall be elected to fill the one or more vacancies for each term.

g. Some or all votes by members may be conducted by secure electronic transmission under procedures established by the corporation. A vote conducted by secure electronic transmission has the same effect as an in-person vote, mail-in vote, or a vote by proxy.

h. A mail-in ballot is not revoked after delivery to the Association by death or disability or attempted revocation by the person that cast that vote.

i. The Board of Directors may take reasonable steps to verify and assurethe fairness of the vote.

j. Mail in ballots not received by the time set for the vote shall not be counted.

Section 3.2. Standing Committee.

As soon as practical following the Annual Meeting, the Chairperson and members of the following Standing Committees shall either be selected as outlined herein or, if not otherwise provided, may be appointed by the President. President as Ex-Officio Member. The President shall be a member ex-officio of all committees except the Nominating Committee.

a. Finance Committee. The Treasurer shall serve as Chairman of this Committee. The Committee shall meet periodically and whenever requested to do so by the Treasurer, the President, or the Board of Trustees. This Committee shall periodically review the financial

results of the HOA, designate financial institutions with which to deposit funds, direct investment of Reserve funds, review and make recommendations regarding real property transactions and determine financial policies (in partnership with the Board of Trustees and the Operations Manager), and consider and advise the Board of Trustees on any financial matters which have been referred to it by the Board of Trustees. The Committee shall submit to the Board of Trustees not later than sixty (60) days prior to the commencement of each fiscal year, a proposed operating budget for the congregation. The members of the Finance Committee shall be appointed by the Treasurer and the Operations Manager, with approval by the President. The members shall serve one year renewable terms and may be replaced or their membership terminated during or after their terms by the President.

b. Architectural Review Committee (ARC). This Committee shall research, recommend and monitor landscaping improvements, changes and additions. Committee projects might include adding grasses to common areas, replanting plants and redesigning the landscaping of front entrances and other common areas. Committee members also approve homeowner plant additions and landscape designs.

c. EMOC. This committee shall advise the Board of Trustees with respect to the planning, acquisition, construction, expansion renovation or improvement of facilities. This committee will develop, initiate and enforce a uniform plan for reviewing development and homeowner improvements within the HOA's boundaries. The HOA also works with homeowners to ensure compliance. Common standards addressed by EMOC include establishing an acceptable construction materials, storm doors, paint, decking and general construction.

d. Rental. This committee shall advise the Board of Trustees with respect to the rental program at Seaglass. This committee will develop, initiate and enforce a uniform plan for reviewing development and implementation of a successful profitable Rental Program within the HOA's boundaries. The rental committee shall work with the rental manager and operations Manager on all aspects of the rental program including but not limited to advertising, operating expenses, contracted services. The Rental Committee along with Rental Manager and Operations Manager also works with homeowners to ensure compliance of all state and federal laws, budgets and community rules and regulations.

e. Sandbar. This committee shall advise the Board of Trustees with respect to the Sandbar. This committee will develop, initiate and enforce a uniform plan for reviewing developmentand implementation of a successful profitable bar within the HOA's boundaries. The committee along with Sandbar Manager and Operations Manager also works with homeowners to ensure compliance of all state and federal laws, budgets and community rules and regulations.

f. Entertainment. This committee develops and organizes activities and events for members of the association. Committee members help to keep the community friendly and fun. Events can range from cultural programs and summer barbecues to holiday parties.

g. Other Committees. The Board of Trustees or President may establish from time to time such other and further standing and special committees as either shall deem necessary and appropriate in the circumstances.

Section 3.3. Powers of Directors.

The Board of Directors shall generally act on behalf of the Association, and shall have all powers set out in Section 7.2 of the Declaration (as limited by Section 7.3 of the Declaration). These powers are incorporated into these Bylaws by reference.

Section 3.4. Duties of Directors.

A Director shall discharge the Director's duties:

a. In good faith;

b. With the care an ordinarily prudent person in a like position wouldexerciseunder similar circumstances; and

c. In a manner the Director reasonably believes to be in the best interests ofthe Association and not for their own personal interest.

Section 3.5 Other Duties.

