

Bylaws

Freedom Pond Cooperative, Inc.

A Resident-Owned
Community

April 10, 2021

Owned and operated by: Freedom Pond Cooperative, Inc.

Bylaws
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**BYLAWS of
Freedom Pond Cooperative, Inc**

ARTICLE I

- 1.1 The name of this Corporation shall be Freedom Pond Cooperative, Inc., herein after referred to as the "Cooperative," located in New Ipswich, County of Hillsborough, State of New Hampshire.

**ARTICLE II
Purpose**

- 2.1 The purpose for which this Cooperative is formed is to own and operate a manufactured housing community (commonly known as "park"), herein after referred to as the "Community," as a Cooperative and be involved in other Cooperative activities, on a non-profit, "cooperative" basis for the benefit of the current and future resident homeowners. (3/21/2016)
- 2.2 The broad purpose is to gain control of the rental costs, preserve the Community for the current residents, and to keep it affordable long term for low and moderate-income individuals and families. In accordance with the purpose stated in the Cooperative's Articles of Incorporation, the Cooperative will conduct its business in a manner designed to preserve the affordability of the sites within the community for low to moderate income homeowners.

**ARTICLE III
Members**

3.1 Eligibility

A "Member" is defined as the adult (18-years-or-older) individual(s), without regard to their social, political, racial, color, national origin, religious, age, sex, sexual orientation, physical or mental disability, or familial or marital status who: (3/21/2016)

- A. Own and reside in a manufactured housing unit (herein after referred to as the "Home") in the Community, and any spouse or partner in civil union entitled to a homestead interest and the other adult members of the household, all of whom have signed an Occupancy Agreement. A person is seen as owning or co-owning a Home if he or she owns the Home directly or through his or her "living" or "Grantor" trust. A "Grantor" or "living" trust is any trust that is established by an individual under such terms as: (1) appoint him or herself as the trustee during his or her lifetime (and or competency); (2) is revocable by him or her; and (3) designates him or herself as the beneficiary for his, her or their lifetime. (3/21/2016)
- B. Is/Are in good standing with the Cooperative. A "Member in good standing" is a Member whose lot rent and Membership Fees are current or has signed an agreement satisfactory to the Board of Directors to bring these rents and fees current. A "Member in good standing" is also a Member who abides by the Rules of the Cooperative. (3/21/2016)
- C. Is/are willing to accept Membership responsibilities, including, but not limited to voluntary participation in the governance of the Cooperative and in the operation of the community.

3.2 Membership Rights

- A. A Member will have a perpetual right to occupy a lot within the community as long as he or she continues payment of the lot rent and compliance with the other terms of the

- Member Occupancy Agreement, the Bylaws of the Cooperative and the Community Rules established by the Members, all as they may be amended from time to time. However, if a Member is evicted from the Community or moves out of the Community, that Member will lose his or her right to occupy said lot.
- B. Only one Membership interest will be assigned to a home, and only one full vote may be exercised under a Membership interest.

3.3 Membership Obligations

- A. All Members and non-Members are required to pay their lot rent. This lot rent, initially established by the Membership of the Cooperative, may be increased by a majority vote of the Cooperative Board of Directors or by a majority vote of the Membership consistent with 5.1 of these Bylaws, with a sixty (60) day written notice to all Members and non-Members. (3/21/2016)
- B. A Member will participate cooperatively in the operation of the Cooperative. (3/21/2016)
- C. Any Member who wishes to be represented by legal counsel as the result of a Cooperative action must notify the Board in writing of this fact ten (10) days in advance of the meeting. The Member shall solely be responsible for the cost of his or her attorney. In no case should the Cooperative be responsible for the legal fees of the Member. (3/21/2016)

3.4 Enrollment of Members

Buyers of Homes seeking to reside in a Home and lease a lot in the Community must become Members of the Cooperative. Buyers and owners seeking Membership shall: (3/21/2016)

