

BYLAWS

WIRE ROAD HOMEOWNERS ASSOCIATION

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Article 1. Name, Principal Office, Definitions

1.1. Creation.

Wire Road Homeowners Association (the “Association”) is organized as a Mutual Benefit Corporation under the Maine Nonprofit Corporation Act, title 13-B of the Maine Revised Statutes. It is the governing Association for the Wire Road subdivision.

1.2. Purposes.

The purposes of the Association are to establish an association of Lot Owners consisting of Owners in the Property known as Wire Road Subdivision. These Bylaws apply to the Property shown on the Subdivision Plans of Wire Road Subdivision, except to the extent specifically excluded by the Declaration or these Bylaws.

1.3. Application.

All present and future lot owners, mortgagees, lessees, licensees and occupants of the Lots in the Wire Road subdivision, their employees, agents and customers, and any other persons who may enter upon the Property in any manner are subject to these Bylaws and to Rules adopted by the Association.

1.4. Membership

The Members shall consist exclusively of all Owners of all Lots on the Property, and their successors and assigns. Membership is transferable only as provided in the Declaration or these Bylaws. The membership of a Lot Owner shall terminate upon the conveyance, transfer or other disposition of their interest in the Lot as reflected in the records of the York County Registry of Deeds. Membership and any interest in the assets of the Association shall then automatically transfer to and be vested in the successor in ownership. Membership is otherwise non-transferable. A mortgage of a Lot or the grant of a security interest therein as security for an obligation shall not operate to transfer membership until a foreclosure of the mortgage or security agreement.

1.5. Powers.

The Association shall generally have all powers given to nonprofit corporations under Title 13-B of the Maine Nonprofit Corporation Act to govern the Property shown on the Wire Road Subdivision Plan and all powers granted or allowed and not prohibited by the Declaration of Covenants, Conditions and Restrictions of Wire Road Subdivisions and all powers provided for or not prohibited by the Maine Nonprofit Corporation Act.

1.6. Office.

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

1.7. Conflict.

In the event of any conflict or discrepancy between the Declaration, the Bylaws, or the Rules, the provisions of the Declaration shall govern.

In the event of any conflict or discrepancy between the Declaration, the Bylaws or the Rules established by the Bylaws, the Declaration, Bylaws and Rules shall govern, in that order, subject to mandatory requirements of the Maine Nonprofit Corporation Act.

1.8. Definitions.

The definitions found in Section 1.2 of the Declaration are incorporated by reference.

Article 2. Membership: Meetings, Quorum, Voting, Proxies

2.1. Membership.

The Association shall have two classes of membership, Class "A," and Class "B", as set forth in Section 4.1 of the Declaration. The provisions of the Declaration pertaining to membership are incorporated by this reference.

2.2. Place of Meetings.

Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as the Board may designate.

2.3. Annual Meetings.

The first meeting of the Association, whether a regular or special meeting, shall be held within one year after the date of incorporation of the Association. The Board shall thereafter hold annual meetings at a date and time determined by the Directors.

2.4 Special Meetings.

The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members representing at least 10% of the total Class "A" votes in the Association.

No business may be conducted at a special meeting except as set out in the notice.

2.5 Notice of Meetings.

The President, the Secretary, or the officers or other persons calling a meeting of the Members shall deliver or cause to be delivered to each Member entitled to vote at such meeting a written notice stating the place, day, and hour of the meeting. In the case of a special meeting or when otherwise required by statute, the Declaration, or these Bylaws, the purpose or purposes for which the meeting is called shall also be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Such notice shall be delivered by such means as permitted under Section 9.7, not less than 10 nor more than 30 days before the date of such meeting.

2.6 Waiver of Notice.

Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7 Adjournment of Meetings.

If any meeting of the Members cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the meeting when originally called, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of Members leaving less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

2.8. Voting.

Voting Rights. The voting rights of the Members set forth in Section 4.2 and elsewhere in the Declaration are specifically incorporated by reference.

2.9 Proxies.

Members may vote by proxy in accordance with standards for proxies set out in the Maine Nonprofit Corporation Act.

Every proxy shall be in writing, shall identify the Lot for which it is given, and shall be signed by the Member or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be revocable and shall automatically cease upon: (a) transfer of title to any Lot for which it was given; (b) receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person; or in any event, (c) 11 months from the date of the proxy, unless a shorter period is specified in the proxy.

2.10. Quorum.

Except as otherwise provided in these Bylaws or in the Declaration, the presence, in person or by proxy, of Members representing 40% of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association membership.

2.11. Conduct of Meetings; Rules of Order

Members may adopt and amend, from time to time, rules governing the conduct of meetings. To the extent not covered by such rules, the most current edition of Robert's Rules of Order shall govern meetings of Members.