In addition to other duties imposed by these Bylaws or by duly adopted resolutions of the members of the Association, the Board of Directors shall be responsible for the following:

a. Election of the officers of the Association;

b. Management and administration of the Condominium, the Association's property and the Common Elements, including the maintenance, repair and replacement thereof;

c. Determination and collection of assessments for Common Expenses,and Special Charges from the owners and the regulation of its fiscal affairs;

d. Establishment of reserves for the maintenance, repair and replacementof Common Elements and for contingencies.

e. Appointment and dismissal of the personnel and agents for the maintenance and operation of the Condominium, including without limitation the Common Elements, and to fix the terms of theirengagementand their compensation and authority; and

f. Designation of committees, which shall be appointed by the President withthe consent of the Board.

Section 3.5-A. Delegation of Powers; Managing Agent.

Board of Directors may employ for the Condominium a managing agent at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize in accordance with law and principles of good governance.

Section 3.6. Appointment and Vacancies.

A vacancy caused by the expiration of a Director's term, the removal of a Directorby a vote of the members, shall be filled by vote of the Unit owners.

Otherwise, vacancies in the Board of Directors prior to the expirationof the term of a Director shall be filled by vote of the other Directors, even thougha quorum is lacking. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 3.7. Removal of Directors.

At a special meeting of members called expressly for that purpose, the entireBoard of Directors or any individual Director may be removed, with or without cause,by a vote of Unit owners as provided in this section. Such removal may be accomplished by the affirmative vote of two thirds in interest of Unit owners presentat the meeting in which a quorum is present. If the Directors are so classified that different classes of Unit owners elect different Directors, a Director may be removed only by the affirmative vote of a majority of the members of that class that elected the Director. If any or all Directors are removed at such meeting of the Unit owners, new Directors may be elected at the same meeting without express notice being given of such election.

Any Director whose removal has been proposed shall be given an opportunity to beheard at the meeting, but the Unit owners' decision shall be final.

Section 3.8. Compensation.

Directors shall serve without compensation. Any Director who is also an officer may be compensated for serving in that office as determined by the Boardof Directors.

Section 3.9. Conflict-of-Interest Transaction.

A conflict-of-interest transaction is a transaction in which a Director or Officer ofthe 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:

a. Another entity in which the Director or Officer has a material interest orinwhich the director or officer is a general partner is a party to the transaction; or

b. Another entity of which the Director or Officer is a Director, Officer ortrusteeis a party to the transaction.

A conflict-of-interest transaction is not voidable or grounds for imposing liabilityon 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.

A transaction in which a Director or Officer has a conflict of interest may be approved bythe Directors or the Unit owners of the Association before or after consummation of thetransaction as follows:

1. The Board of Directors 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 totheBoard 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 Board of Directors 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 whohave 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.

ARTICLE 3-A. DIRECTORS MEETINGS

Section 3-A.1. Meetings.

Meetings of the Board of Directors shall be conducted as follows:

a. Annual Meeting. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the Association; no further notice shall be necessary in order legally to constitute such meeting.

b. Regular Meetings. Regular meetings of the Board of Directors (other than theannual meeting) may be held at such time and place as shall be determined, from time to time, by the Board. The Board of Directors shall hold at least two regular meetings each year.

c. Special Meetings. Special meetings of the Board of Directors may be called by the President or by the secretary upon written request of two Directors, upon 24 hours notice, in accordance with the Declaration. The Board of Directors may hold informal meetings at their discretion without prior public notice to discuss emergent matters relevant to Seaglass Village operations. These informal meetings may be in-person, by phone or by electronic means as needed. No action or vote may be taken in any informal discussion or meeting. Any matter that is to be brought to a Board vote at an upcoming public meeting will include a summary of the discussion that had been had up to that point.

d. Notice; Waiver of Notice. Unless the meeting has been included in a schedule given to the Unit owners or the meeting has been called to deal with an emergency, the Secretary or other officer specified in the bylaws shall cause Email Notice of each regularor special Board meeting to be given to each Board member and to the Unit owners. Notice by other means need not be given to Unit owners not on the Email distribution list. The notice must be given at least 24 hours before the meeting and must state the time, place, and agenda of the meeting. If any materials are distributed to the Board before the meeting, the Board at the same time shall make copies of those materials reasonably available to Unit owners, except that the Board need not make available copies of unapproved minutes or materials that are to be considered in Executive Session.