- A. (1) Apply for Membership on a form prescribed by the Board of Directors;
(2) Be approved for Membership by a majority vote of the Board of Directors;
(3) Pay in full the Membership fee;
(4) Execute an Occupancy Agreement;
(5) Have an intent to occupy a Home in the Community; and
(6) Commit to the purposes and policies of the Cooperative including the Community Rules and these Bylaws. (3/21/2016)
- B. Buyers of homes may be approved for Membership conditional upon purchase and occupancy of the home.
- C. A person is considered a buyer or owner if he or she seeks to or does own or co-own a Home directly or through his/her/their "living" or "Grantor" trust (see definition at 3.1 above) or becomes the subsequent beneficiary of a trust, previously existing as a living trust, upon death of the Grantor, or upon devise or distribution from a deceased Member's estate, or any other event. If an existing Member transfers title to a Home to his or her "living" or "Grantor" trust, the trust will not be considered a new owner or buyer under this paragraph. Members transferring their Membership into a permissible "living" or "grantor" trust must furnish the Cooperative with either a copy of said trust document or a letter of opinion from an attorney stating that the trust to which the title has transferred is a revocable, grantor trust wherein the Member(s) is (are) the Trustee(s) during his/her/their lifetime, or competency, and with said Member(s) as the sole beneficiary during his/her/their lifetime.

3.5 Membership Fee

- A. The Membership Fee shall be Five Hundred dollars (\$500.00). Membership Fees accumulate no interest and Membership funds cannot be spent without Membership approval except as specified in 3.5-C. (3/21/2016)

- B. A Certificate of Membership shall be issued to any Member, or to trustee of any Member's "living" or "Grantor" trust, who has fully paid their Membership Fee. This certificate shall entitle the holder (or, in the case of a living or Grantor trust, the trust grantor only) to occupancy of a lot in accordance with the Member Occupancy Agreement, provided that the holder also abides by the Community Rules of the Cooperative and does not interfere with the effective operation of the Cooperative. The certificate is not transferable, except by will or trust distribution by a permissible trust, or the rules of law that apply if someone dies without a will, to someone that would otherwise be eligible for Membership. A Membership may not be transferred to someone or some trustee or beneficiary who does not plan to own the home and reside in the Community nor shall a "living" or "Grantor" trust continue to hold a Membership interest beyond the usual and customary time required for a wind up of a probate estate, should title have passed by that means and occupancy during such periods shall not extend to any other party not previously permitted Membership and occupancy.
- C. The Board of Directors reserves the right to use all or part of a Member's Membership Fee to pay any debt due to the Cooperative, or expenses incurred as a result of a Member's actions or non-actions, in regards to the Cooperative; such debts and expenses being legally the responsibility of the Member. The Member shall replenish a capital balance decreased on such account in order to remain in "good standing."

3.6 Termination and Expulsion

- A. Any Member whose activity in the Cooperative is contrary to basic cooperation principles (see copy of International Cooperative Principles attached hereto and incorporated herein by this reference) or who endangers the effective operation of the Cooperative may be expelled from Membership in the Cooperative by the Board of Directors. Loss of Membership carries with it loss of all Membership privileges, including the perpetual right to occupy said lot and any Member lot rent. Written notice of the charges against each Member, reasonable opportunity for a hearing before the Board of Directors and the option to have said meeting in a public session shall be provided before any such expulsion. A reasonable opportunity is defined as fifteen (15) day notice. The Member's certificate or subscription shall be repurchased for the amount of the Membership Fee paid, less any debts owed and expenses due and owing the Cooperative on behalf of the Member, and if and when there are sufficient reserve funds as determined by the Board of Directors. An eviction of the Member shall automatically terminate his or her Membership. (3/21/2016)
- B. The Member shall have the right to appeal the decision to terminate Membership to the next Membership meeting and will be given a reasonable opportunity to be heard, either in person or by their attorney. Members may request a Special Meeting of the Membership within a reasonable time period and such request will not be unreasonably denied. In the absence of a Board call for a Special Meeting, the Member may do so in accordance with 5.3 of these Bylaws. A Member need not be expelled before being evicted. Re-application for Membership will require Board review and Membership approval before re-issuance of Certificate of Membership. The reason for the expulsion shall be clearly stated, recorded, placed in the permanent files and a copy given to the Member. (3/21/2016)

