

RED CEDAR LAKE PROPERTY OWNERS ASSOCIATION BYLAWS

Approved August 24th 2024

Charter

The Charter of the Red Cedar Lake Property Owners Association shall be to provide an atmosphere of unity for residents of Red Cedar Lake, to promote greater access to our recreational and natural resources by all members and their guests, to engage all members actively in governing of the affairs of the Red Cedar Lake Property Owners Association, to protect the rights and property of all its members, and to preserve and protect the abundant resources we have been blessed with.

ARTICLE I PRINCIPAL OFFICES

The principal office of the Association in the State of Connecticut shall be located in the Town of Lebanon, County of New London, as the same may be described by maps on file in the Town Clerk's Office of the Town of Lebanon or as the immediate area surrounding Red Cedar Lake may hereafter be developed.

ARTICLE II MEETINGS

SECTION 1. ANNUAL MEETING. The annual meeting of the members of the Association shall be held on the premises known as Red Cedar Lake within the Town of Lebanon during the month of August. The Secretary of the Association shall serve personally or electronically at least ten (10) days before such meeting, a written notice thereof, directed to each member, at his email address as it appears on the membership rolls of the Association.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Association may be called at any time by a majority of the Board of Directors. Notice of such meeting stating the purpose for which it is called shall be served personally or electronically not less than ten (10) days before the date set for such meeting. The Board of Directors shall also, in like manner, call a special meeting of the membership whenever so requested in writing by members representing not less than twenty percent (20%) of the total membership in the Association. No business other than that specified in the call for the meeting shall be transacted at any special meeting of the Association.

SECTION 3. QUORUM FOR SPECIAL AND ANNUAL MEETINGS. The presence, in person or by ballot or by directed or undirected proxy, as hereinafter defined of fifteen percent (15%) of the membership entitled to vote shall be necessary to constitute a quorum for the transaction of business, but a lesser number may adjourn to some future date not less than seven (7) days nor more than fourteen (14) days later, and the Secretary shall thereupon give at least three (3) days' notice by mail or electronically to each member entitled to vote who was absent from such meeting. At that subsequent meeting the members present shall, whatever the number, constitute a quorum.

SECTION 4. VOTING AND VOTERS. Each unit, as hereafter defined, shall be entitled to one (1) vote of the owner(s), whether in person, or electronic or by directed or undirected proxy, at any meeting of the Association; provided, however, that to be eligible to vote, the unit's owner(s) names(s) must appear on the

membership roll of this Association at the time of the meeting. For purposes of clarification, (i) in the event there is more than one owner of a unit, the owners nonetheless are entitled to cast a total of one vote for unit; and (ii) if any person(s) own more than one unit, he/she/they are entitled to one vote per unit owned, subject to these provisions. Any member entitled to vote may give another member entitled to vote, a directed or undirected Proxy to use as the latter sees fit. If said member entitled to vote elects to make use of such directed or undirected Proxy, said proxy shall be in writing, dated, identify the member authorizing the proxy, and shall specify the date, time, and place of the particular meeting of the Association at which such proxy may be exercised. The member giving the proxy must sign his/her own name and state the name of whom he/she is giving the directed or undirected Proxy. To be counted, the directed or undirected Proxy must be returned to the Secretary of the Association. The directed or undirected Proxy may be presented to the Secretary of the Association prior to roll call of the scheduled meeting or it may be mailed to the appropriate Association address. If mailed, the Proxy must be post-marked at least seven (7) calendar days before the meeting date. The Secretary shall report on the proxies given during the meeting, at each vote taken, and the proxy recipient may then vote, in person his/her and the other person's votes.

SECTION 5. AGENDA AND ORDER OF BUSINESS. The order of business at all meetings of the membership shall be as follows.

1. Roll Call.
2. Proof of Notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Reports of officers.
5. Reports of Committees.
6. Election of Board of Directors and President (Annual Meeting Only).
7. Unfinished Business.
8. New Business.
9. Adjournment

SECTION 6. AGENDA. Only items specified in the Agenda distributed before the meeting shall be voted upon at the meeting. An agenda shall be included with each ballot or proxy and with every notice given of the meeting.