Before or 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 tothe giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof.

e. Quorum of the Board of Directors. At all meetings of the Board of Directors, at the presence at the beginning of a meeting of at least three Directors orof the majority of Directors then in office, whichever is less, shall constitute a quorum for the transaction of business. The acts of the majority of the Directors present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, a quorum is not present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that mighthave been transacted at the meeting as originally called may be transacted without further notice.

f. Conference Call Meetings. One or more members of the Board of Directors may participate in and be counted for quorum and voting purposes at any meetingsbymeans of conference telephone or similar communications equipment in which all persons participating in the meeting can hear each other. The Board may meet by telephonic, video, or other conferencing process if:

1. the meeting notice states the conferencing process to be used and provides information explaining how Unit owners may participate in the conference directly or by meeting at a central location or conference connection;and
2. the process provides all Unit owners the opportunity to hear or perceive

the discussion and offer comments as set out in Section 3.A-2.

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

h. Conduct of Meetings. The Board of Directors may adopt and amend, fromtime to time, Rules of Order not conflicting with these Bylaws or the Declaration, to govern its meetings. Until the Directors adopt their own Rules of Order, the most current edition of Robert's Rules of Order shall govern the meetings of the Directors.

The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book of the Board of Directors meetings, recording all resolutions adopted by the Board of Directors 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 tospeak on matters affecting the Association or the Condominium.

i. Unanimous Action without a Meeting. Unless otherwise expressly providedby law, any action that may be taken at a meeting of the Directors may be taken without a meeting if all of the Directors sign written consents, setting forth the action taken or to be taken, at any time before or after the intended effective date of such action. Such consents shall be filed with the minutes of Directors' meetings and shall have the same effect as a unanimous vote. In such case, the Secretary promptly shall give Email notice to all Unit owners of any action taken by unanimous consent.

j. Emergencies; Disasters. The requirements of this Article, including notice and quorum requirements, may be waived in circumstances reasonably deemed to be an emergency by those Directors immediately available to decide and act.

Section 3.A.2 Open Meeting Requirements.

a. Member Attendance. Members have the right to attend meetings of the Board, subject to reasonable rules established by the Board. Any interested/concerned member may attend a Board meeting to address a specific issue. b. Executive Sessions. The Board may restrict or prohibit attendance by members and others during executive sessions. A final vote or action may not be taken during an executive session. An executive session may be held only to::

1. Consult with the association's attorney concerning legal matters;

2. Discuss existing or potential litigation or mediation, arbitration or administrative proceedings;

3. Discuss labor or personnel matters;

4. Discuss contracts, leases and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the association at a disadvantage; or

5. Prevent public knowledge of the matter to be discussed if the executive board determines that public knowledge would violate the privacy of any person.

a. Conference Call meetings of the Board. The Board shall make its best efforts, given the circumstances and the technology available, to allow Unit owners to listen andparticipate in conference call meetings of the Board.

For purposes of this section, a gathering of Board members at which the Board members do not conduct Association business is not a meeting of the Board. The Board and its

members may not use incidental or social gatherings of Board members or any other method to evade the open meeting requirements of this section.

ARTICLE 4 - OFFICERS

Section 4.1. Designation .

The principal officers of the Association shall be a President, a Secretary and a Treasurer, of whom only the President need be elected from among the Directors. The Secretary and Treasurer need not be Unit owners. The Directors may appoint a Vice President, Assistant Treasurer, and an Assistant Secretary, andsuch other officers, none of whom need be Directors, as in their judgment may be necessary.

Section 4.2. Election of Officers.

The principal officers of the Association shall be elected annually by the Board of Directors at the annual meeting of Directors. They shall hold office at the pleasure of the Board. They shall serve until their successors are elected. Any person may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.3. 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 chairpersonofthe Board of Directors.
2. be responsible for implementing the decisions of the Board of Directors and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Board of Directors,subject to the limitations of the laws of the State of Maine, the CondominiumDocuments and the actions of the Board of Directors.
3. preside at all meetings of the Association and the Board of Directorsor designate some person to preside in his absence. If the President is absent and does not designate a person to act in his place, the senior officer in terms of service on the Board, present at such meeting shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside.
4. have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Maine, and.
5. to prepare or cause to be prepared, execute, certify and record amendments to the Declaration and the Bylaws on behalf of the Association. **The President does not have the sole power to make decisions for the Board of Directors, nor to appoint members of Board committees. All powers given to the Board shall be exercised by the Board, which may delegate execution of its decisionsto the President and other Officers.**

b. Secretary.