ARTICLE IV

Sale of Homes

4.1 Use of Homes

- A. In order to unify the Members and make the Cooperative stronger, all homes within the Community must be owner-occupied. If at the time of the acquisition of the Park by the Cooperative an owner does not occupy the unit, said owner will be allowed to continue renting the unit to the current occupants and will be required to sell or occupy the unit if it is vacated by the current occupants. Failure to comply with this article shall result in an eviction from the Community.
- B. No rental or leasing of homes is allowed within the Community. (4/3/2018)

4.2 All Home Sales

- A. Any Member or non-Member who plans to sell or move their Home out of the Community or demolish the Home on site shall give written notice thirty (30) days in advance of that happening to the Board of Directors. Failure to give notice can result in 30 days additional lot rent.
- B. Notice to the Board of Directors stating the intention to sell a Home in place shall contain the estimated date of sale, and the name, address, and phone number of the selling agent, if any. It is the responsibility of the seller to supply potential buyers with information regarding the requirement that all buyers become Members of the Cooperative. The seller shall supply the Cooperative with the names and telephone numbers of any buyers who have signed a Purchase and Sales Agreement. See the exception for certain trust transfers contained in 3.1, which applies here as well. (3/21/2016)
- C. If the Cooperative is owed money by the resident or the resident is in breach of any other obligation to the Cooperative, the Board of Directors will sign a deed, as requested by that resident for the sale of his/her/their Home to a new buyer, but may insist that the deed be transmitted directly to the escrow or closing agent with a Notice of Lien on the resident's Home for those amounts due and owing the Cooperative. The deed shall only be recorded upon payment to the Cooperative of all outstanding balances due to the Cooperative.
- D. The Board of Directors shall purchase the Membership interest from said Member household by paying them an amount equal to the Member's total payment toward their Membership Fee, without interest, less any debt owed by the Member to the Cooperative, within 60 days of the removal or sale of the home, or at such later date when the purchase can be made without jeopardizing the solvency of the Cooperative. (4/10/2021)

4.3 Vacant Lots

Any lot in the Community that becomes vacant (other than a temporary vacancy when a Member of the Cooperative replaces his or her existing manufactured home with a new one, shall be leased by the Board of Directors to a household approved for Cooperative Membership. (4/10/2021)

ARTICLE V

Membership Meetings

5.1 How the Membership Can Legally Act

- A. The Membership may act only at a properly called meeting of the Membership where a quorum is present. One third (1/3) of the current Membership shall constitute a quorum at a Membership meeting.
- B. There shall be no voting by proxy; nor shall a proxy be counted towards the establishment of a quorum. The existence of a quorum shall be established at the beginning of each meeting and shall remain valid until the meeting is adjourned.
- C. If a quorum has been achieved, any motion for consideration that is properly noticed before the meeting shall be approved by a majority vote of Members present except for motions affecting the Bylaws and Community Rules. (3/21/2016)
- D. The Bylaws of the Cooperative and the Community Rules shall be adopted or repealed by at least a majority vote of the total Membership. (3/21/2016)
- E. The Bylaws and the Community Rules may be amended by a majority vote of the Members present at any regular or special meeting at which a quorum is present, provided that notice of the proposed amendment shall be given in writing to all Members not less than ten (10) days prior to such meetings. After the ten (10) day notice, technical changes in wording or detail of the proposed amendment that do not alter the subject matter shall not require an additional notice.
- F. Any business required or permitted to be taken at a Membership meeting may be taken without a meeting, by means of a ballot clearly stating a Board-approved motion. To be passed, the motion must be approved by a majority of the entire Membership. A copy of the motion and vote must be kept on file with the Cooperative's Membership meeting minutes. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted or otherwise published to the members within three (3) days.