2.12. Action Without a Meeting.

Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice and without a vote, if written consent specifically authorizing the proposed action is signed by all Members entitled to vote on such matter. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting.

Article 3. Board of Directors: Selection, Meetings, Powers.

3.1. Governing Body: Qualifications.

The affairs of the Association shall be governed by a board of directors, elected by Class "A" and Class "B" Members. Directors elected by Class "A" Members shall be Owners of Lots in Wire Road Subdivision or, if the Lot or Lot Owner is not a natural person, any officer, director, member, manager, partner or trustee thereof, or any other representative designated in writing by the Owner, shall be eligible to serve as a director.

The Class "B" member shall be the Declarant or an assignee or representative of the Declarant.

3.2. Number of Directors.

The Board shall consist of three to five directors, as provided in Section 3.3.

3.3. Selection of Initial, Interim and Permanent Board: Term of Office.

(a) Initial Board. The initial Board shall consist of three directors, appointed by the Class "B" Member. They shall serve until their successors are appointed or elected as provided in this Section 3.3. The Class "B" Member shall be entitled to appoint, remove and replace the directors it appoints in its sole discretion until termination of the Declarant Control Period.

(b) Interim Board. Within 60 days after termination of the Declarant Control Period, the number of directors shall be increased automatically to five members upon the selection of four Class "A" directors, with the Declarant or its assignee designating the fifth, Class "B" member of the Board.

Four of the Class "A" Interim directors shall be elected, at large, by Members. Upon election

and selection of the Interim Board, the terms of the Initial directors shall automatically expire.

(c) Permanent Board. The Interim Board shall call an election for a Permanent Board in time for the Permanent Board to take office no more than 18 months after the election of the Interim Board.

The four Class "A" Permanent directors shall be elected, at large, by Lot Owners, two for a one year term, one for a two year term and one for a three year term. Thereafter, the terms of these four directors shall be three years. Upon election and selection of the Permanent Board, the terms of the Interim Board members shall automatically expire.

Directors shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms.

3.4. Nomination and Election Procedures.

1. Nomination by or through Nominating Committee. Initial, Interim and Permanent Boards shall all appoint nominating committees appointed by the Board. 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.

a) Selected by the Nominating Committee. The Nominating Committee shall actively seek out qualified candidates and recommend a slate of nominees each seat on the Board to be filled in the next election. They shall submit their list of nominations to the Secretary a reasonable length of time before notice of the meeting is sent.

b) Nomination by Petition. Other candidates may be nominated by petition signed by at least five Members, submitted to the Secretary a reasonable time before the notice of meeting is sent.

The names of all qualified persons timely nominated by petition or by the Nominating Committee in accordance with this section shall be included in the materials sent as part of the meeting notice. The Board shall include information submitted by candidates, no more than one page in length, timely received prior to the notice of meeting being sent.

All nominees must be either (1), present at the meeting and consent to the 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.

2. From the Floor. Candidates for membership on the Board of Directors may also be made by motion at the meeting of Members.

Conduct of Election. Election to the Board of Directors shall be by written ballot of Members present in person or by proxy, unless uncontested, in which case the presiding officer shall declare the unopposed candidate elected. There shall be separate elections for positions having terms of different length. The candidates receiving the largest number of votes for each position shall be elected, notwithstanding that they do not receive a majority of votes cast.

3.5. Removal of Directors and Vacancies.

Directors named by Class "B" Member may be replaced at any time at the discretion of the Class "B" Member.

Any director elected by Class "A" votes may be removed, with or without cause, by vote of a majority of Members of the Association, at a special meeting called for that purpose, as

authorized in the Articles of Organization. Upon removal of a director by the Members, a successor shall be elected by those present at the Member's meeting for the remainder of the term of such director, pursuant to Section 703. of the Nonprofit Corporation Act.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy for the unexpired term of his predecessor, in accordance with Section 703.2 of the Maine Nonprofit Corporation Act.

3.6. Organizational Meetings.

The first meeting of the Board shall be held immediately following each annual meeting of the membership.

3.7. Regular Meetings.

Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine.

3.8. Special Meetings.

Special meetings of the Board shall be held when called by written notice signed by the President or Vice President or by any two directors.

3.9. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The notice shall be given to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or facsimile, computer, or other electronic mail, messaging or communication device, with printed confirmation of successful transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or mailing or physical address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least five business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

(b) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each director not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Telephonic Participation in Meetings.

Members of the Board or any committee which the Board appoints may participate in a meeting of the Board or committee by conference telephone, video conference, or similar

communications equipment, provided all persons participating in the meeting can hear each other simultaneously. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

3.11. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the departure of some directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any Board meeting cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Conduct of Meetings.