ADDITIONS TO THE AGENDA. Written petitions for additions to the agenda must be provided to the Board of Directors a minimum of thirty (30) days before a meeting is to be held. Petitions with 5% support shall be provided in written or electronic form. The Board shall put those items stated in the petition on the agenda of the meeting for discussion and voting. The petition must contain: (i) a statement of what is to be the topic of discussion and what vote is being sought, (ii) the names and Association property addresses of each petitioner, and (iii) the telephone number of at least one petitioner for interested persons to contact prior to the meeting. All of this information will be in the notice given of the meeting.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1 (a) NUMBER. The affairs of the Association shall be governed by a Board of Directors, which shall consist of no less than six (6) and not greater than eight (8) Board Member and the

President of the Association, all of whom shall be members of the Association. If any property within the Association is owned by a partnership or corporation, any officer, partner or employee designated by the property owner to the Association will be eligible to serve as a member of the Board.

SECTION 1 (b) Members of the Board shall be elected by the Property Owners by ballot or voice vote at each Annual Meeting of the Association. Members of the Board, excepting the President, shall serve a term of three (3) years commencing following their election. Terms are staggered so that each year two or three (2-3) Board members and the President are up for election.

SECTION 2. HOW ELECTED. At least sixty (60) days prior to each annual meeting, the Board of Directors shall solicit at least two (2) members to serve with the Secretary of the Association as a Nominating Committee. At least forty-five (45) days prior to the annual meeting, the Nominating Committee shall solicit in writing from all of the members of the Association for nominations for all the expired positions to be voted on at the Annual Meeting. Any nomination from the members or from the Nominating Committee shall be sent in writing or electronically to the Secretary. Only nominations received in writing or electronically at least thirty (30) days before the annual meeting will be accepted. In the event that there is no candidate for an expired position, nominations may be accepted from the floor. Any nomination from the floor must be seconded. Any nomination from the floor must be approved by a majority vote of the members present.

At least ten (10) days before the annual meeting, the Secretary shall send notice electronically to all members all nominations received, specifying each name, lake address and position the nomination is for. Wording explaining the directed or undirected Proxy as described in Article II, Section 4 (Voting and Voters - Proxy Defined) shall be included in this notice. The Secretary shall have pre-printed ballots available at the annual meeting for members to use to vote for the contested positions. The Secretary shall be authorized on behalf of the Association to cast one vote for uncontested positions. After nominations have been placed before the members, the nominees receiving the majority of the votes cast shall be elected Directors and shall constitute the Board of Directors for the ensuing year.

SECTION 3. TERM OF OFFICE. The term of office of each of the Directors shall be three (3) years and thereafter until his successor has been elected. The term of office of the President shall be one (1) year and thereafter until a successor has been elected.

SECTION 4. FUNCTIONS OF THE BOARD OF DIRECTORS. The Board of Directors shall have the control of general management of the affairs and business of the Association. Such Board shall in all cases act as a Board regularly convened and by a majority vote of the members present; and they may adopt such rules and regulations for the conduct of the business and the management of the Association as they deem proper, consistent with these By-Laws and the Laws of the State of Connecticut.

SECTION 5. BOARD OF DIRECTORS MEETINGS. Regular meetings of the Board of Directors shall commence within fifteen (15) days following the Annual Meeting of the members. Special meetings of the Board may be called by the President at any time, and shall be scheduled by the President or the Secretary upon the written request of three (3) members of the Board of Directors.

SECTION 6. NOTICE OF MEETING. Notice of meetings, other than the regular meetings, shall be given to each member of the Board of Directors in person, or by electronic notification, to him at his last known email address, at least ten (10) days before the date therein designated for such meeting, including the day of mailing, of a written or printed notice thereof, specifying the time and place of such meeting, and the business to be brought before the meeting. No business other than that specified in such notice shall be transacted at any special meeting. At any meeting at which every member of the Board of Directors shall be present, or of which the Board members shall have waived notice in writing, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

SECTION 7. QUORUM. At any meeting of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business; but in the event of a quorum not being present, a lesser number may adjourn the meeting to some future time, not less than seven (7), nor more than fourteen (14) days later.

SECTION 8. VOTING. At all meetings of the Board Of Directors, each member shall have one (1) vote.

SECTION 9. VACANCIES. Vacancies in the Board of Directors occurring between annual meetings shall be filled, for the unexpired portion of the term, by majority vote of the remaining members of said Board.

SECTION 10. REMOVAL OF THE MEMBERS OF THE BOARD OF DIRECTORS. Any one or more of the members of the Board of Directors may be removed, at any time, by a vote of two thirds (2/3) of the members of the Association, at any special meeting called for that purpose in the manner prescribed in ARTICLE II, Section 3.

SECTION 11. COMMITTEES. The Board of Directors may appoint one or more Committees constituted of any numbers of its members, and having any and all of the powers of the said Board of Directors, which it shall allow.