5.2 Annual Meeting

- A. The Annual Meeting of the Members shall be held in the month of May in New Ipswich, NH, or a place designated by the Board of Directors within 10 miles of the Community. An Annual Meeting of Members is to be held at least once a year. (4/10/2021)
- B. The Board shall give written notice of the Annual Membership Meeting not less than ten (10) calendar days nor more than forty-five (45) calendar days before the date that such a meeting is to be held. Such notice shall be given in writing to each Member at his/ her address, posted and maintained at a common area, and shall state the place, day, and time of the meeting, as well as the agenda items or subject matter to come before it. (3/21/2016)
- C. The Annual Report to the Secretary of State, the report of the examination of the prior year's finances, and the proposed annual budget of the Cooperative shall be made available to each Member no later than ten (10) days before the Annual Meeting. The annual budget shall require Membership approval at the Annual Meeting.
- D. To avoid possible taxation issues, the Board of Directors shall recommend for approval distribution of funds remaining unspent at the end of the fiscal year. These funds may be rolled over into the following year's budget to minimize operating costs and/ or into Capital Reserves for long term improvements within the Community. (3/21/2016)

- E. The Board shall recommend for the approval by Membership the annual budget with proposed future rents. If Members, after meeting held or ballot conducted for said purposes, shall fail to approve a budget that meets all contractual obligations, the Board may approve such a budget without further vote of the Members.

5.3 Special Meetings of the Membership

- A. Special meetings of the Membership may be called by the Board of Directors or by petition of at least one tenth (1/10) of the Members. Such Member petition may be delivered to any Board Member. The Board shall set the date, place and time of the Special Meeting, to be held within 30 days after receipt of such demand.
- B. The Secretary, of the Cooperative shall deliver or mail written notice stating the place, day, hour and purpose of the Special Meeting to each Member and post the notice in a common area not less than 10 days in advance of the meeting date. Business at a Special Meeting of the Membership is limited to the Scope of the Notice Provided.

ARTICLE VI Board of Directors

6.1 Number and Term of Directors

- A. The Board of Directors shall consist of 5 Members who are residents and owners of a manufactured housing unit in the Community and are in good standing with the Cooperative. (4/10/2021)
- B. Directorships will not be denied to any person on the basis of social, political, racial, color, national origin, religious, age, sex, sexual orientation, physical or mental disability, or familial or marital status. To be eligible to serve as a Director, an individual must be a resident homeowner in the Community and be a Member in good standing with the Cooperative.
- C. All Directors shall serve for a term of two years. No Director may serve for more than three consecutive two-year terms, in any one office, or until their successors are duly chosen.

6.2 Election of Directors

- A. The Board of Directors shall be elected by the Membership at an Annual or Special Meeting of the Cooperative, or at a special meeting held in place thereof. All newly elected Directors will take office thirty (30) days after elections or at the next Board of Directors meeting, whichever is first.
- B. Members entitled to vote shall have the right to vote for each open officer position.
- C. A ballot provided on a form approved by the Board of Directors shall be used for the election of Directors. It shall clearly state the Director and Officer position to be filled and those nominees known in advance of the meeting. It shall also clearly state that other nominees may come from the floor. (3/21/2016)
- D. The Board of Directors may allow for an absentee ballot for the following reasons: hospitalization, shift work, infirmity, out of state. A request for an absentee ballot must be made in writing at least three (3) days before the meeting, if not the result of emergency circumstances. If the ballot is to be mailed, the Member must request it ten (10) days before the meeting. Absentee ballots may not be counted towards a quorum. The ballots shall be sealed and opened at the Membership meeting. (3/21/2016)

6.3 Powers

- A. The Board of Directors shall be responsible for the day-to-day management and control of the Cooperative. This includes, but is not limited to, preservation and improvement of the Cooperative and quality of life of the Members.
- B. No Director may act on behalf of the Cooperative unless duly authorized by the Board of Directors.
- C. Any matter outside of the ordinary course of business, or that involve the sale or encumbrance of assets shall require Member approval.
- D. The Board of Directors may from time to time set up committees and/ or ad-hoc groups to work on specific responsibilities, with the committee Members serving at the pleasure of the Board of Directors. These committees will report to the Board of Directors and operate with only as much authority as granted by the Board. Further explanation of these committees may be found in the policies of the Board of Directors.