The Secretary or the Secretary's designee shall give notices of meetings on Unit owners. The Secretary must have the capability to send Email Notices, as that term is defined in the Declaration. Unless otherwise determined by the Board of Directors, theSecretary shall:

1. keep all records of the Association and the Board of Directors;

2. give all notices as required by law, the Declaration or these Bylaws;

3. keep minutes of all meetings of the Association and the Board of Directors;

4. keep the register of Eligible Mortgage Holders.

5. file all reports and documents required to be filed by the Association with any governmental agency.

6. perform all duties and have such other powers as are ordinarily attributable to the Secretary of a corporation domiciled in Maine.

If the Secretary or any assistant secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

c. Treasurer.

Unless otherwise determined by the Board of Directors, the Treasurer shall:

1. have custody of, and be responsible for, all funds and securities of the Association;

2. deposit all such funds in such depositories as the Board of Directors may direct;

3. keep correct and complete accounts and records of all financial transactions of the Association and the Board of Directors;

4. submit to the Board of Directors and the Association such reports as the Act, the Declaration, the Board of Directors or these Bylaws may require. Such records shall:

i. Include chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements and each Unit;

ii. Include the amount of each assessment for Common Expenses and Special Charges assessable to individual Units, if any, and the amount paid and the amounts due on such assessments.

iii. 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.

5. upon request, provide a statement of unpaid assessments under Section 1603-116(h) of the Maine Condominium Act, and resale certificates under Section 1604-108(b) of the Act.

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

Section 4.4. Auditor.

The Board of Directors may appoint some person, firm or corporation engaged in the business of auditing to act as auditor of the Association and to perform such audits and fiscal duties as may be requested by the Association, at reasonable compensation set by the Board.

Section 4.5. 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 ofthe Association and its members and not for the officers own personal interest.

Section 4.6. Resignation and Removal.

Upon a majority vote of the Board of Directors at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose, any Officer may be removed, either with or without cause, andhis successor elected. Any Officer whose removal has been proposed, shall be given an opportunity to be heard at the meeting, but the Board's decision shall befinal.

Section 4.7. Certification of Amendments to the Declaration and Bylaws.

The President shall execute, on behalf of the Association, the certificate of amendment required under Section 1602-117 (e) of the Maine Condominium Act for recording amendments to the Declaration or the Bylaws in the Registry of Deeds.

Section 4.8. Compensation of Secretary and Treasurer.

The Secretary and/or the Treasurer of the Association may be compensated fortheir duties, in an amount determined by the Board of Directors. Any current Secretaryor Treasurer who is a member of the Board of Directors shall be subject to the conflict of interest provisions of these bylaws in voting for compensation for themselves.

ARTICLE 5 – FINANCIAL; BUDGETARY

Section 5.1 Accounting.

Within ninety (90) days after the close of each fiscal year, the Association shall furnish its members with a statement of the income and disbursements for such prior fiscal year and a balance sheet as of the close of that year. The Association may send this statement by Email Notice to those Unit owners whoseemail address is on the email distribution list, and shall send the statement to others by U.S. mail, postage prepaid.

Section 5.2. Budget Preparation and Adoption.

The Board shall cause a proposed annual budget to be prepared based on its estimate of annual income and expenses. Within 30 days after adoption of an annual orany other proposed budget or budget revision for the Condominium, the Board of Directors shall provide notice, as required by Section 10.8 (a) of the Declaration, to Unit owners. The notice shall include:

a. A summary of the budget to all the Unit owners

b. A notification of the date and time for a meeting of the unit owners to consider ratification of the budget not less than 10 nor more than 30 days aftermailingof the summary.

c. A proxy allowing the Unit owner to direct the named proxy holder (whichshallbe the presiding officer at the budget ratification meeting) to vote either in favor of the proposed budget, or against it.