SECTION 12. ALLOWANCES AND COMPENSATION. No member of the Board of Directors shall be paid any salary, or be entitled to any compensation, for services rendered to the Association, other than reimbursement for expenses related to the business of the Association.

ARTICLE IV OFFICERS

SECTION 1. OFFICERS. The Officers of the Association shall be: 1. President; 2. Vice President; 3. Secretary; 4. Treasurer.

SECTION 2. ELECTION. Election of the President of the Association shall be by the membership from among its number at its Annual Meeting as provided in ARTICLE III, Section 2. Other Officers shall be elected by the Board at its first meeting after the Annual Meeting and such Officers shall hold office for the term of one (1) year.

SECTION 3. DUTIES OF OFFICERS. The duties and powers of the Officers of the Association shall be as follows:

PRESIDENT: Role and responsibilities shall include.

- preside at all meetings of the Board of Directors and of the membership.
- present at each Annual Membership Meeting a report on the condition of the Association's business.
- shall cause to be called regular and special meetings of the Association other than the duly elected officers as subject to the approval of the Board of Directors, in accordance with these By-Laws.
- appoint and remove, employ and discharge, and fix compensation of all servants, agents, employees and clerks of the Association.
- sign and make all contracts and agreements in the name of the Association.
- see that the books, reports, statements and certificates required by any statute are properly kept, made and filed according to law.

VICE PRESIDENT: Role and responsibilities shall include:

- during the absence and inability of the President to render and perform his duties, or exercise his powers, as set forth in these By-Laws, or in the laws under which this Association is organized the same shall be performed and exercised by the Vice President; and when so acting, he shall have all the powers, and be subject to all the responsibilities, hereby given to, or imposed upon, the President.

SECRETARY: Role and responsibilities shall include:

- provide minutes of the meetings of the Board of Directors and of the membership in appropriate books.
- be custodian of the records and affix the latter when required.
- keep the membership rolls in the manner prescribed by the Board of Directors so as to show at all times the names of the members of this Association, alphabetically arranged, their respective places of residence, and their post office and email addresses.
- present to the Board at their stated meetings, all communications addressed to him officially by the President or any officer or member of the Association.
- attend to all correspondence and perform all the duties incident to the office of Secretary.
- during the absence and inability of the Vice President to render and perform their duties or exercise their powers as set forth in these By-Laws, the same shall be performed and exercised by the Secretary; and when so acting shall have all the powers and be subject to all the responsibilities hereby given to, or imposed upon, the President or Vice President.
- shall draft calls of meetings and be responsible for the giving of notice thereof as required by these By-Laws.

TREASURER: Role and responsibilities shall include:

- have the care and custody of and be responsible for all the funds and securities of the Association and deposit all such funds in the name of the Association in such bank or banks, trust company or trust companies, or safe deposit vaults as the Board of Directors may designate.
- sign, make and endorse in the name of the RED CEDAR LAKE PROPERTY OWNERS ASSOCIATION, INC., all checks drafts, warrants and orders for the payment of money, and pay out and dispose of the same and receipt thereof
- exhibit at all reasonable times the books and accounts to the Board of Directors.

- render a statement of the condition of the finances of the RED CEDAR LAKE PROPERTY OWNERS ASSOCIATION, INC., at each regular meeting of the Board of Directors and at such other times as shall be required of him, and a full financial report at the annual meeting of the members.
- keep at such place as the Board shall designate correct books of account of all the business of the Association and its transactions and such other books of account as the Board of Directors may require.

SECTION 4. REMOVAL OF OFFICERS. The President may be removed from office at any time by a vote of two thirds (2/3) of the members of the Association, at any special meeting called for that purpose in the manner prescribed in ARTICLE 11, Section 2. Other officers may be removed from their position by a majority vote of the Board of Directors.

ARTICLE V COMMITTEES

SECTION 1. There shall be the following standing Committees and such additional Committee as the President may deem advisable to appoint:

1. Beaches & Boat Launch
2. Membership
3. Post Newsletter
4. Recreation and Social
5. Roads
6. Audit
7. Water Quality

SECTION 2. From among the Board of Directors, the President shall select a Chairman for each of the standing Committees aforementioned. Said Chairman shall select the members of each said Committee from among the members of the Association, to serve at the pleasure of the Committee goals as established by the Chairman. In addition to the Chairman, there shall be such number of members as said Chairman shall deem necessary or desirable from time to time.

SECTION 3. Committees shall take action and expend funds only as authorized by the Board of Directors.