6.4 Resignation

- A. Any Director may resign at any time by delivering written notice to the Secretary or President, of the Board of Directors. Such resignation will take effect upon the later of receipt or the time specified in the notice.
- B. Any Director who is absent for two monthly Board of Directors meetings, without cause or explanation, shall be deemed to have demitted from the Board of Directors. (4/10/2021)
- C. Any resulting vacancies will be filled in accordance with 6.6 of the Bylaws. (4/10/2021)

6.5 Removal

- A. Any Director whose actions are determined to negatively affect the operation of the Cooperative may be removed by a majority vote of the Members present at any regularly scheduled or special meeting of the Membership where a quorum is present, provided that a ten (10) day notice of the impending vote has been given to the Director who may be removed. Said notice of a vote to remove shall only be made after:
 - (I) a majority vote of the Board of Directors; or
 - (II) after the Board of Directors receives a written petition requesting the proposed removal, signed by at least 10% of the Membership. (3/21/2016)
- B. Said notice shall clearly state that once a quorum is established, a majority vote of the Members present will be needed to remove the Director.
- C. The notice shall state the date, time and place of the meeting where said vote will be taken. Vacancies on the Board of Directors, which result from a removal vote of the Membership, shall be filled in accordance with 6.6 of these Bylaws. (3/21/2016)
- D. If the members' petition for removal of a Director does not state that the vote to remove is requested for the next Regularly Scheduled Meeting, or if the Board of Director lacks time to give the required Notice to the Director to be removed before the next Regular meeting, then the Board of Directors shall take said Petition for Removal to also be a request for a Special Membership Meeting for said purposes, and proceed in accordance with these Bylaws regarding Special Meetings, and shall set the date, place and time of the Special Meeting, to be held within thirty (30) days after receipt of such Petition. The Cooperative shall deliver or mail written notice stating the place, day, hour and purpose of the Special Meeting to each Member and post the notice in a common area not less than ten (10) days in advance of the meeting date.

6.6 Vacancies

Vacancies that result from resignation or other means may be filled by a majority vote of the Directors present at any properly noticed regular or special meeting of the Board of Directors. The Director so appointed shall serve the remainder of the unexpired term, which shall not be counted as a consecutive term for the purposes of 6.1 of these Bylaws. A minimum of three (3) Board members is desirable. No more than one person per household may sit on the Board.

(4/10/2021)

6.7 Compensation

Directors shall serve without compensation, but shall be entitled to reasonable reimbursement for expenses paid while conducting legitimate Cooperative business. Any expenses incurred must have prior approval by the Board of Directors. Receipts must accompany all requests for reimbursement. Directors may receive compensation for their freely executed contracts approved by the Board or Membership as the case may require, so long as the contract adheres to the Conflict of Interest Policy.

ARTICLE VII Officers

7.1 Roster of Officers

The Officers of the Cooperative shall consist of a President, Secretary, Treasurer, two Directors at Large and any other designated position as decided by the Membership. All Officers are Directors of the Cooperative and must meet the requirements for being a Director set forth in 6.1. (4/10/2021)

7.2 To preserve continuity in Board function, Officers will be elected on alternate years. The President, Secretary and one Director's term will expire each odd numbered year and the Treasurer and one Director each even numbered year. In the event that the office of President, Secretary or Treasurer remains unfilled or becomes vacant, the Board shall designate another Member to fill this position. (4/10/2021)

7.3 Election of Officers

Officers and Directors shall be elected by the Membership, except for vacancies that result from resignation or other means which may be filled in accordance with 6.6. (3/21/2016)

7.4 President

The President shall serve as chair and preside at all meetings of the Directors and Membership. He or she shall be responsible for general day-to-day administration according to the authority granted by the Board and the Membership. The President shall perform such duties prescribed by the Board or as necessary to accomplish the directives of the Board of Directors. In the absence of the President the senior Board member present shall preside at all meetings. (4/10/2021)

7.5 Secretary

The Secretary shall keep the records of the Cooperative and these Bylaws. Amendments to these Bylaws shall be typed, noted, dated and maintained with these Bylaws, and copies distributed to the Membership. He or she shall keep a true record of the proceedings of all meetings of the Directors and Members. If the Secretary is absent from any such meetings, the chair may request that some person act as recording secretary to take the minutes. The Secretary shall also be responsible for posting meeting notices, typing correspondence and maintaining and updating Membership and resident lists. The signature of the Secretary, or

acting secretary, on minutes and actions of the Board shall serve as evidence of their authenticity. The Secretary may delegate any of these tasks to a Member of the Cooperative, or a contracted agent of the Cooperative. (4/10/2021)