Unless at that meeting two-thirds of all the votes in the Association (not just those present in person or by proxy) reject the budget, the budget is ratified, whether or not a quorum is present. Unit owners may express their views on the budget at the meeting, but cannot change the budget; it must either be ratified or rejected. If the proposed budget is rejected, the periodic budget last ratified by the unit owners shall becontinued until the Unit owners ratify a subsequent budget proposed by the Board of Directors.

Section 5.3. Items in the Budget.

The budget shall include the amount required by the Association to meetits expenses for each fiscal year or such other fiscal period as it deems appropriate, including but not limited to the following items:

a. Management and administration expenses;

b. The cost of operation, repairs, maintenance, replacement, and improvements of the Common Elements and such Limited Common Elementsand Units which the Association is responsible to pay for;

c. The cost of such insurance, bonds, services and utilities as may be furnished by the Association, other than such items for which a Special Charge isassessed;

d. Reserves, as set forth below; and

e. Such other expenses of the Association as may be approved by the Boardof Directors including operating deficiencies, if any, for prior periods.

Section 5.3-A. Reserves.

The Budget shall provide for the establishment and maintenance of adequate working capital and reserves, including general operating reserves, reserves for contingencies, a sum equal to the current deductible on the Association's property and casualty policy, losses not covered due to insurance deductibles for which the Association is responsible, and reserves for capital expenditures and other expenses that do not recur on an annual basis.

Section 5.4. Revised and Special Assessments.

If assessments will be inadequate to pay Common Expenses, the Board may revise the budget and submit the revised budget for ratification by Unit owners or adopt a Special Assessment.

A revised budget or a special assessment is subject to the same procedures and ratification vote as the original budget, except that, if payment of any portion of a proposed special assessment is due after the end of the association's current budget year, ratification requires approval of a majority in interest of all unit owners. If the amount of the special assessment does not exceed 2 months' common charges and the Board determines that the assessment is necessary to meet an emergency, the Board may make the special assessment immediately in accordance with the terms of the Board's vote, without ratification by unit owners.

Section 5.5. Fiscal Year.

The fiscal year of the Association shall be determined from time to time bythe Board of Directors.

Section 5.6. Capital Improvements.

Proposed capital expenditures exceeding Thirty-five percent (35%) of the aggregate Common Charges against all the members over the prior fiscal year, exclusive of Special Charges and user fees, are subject to the same ratification provisions as the annual budget.

Section 5.7. Accounts; Compilations.

a. Single fund authorized. All sums collected by the Board of Directors may be commingled into a single fund.

b. Accepted accounting practices required. All books and records of the Association

shall be kept in accordance with good and generally accepted accountingpractices.

c. Annual verification required. Association accounts shall be reviewed or audited by an independent accountant retained by the Board for accuracy. .

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. Statement of Common Expenses.

When requested in writing, the Board of Directors shall promptly provide any Unit owner, contract purchaser or proposed Mortgagee with a written statement of allunpaid assessments for Common Expenses and Special Charges, if any, due from such Unit owner. The Board of Directors may impose a reasonable charge for the preparation of such statement, as a Special Charge, to cover the cost of its preparation.

Section 5.9. Surplus.

Unless otherwise decided by the Board of Directors, any amounts accumulatedfrom assessments for Common Expenses that are more than the amount required for actual Common Expenses and reserves, shall be held by the Association and applied toreduce the amounts to be raised from assessments in the succeeding year's budget.

Section 5.10. Failure to Fix New Assessments.

If there is a failure to fix new Periodic Assessments as required by the Bylaws, the Unit owners shall pay the Periodic Assessments at the existing rate. If the Board ofDirectors changes the Periodic Assessment later, the difference between the new Periodic Assessment, if greater, and the previous Periodic Assessment (up to the effective date of the new Periodic Assessment) shall be treated as if it were a Special
Assessment; thereafter each Unit owner shall pay the new Periodic Assessment. In the event the new Periodic Assessment is less than the previous year's Periodic Assessment,the Board of Directors may refund the surplus to the Unit owners, credit the surplus against future Periodic Assessments or retain the surplus for reserves.

Section 5.11. Signatures on Checks or Other Documents.