ARTICLE VI QUALIFICATIONS FOR MEMBERSHIP,

SECTION 1. Membership in the Association is limited to owners of units in the Red Cedar Lake community. A unit is defined as either (i) a lot with a structure, or (ii) any lot without a structure whose owner(s) or guests make use of the Association beaches, roads, and services and whose owner(s) does not also own a lot with a structure, which lots were owned at some point by the Red Cedar Lake Land Development Corporation, and which are subject to restrictions and regulations recorded in the Lebanon Land Records at Volume 73, Pages 187 and 188, and Volume 124, Page 784.

SECTION 2. INITIATION FEE

At the time of any purchase or transfer except in the event of a transfer by devise or inheritance and a transfer between spouses or other immediate family members of any unit within Red Cedar Lake Property Owners Association, the purchaser shall pay to RCLPOA an Initiation Fee which shall be an amount equal to the Annual Common Interest Service Fee most recently established in accordance with Article VII, Section 1. This Initiation Fee is due and payable at the time of purchase and shall be in addition to the Annual Common Interest Fee due and payable as established in Article VII.. If unpaid, the Initiation Fee shall become a lien on the purchaser's property and shall continue until fully paid.

ARTICLE VII

ANNUAL COMMON INTEREST SERVICE FEE

SECTION 1. ANNUAL COMMON INTEREST SERVICE FEE. Each fiscal year, each unit shall be assessed an Annual Common Interest Service Fee. The amount of the Fee shall be proposed by the Board of Directors and provided to the members at the time the proposed annual budget summary is provided to the membership in accordance with Article VIII, Section 3. If the annual budget is approved or deemed approved following a vote by the membership the Fee shall be set at the value proposed by the Board. If the annual budget is rejected by vote of the membership the last Fee amount shall continue in effect in subsequent annual years until a new budget is approved

SECTION 2. SPECIAL ASSESSMENT. The Board of Directors may levy such special assessments as to each unit as the Board deems necessary or desirable to carry out the purposes or requirements of the Association; provided, however, that no such special assessment shall become effective until approved by a majority of the members present in person, by ballot or by directed or undirected proxy at any meeting duly called and for which notice of the special assessment was given.

SECTION 3. PAYMENT OF COMMON INTEREST SERVICE FEE AND ASSESSMENTS. The Annual Common Interest Service Fee (ACISF) is due and payable to the Treasurer of the Association on or before April 15th. A notification of service fees due will be sent electronically by February 15th. Members are encouraged to pay the total service fee by April 15th but will have an option to pay ½ the service fee on April 15th and ½ the service fee on August 15th. An electronic notification of August 15th payment will be sent to members by August 1st. A fifteen (15) percent late fee per year will be added to any payment received past the due date.

Special Assessments are due and payable within sixty (60) days of the due date. Any Special Assessments unpaid after sixty (60) days from the due date shall have a fifteen (15) percent surcharge per year added to them. Payments received shall be credited to past obligations before any current fees. The RED CEDAR LAKE PROPERTY OWNERS ASSOCIATION shall have the right to hire a lawyer to collect unpaid Service Fees and/or Assessments, and to place liens on property for said unpaid fees and/or assessments. The property owner shall be responsible for all attorney fees and related costs of collecting the outstanding balance including interest at one and one-half (1 1/2) percent per month.

No property owner may waive or otherwise escape liability for nonuse or abandonment of his/her property.

ARTICLE VIII

FISCAL YEAR

SECTION 1. The fiscal year of the Corporation shall commence on the first day of January and end on the 31st day of December in each year.

SECTION 2. EXAMINATION OF ASSOCIATION FINANCIAL RECORDS. An audit Committee, selected from the membership, will be authorized to examine the Association Financial Records at the end of the fiscal year.

SECTION 3. ADOPTION OF BUDGET

The Board of Directors, at least annually, shall adopt a proposed budget for the common interest community for consideration by the unit owners. Not later than thirty days after the adoption of a proposed budget, the Board of Directors shall provide to all unit owners a summary of the proposed budget, including a statement of the amount of any reserves, and a statement of the basis on which such reserves are calculated and funded. Simultaneously, the board shall set a date not less than ten days or more than sixty days after providing the summary for either a meeting of the unit owners or

a vote by ballot without a meeting to consider approval or rejection of the proposed budget. If, at that meeting or in the vote by ballot, a majority of all unit owners votes to reject the proposed budget, the proposed budget shall be rejected. If, at that meeting or in the vote by ballot, a majority of all unit owners does not vote to reject the proposed budget, the proposed budget shall be approved. The absence of a quorum at such meeting or participating in the vote by ballot shall not affect rejection or approval of the proposed budget. If a proposed budget is rejected, the budget last approved by the unit owners continues until unit owners approve a subsequent budget. If a proposed budget is not rejected in accordance with the provisions of this section, the proposed budget shall be deemed approved.