7.6 Treasurer

The Treasurer shall Chair the Finance Committee and have charge of all the funds of the Cooperative and shall be responsible for all disbursements and collections. The Treasurer shall be responsible for maintaining all financial records of the Cooperative including previous fiscal years; financial reports, bank statements and returned checks, invoices, records and any and all other financial records. As a standard fiscal control, a Member of the Cooperative other than the Treasurer shall reconcile the Cooperative accounts each month. The Treasurer shall be responsible for having the books prepared for examination. The Treasurer may delegate any tasks to any Member of the Finance Committee or a contracted agent of the Cooperative.

(3/21/2016)

7.7 Directors at Large

The Directors shall perform such duties delegated to them by either the Board or the President. They shall report on any delegated activities to the Board when in session. (4/10/2021)

7.8 Powers

All Officers of the Cooperative shall, subject to these Bylaws and to any vote of the Directors, have such powers and duties as the Directors shall from time to time designate, in addition to the specific powers and duties set forth above. (3/21/2016)

ARTICLE VIII Board Meetings

8.1 Regular Meetings

Regular meetings of the Directors shall be held monthly. Notice of the time and place together with the agenda of the Board of Directors' meeting shall be posted in a public place in the Community no less than three (3) days before the meeting. The Board shall have the sole discretion to establish the agenda for all regular meetings.

8.2 Special Meetings

Special meetings of the Directors may be held at the call of the President or any two Directors. Written notice stating the place, day, and hour of any special meeting shall be posted in a common area and communicated personally to each Board Member not less than three (3) days before the date of the meeting. In an emergency situation, a shorter notice may be given, provided that the agenda for that meeting is limited to dealing with the emergency at hand and that all actions taken are ratified at a subsequent properly noticed meeting.

8.3 Open Meetings

Regular and Special Meetings of the Board of Directors shall be open to the Membership except when the Board moves to a non-public session. Non-public sessions are used only:

- a. to receive or discuss advice from Legal counsel
- b. to protect a Member's reputation when misconduct is alleged, an accusation made, or matters to be discussed involve the financial status of the Member.
 1. Said Member cannot be excluded from a non-public session convened for this purpose and may elect to have the matter discussed in open-session. (3/21/2016)

8.4 Non-Public Sessions

Prior to moving to a non-public session a motion must be made stating the reason, seconded and the outcome of the vote recorded. The non-public session is limited to the topic stated in the motion. The actions or conduct of individuals when representing the Cooperative are matters of public record and are excluded from non-public sessions. No decision may be made nor voting occur in a non-public session. (3/21/2016)

8.5 Quorum

At any meeting of the Board of Directors, a simple majority of the number of Directors then in office shall constitute a quorum for the transaction of business. A majority of those present must vote in the affirmative to pass a motion, once a quorum has been established. The Board of Directors may allow a Director to attend a meeting via telephone or electronic conferencing means for the following reasons: hospitalization, shift work, infirmity, out of state. In such a case, the Director is included in a quorum count.

8.6 Action without a Meeting

- A. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the written motion is approved and signed by all Board Members. Authority for such action commences when the last Director signs. A copy of the written motion with all signatures must be kept with the Board minutes.
- B. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted within three (3) days.

8.7 Proxy Voting

Proxy voting is prohibited.

ARTICLE IX Indemnification and Bond

9.1 Indemnification

- A. The Directors, Officers and Members shall not be personally liable for the debts, liabilities or other obligations of the Cooperative.
- B. Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director or Officer of the Cooperative, in any proceedings arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Cooperative, indemnity for his or her reasonable expenses, including attorney's fees incurred in the defense of the proceeding, may be assessed against the Cooperative, its receiver, or its trustee, by the court in the same or a separate proceeding if (1) the person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court; and (2) the court finds that his or her conduct fairly merits such indemnity. The amount of such indemnity shall be so much of the attorney' fees incurred and other expenses as the court finds to be reasonable.
- C. Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director, Officer, or employee of the Cooperative, in any proceedings other than an action by the Cooperative, indemnity for his or her reasonable expenses including attorney fees incurred in the defense of the proceeding may be paid by the Cooperative if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed, to the best interest of the Cooperative; any such indemnity shall be made as authorized by majority vote of the Membership. (3/21/2016)

9.2 Bond

Each Officer, Director, employee, and agent handling funds or securities amounting to \$1,000 or more in any one year shall be covered by adequate bond in accordance with state law.