All checks, drafts, notes, vouchers, bonds, acceptances, contracts, deeds, certificates, and all other instruments except meeting notices and correspondence,shall require two signatures. One of these signatures shall be either the President, Secretary or Treasurer. The other signature may be another officer, Director, agentor employee, all as the Board of Directors may designate, unless and until the Board establishes a different requirement. The Board may exempt this requirement for checks in a dollar amount below a threshold established by the Board.

ARTICLE 6 – COLLECTION; ENFORCEMENT

Section 6.1. Non-Payment of and Lien for Assessments, Special Charges, Etc.

Each Unit owner shall pay on a due date established by the Board, all Common Expenses and Special Charges, Special Assessments, Interest on unpaid Assessments, Fines, Late Charges, costs of collection, including attorneys fees andrevised Common Expenses due on account for that Unit.

If unpaid for over fifteen (15) days after the due date such sums shall bear interest at

eighteen percent (18%) per annum from the due date until paid. In the sole discretion of the Board of Directors, an additional charge of $25.00 per assessment not paid when due may be charged.

If any assessment is payable in installments, upon a default by such Unit Ownerin the timely payment of any two (2) installments in any fiscal year, the maturity of theremaining total of the unpaid installments may be accelerated at the option of the Board of Directors, and the entire balance of the assessment may be declared due andpayable in full.

Multiple owners of a Unit shall each be jointly and severally liable for all sumsdue under this Section. This means that the Association may collect the entire amounts due from any owner.

No Unit owner may exempt himself from liability for Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by theabandonment of his Unit or otherwise.

Payments made by Unit owners to the Association shall first be applied to late charges, interest, attorneys, fees, and the amounts due, in that order.

Section 6.2. Specific Remedies for Nonpayment of Assessments or Violationsof Rules.

a. Denial of Use of Amenities. The Board may deny use of amenities and accessto that portion of the Common Elements (not necessary for access to the Unit) by the owner or occupant of a Unit during the time that payment for Common Expenses and Special Charges and fines are past due, and when the Unit owner or occupant has beenfound to have violated the Declaration, Bylaws or Rules. The Board may not withhold services provided to a Unit or a Unit owner by the Association, if the effect of withholding the service would be to endanger the health, safety or property of any person.

b. Fines. The Association may fine a Unit owner who violates the Declaration, Bylaws or Rules. The Board may establish a schedule of fines by Rule.

c. Court Action; foreclosure. The Association may pursue its remedies through court action, including the right of foreclosure given to the Association under theMaine Condominium Act; however, the right of foreclosure shall be limited as set out in Section 6.4.

d. Summary Removal of Vehicles. The Association, through its employees and agents, may summarily remove vehicles, including golf carts, parked in non-designatedareas.

e. Inspection. The Board and its managers and employees have the right of reasonable inspection of Units to ensure compliance with the Declaration, Bylaws andRules.

The exercise of any one remedy shall not preclude the exercise of other remedies provided by law, the Condominium Act, this Declaration or in the Bylaws.

Section 6.3. Due Process in Enforcement, Opportunity to be Heard; Collectionof Assessments and Fines.

Before exercising any remedy (except summary removal as allowed in Section 6.2 or collection of unpaid home owner association fees, special assessments, interest and collection costs.) or imposing any fine, the Board of Directors shall allowa Unit owner an Opportunity to be Heard in accordance with this section.

a. The Board shall send notice to the alleged violator, by certified mail, return receipt requested containing a description, in reasonable detail, of the alleged violation,and the place, date and time of a meeting at which the matter will be considered.

b. The meeting shall be held in Executive Session unless the alleged violator requests an open meeting. The meeting shall be conducted by the Board or a committee appointed by the Board. The alleged violator and his representatives mayattend and explain their position. The Board may invite other interested parties to attend the meeting.

c. After hearing from the alleged violator, the Board, shall consider all the circumstances and decide whether a fine or other sanction is appropriate. It shall notifythe alleged violator, in writing, of its conclusions and the reasoning for them, and actions taken.

If the alleged violator does not attend the meeting at which the alleged violationis discussed, the Board may still act because it has given the alleged violator the Opportunity to be Heard.