SECTION 4. For the first year after this bylaw amendment has been enacted, any additional expenditures totaling more than ten (10) percent of the total annual budget that is not included in the budget shall be voted on by the members at a special meeting called for that purpose, or the Annual Membership Meeting, provided the proposed expenditure is properly added to the agenda per Article II Section 6. After the first year, this dollar amount shall be determined by an annual recommendation of the Board of Directors and due vote of the membership, with the last amount continuing in effect in subsequent years until revised. The Board of Directors shall be empowered to spend additional monies above the ten (10) percent limit (or the limit currently in effect) only in the case of an emergency in which a delay by calling a Special Meeting may prove detrimental to the objectives of the Association.

Approval by a minimum two-thirds (2/3) majority of the entire Board of Directors is required to enact this provision. A report of the expenditure shall be sent to the membership within thirty (30) days of the approval of the expenditure by the board and a report of such expenditure shall be made at the next regular meeting.

SECTION 5. Any construction or placement of any permanent structure (excluding signs, benches, picnic tables and the repair or replacement of an existing structure) on property owned by the Association shall be voted on by the members at a special meeting called for that purpose, or the Annual Membership Meeting, provided the proposed construction is properly added to the agenda per Article II Section 6.

SECTION 6. Any land acquisition or sale of Association property shall be voted on by the members at a special meeting called for that purpose, or the Annual Membership Meeting, provided the proposed acquisition or sale is properly added to the agenda per Article II Section 6. Approval by a minimum two-thirds (2/3) majority of the entire Association Membership that is eligible to vote is required for any land acquisition or sale of Association property.

ARTICLE IX AMENDMENTS TO BY-LAWS AND DECLARATION

SECTION 1. PROCEDURES TO AMEND BY-LAWS These By-Laws may be amended at any time by a two-thirds (2/3) majority of votes cast at a meeting specially called for that purpose. No amendments shall be construed to have retroactive effect.

SECTION 2. PROCEDURES TO AMEND THE DECLARATION The declaration may be revised or amended by a vote of a majority of the owners of lots at the time a change is contemplated. Notice shall be sent to all members of a pending declaration change including the text of the change. This notice shall identify the date, time and manner of a vote on the matter. Notice will be given to all members at least 30 days prior to a vote and advising them to consult their own attorney with any concerns as the amended declaration will be filed on the land records and may impact property rights. The President and or the

secretary are to prepare, execute, certify and record amendments to the declaration on behalf of the association.

ARTICLE X SUNDRY PROVISIONS

SECTION 1. PARLIAMENTARY AUTHORITY. The rules contained in "Roberts Rules of Order, Revised" shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these By-Laws.

SECTION 2. BONDING OF OFFICERS. The Board of Directors may require any officer, agent or employee of the Association to be bonded in such amount as may be deemed necessary. Premiums associated with Bonding will be paid by the Association.

SECTION 3. WILLFUL MISCONDUCT, FAILURE TO COMPLY WITH STANDARDS, OR GROSS NEGLIGENCE. If any common expense is caused by the willful misconduct, failure to comply with a written maintenance standard promulgated by the association or gross negligence of any unit owner or tenant or a guest or invitee of a unit owner or tenant, the association may, after notice and hearing, assess the portion of that common expense in excess of any insurance proceeds received by the association under its insurance policy, whether that portion results from the application of a deductible or otherwise, exclusively against that owner's unit.

Section 4. MANDATORY NON-BINDING ALTERNATIVE DISPUTE RESOLUTION.

Any disputes between the board of directors and unit owners or between two or more unit owners regarding the common interest community must be submitted to non-binding mediation as a prerequisite to commencement of a judicial proceeding.

Revisions

Article VI Section 2 Initiation Fee

Article VII Section 1 Annual Common Interest Service Fees, procedural change

Article VIII Section 3 Adoption of the budget

Article IX Section 1 Amending By-laws, procedural change, title update

Article IX Section 2 Amending the Declaration, procedures, update title of Article IX and section 2

Article X Section 3 Willful Misconduct, Failure to comply with standards, or gross negligence

Article X Section 4 Mandatory Non-Binding Alternative Dispute Resolution