ARTICLE X

Operation of the Cooperative

10.1 Signing of Documents

Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Cooperative will be signed and executed by the signatories named in 10.2 of these bylaws. The Board will authorize by written resolution all final documents to be so executed. (3/21/2016)

10.2 Disbursement of Funds

- A. All paper checks drawn on Cooperative accounts shall bear the signatures of at least two of these three Officers: President, Treasurer, or Secretary. In the event of a vacancy in any of these positions, the Board of Directors may designate another of its Members as signatory. Electronic payments and debits made to vendors must be on the Board of Directors Approved Recurring Payments List. No more than one (1) individual from each Member household may have signing authority. (4/3/2018)
- B. Any decisions that may commit expenditures of \$2,000 or more of Cooperative resources per Fiscal year, that do not appear in the approved annual budget, shall be made by the Membership at an Annual or special meeting of the Members. Capital Improvement and Replacement Reserve expenditures that exceed \$3,000 per Fiscal year require the approval of the Membership except in cases of emergency repairs. The Board shall notify the Membership of such an emergency action at the next regular or special meeting of the Membership. (3/21/2016)

10.3 Ethics, Procurement and Conflict of Interest

The Membership of the Cooperative shall adopt and all Directors-Officers shall abide by a Code of Ethics, a Procurement Policy, and a Conflict of Interest Policy. (3/21/2016)

10.4 Records

The records of the Cooperative shall be kept by the Directors then in office and transferred to newly elected Directors upon change over. (3/21/2016)

10.5 Inspection of Books and Records

Records of the Cooperative shall be open to the inspection of any Member at a reasonable time and place within 72 hours of a Member's written request, limited to those items not protected for reasonable privacy concerns of Members, including but not limited to financial applications, credit reports, hardship applications, materials discussed in non-public session and individual collection matters. Any request to review all of the non-privileged records or what is considered to be a large or extraordinary record request will not be governed by the 72 hour rule and shall be at the sole discretion of the Board of Directors. (3/21/2016)

10.6 Fiscal Year

The fiscal year of the Cooperative shall be the twelve (12) month period ending the last day of April of each year. The Cooperative shall cause its books to be examined within a reasonable

time after the end of each fiscal year in accordance with the audit/ review requirements of state law. (4/10/2021)

10.7 Dissolution

In the event of dissolution of the Cooperative, the assets, after payment of the Cooperative's debts and expenses, shall be distributed in the following manner: (3/21/2016)

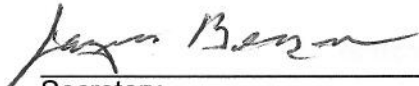
- (1). The face value, or the amount equal to the Membership Fee paid minus any outstanding obligation to the Cooperative, whichever is lower shall be returned to the Members.
- (2). Any surplus remaining after the distributions in paragraph(1)may be distributed as a contribution to any Cooperative association or other nonprofit association to which contributions are deductible from income tax under current internal revenue service regulations. (3/21/2016)

ARTICLE XI Rules of Procedure

11.1 In case of any procedural question not covered in these Bylaws or adopted Board policies, the guidelines in "Parliamentary Procedure for Resident-Owned Communities" as published in *A Management Guide For Resident Owned Communities* © 2003-2013 ROC USA, LLC or the foundation document, *The Standard Code of Parliamentary Procedure*, Fourth Edition, by Alice Sturgis, 2001, shall prevail. (3/21/2016)

CERTIFICATION

The foregoing is a true and accurate account, attested by,


Secretary

4/10/2021
Date

Approved on 5/9/2014
Amended on 3/21/2016
Amended on 4/3/2018
Amended on 4/10/2021

(Each page should show date of approval or when amended)

International Cooperative Alliance Principles

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

These principles can be found on the International Cooperative Alliance website at <http://www.ica.coop/al-ica/>.