Section 6.4. Limitations on Foreclosure Remedy

The Association may not commence an action to foreclose a lien on a unit unless:

a. the Unit owner, at the time the action is commenced, owes a sum equal to atleast three [3] months of common expense assessments based on the periodic budgetlast adopted by the Association and the Unit owner has failed to accept or comply with any payment plan offered by the association; and

b. the Board of Directors votes to commence a foreclosure action specifically against that Unit.

Section 6.5. Sale or Other Transfer of a Unit.

In the transfer of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid Common Expenses and Special Charges, penalties, fees, interest and costs of collection outstanding at the time ofthe grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, a purchaser is not liable for any unpaid assessment, Special Charge or fee greater than the amount set forth in a Resale Certificate prepared by the Association pursuant to Section 1604-108 of the Maine Condominium Act, nor shall the Unit conveyed be subject to a lien for any assessments, and Special Charges arising before the statement date in excess of the amount therein set forth.

Section 6.6. Discretion in Enforcement.

The Board may determine whether to exercise the Association's power to impose fines and sanctions and pursue legal action for violations of the Declaration, Bylaws, and Rules, including whether to compromise any claim for unpaid assessmentsor other claim made by or against it. The Board does not have a duty to take enforcement action if it determines that, under the facts and circumstances presented:

a. the Association's legal position does not justify taking any orfurther

enforcement action;

b. the covenant, restriction, or rule being enforced is, or is likely tobe construedas, inconsistent with current law;

c. although a violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expendingthe Association's resources; or

d. it is not in the Association's best interests to pursue an enforcement action.

The Board's decision not to pursue enforcement under one set of circumstancesdoes not prevent the Board from taking enforcement action under another set of circumstances, except the Board may not be arbitrary or capricious in taking enforcement action.

ARTICLE 6-A – RULES

a. Authority to Adopt Rules. The Board of Directors has the authority to adopt and amend Rules concerning behavior in and use of the Common Elements and limitedauthority to adopt and amend Rules concerning behavior and uses within Units, as set out elsewhere in the Declaration and these Bylaws, which complement, amplify or clarify such behavior or use restrictions.

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

b. Adoption of Guidelines. The Board may adopt guidelines, carrying no penalties for violation, instead of Rules, in appropriate cases.

c. Procedure for Adopting Rules. Before adopting, amending, or repealing anyrule, the Board of Directors must give all unit owners Email Notice of:

1. its intention to adopt, amend, or repeal a rule and provide the text ofthe rule or the proposed change; and

2. a date on which the Board will act on the proposed rule oramendmentafter considering comments on those changes from Unit owners.

3. Following adoption, amendment, or repeal of a rule, the Association shall notify the Unit owners of its action by Email Notice and provide a copy of any newor revised rule.

d. Schedule of Fines. The Board may adopt Rules specifying a schedule of finesfor particular violations of the Rules, the Declaration or the Bylaws.

e. Limitations on Rules.

1. A rule regulating display of the flag of the United States must be consistent with federal law.

2. The Association may adopt rules that affect the use of or behaviorinUnits that may be used for residential purposes, only to:

a) implement a provision of the Declaration;

b) regulate any behavior in or occupancy of a Unit which violates the Declaration or adversely affects other condominium property, the safetyand health of other Unit owners, guests or tenants, the use and enjoyment of other Units or the Common Elements by other Unit owners; or restrict the leasing of residential units to the extent set out in the Declaration.

3. Otherwise, the association may not regulate any use of or behavior in Units.

4. The Association's internal business operating procedures need not be adopted as rules.

5. Every Rule must be reasonable.

f. Repeal by Unit owners. Any Rule adopted by the Board of Directors may be repealed by majority vote of all Unit owners (not just those who vote) at a meeting ofUnit owners, at which the question of repeal is on the agenda.

ARTICLE 7 – INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 7.2 Indemnification.

The Association shall indemnify any director, officer, employee or agent of the Association be indemnified to the extent authorized by Section 714 of the Maine Non-Profit Corporation Act.

ARTICLE 8 – AMENDMENTS OF THE BYLAWS

Amendments to the Bylaws are described in Article 9 of the Declaration, whose provisions are incorporated by reference.

ARTICLE 9 - GENERAL PROVISIONS; DISPUTE RESOLUTION; NOTICE

The provisions of Article 10 of the Declaration are incorporated into these Bylaws by reference.