Meetings of the Board may be conducted informally with reference to the “small meeting” guidance offered by the latest edition of Robert’s Rules of Order.

3.13. Open Meetings; Executive Session.

The Board shall give timely notice reasonably calculated to inform Members of the date, time and place of and topics proposed to be discussed at meetings of the board. The notice may be given by a posting in a prominent place in the common elements or elsewhere, by e-mail or by other means, or by any combination of these methods, but actual notice need not be delivered to each Member. Failure of a Member to receive notice does not invalidate any action taken by the Board at the meeting.

(a) All Board meetings shall be open to all Members, subject to reasonable rules established by the Board. The Board shall set aside as an agenda item for each meeting a time for any Member to make a brief statement or presentation to the Board, with time limits for each speaker as may be set by the Board or the presiding officer. Otherwise, attendees other than directors may not participate in any discussion or deliberation unless a director requests that they be granted permission to speak and the presiding officer consents. In any case, the presiding officer may limit the time any such individual may speak.

(b) Notwithstanding the above, the Board, by majority vote, may go into executive session, limiting attendance to those it invites, for the following purposes, which must be stated in the motion:

- (i) Consult with the association's attorney concerning legal matters;
- (ii) Discuss existing or potential litigation or mediation, arbitration or administrative proceedings;
- (iii) Discuss labor or personnel matters;
- (iv) 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

(v) 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 final vote or action may not be taken during an executive session.

3.14. Action Without a Formal Meeting.

Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

3.15. Powers.

The Board shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration and as allowed by the Maine Nonprofit Corporation Act. The Board may do or cause to be done on behalf of the Association all acts and things except those which the Declaration, these Bylaws or Maine law require to be done and exercised exclusively by the Members or the Declarant or Declarant's successors in interest. Board determinations as to the meaning, scope, and application of Governing Document provisions shall be upheld and enforced so long as such determinations are reasonable.

3.16. Duties.

Duties of the Board shall include, without limitation:

(a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Lot's share of the Common Expenses; and levying and collecting such assessments from the Members;

(b) providing for the operation, care, upkeep, and maintenance of the Common Areas, including compliance with all requirements contained in requirements and conditions of approval of the Wells Planning Board and the Maine Department of Environmental Protection;

(c) designating, hiring, and dismissing personnel necessary to carry out the Association's rights and responsibilities and where appropriate, providing for compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(d) depositing all funds received on behalf of the Association in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board's best judgment, in depositories other than banks;

(d) making and amending Restrictions and Rules in accordance with the Declaration

(e) opening bank accounts on behalf of the Association and designating the signatories required;

(f) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these Bylaws;

(g) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Members concerning the

Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;

(h) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(i) paying the cost of all services rendered to the Association;

(j) keeping books with detailed accounts of the Association's receipts and expenditures;

(k) making available to any prospective purchaser of a Lot, any Member, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 9.4;

(l) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties, subject to limitations imposed by governmental permits and conditions;

(m) Indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the maximum extent such indemnity is allowed by Maine law, the Articles and these Bylaws; and

(n) assisting in the resolution of disputes between Members and others without litigation, as set forth in the Declaration.

Article 4. Officers.

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 Directors may in their discretion appoint such other officers, none of whom need be directors, as in their judgment may be necessary.

4.2. Election of Officers.

The principal officers of the Association shall be elected annually by the Board of Directors at the annual meeting and shall hold office at the pleasure of the Board.

4.3. Removal of Officers.

Upon a majority vote of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected 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, and his 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 be final.

4.4. President.

The President shall be the chief executive officer of the Association and shall be a Director. He or she shall generally preside at meetings of the Association and of the Board of Directors.

4.5. Treasurer.

The Treasurer shall be responsible for keeping the financial records and accounts of all receipts and disbursements in books belonging to the association. He or she shall be responsible, subject to the direction of the Board of Directors, for the preparation and dissemination to the members of all financial reports, budgets and notices required and for the preparation and signing, if necessary, of all financial reports or tax returns required to be filed by the Association.

4.6. Secretary.

The Secretary shall keep and certify the minutes of all meetings of the Board of Directors or of the Association, shall give all notices as provided by these Bylaws, and shall have other powers and duties as may be incidental to the offices of Secretary, given by these Bylaws or assigned to him from time to time by the Directors. 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. The Secretary shall be responsible for the filing of all reports and documents required to be filed by the Association with any governmental agency.

4.7. Auditor.

The Board of Directors, may from time to time, 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.

4.8. Amendments to Declaration.

The Secretary shall prepare amendments to the Declaration and the President and Secretary shall execute the certificate for recording on behalf of the Association.

Article 5. Committees

5.1. General.

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 Covenants Committee.

In addition to any other committees which the Board may establish pursuant to Section 5.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Members. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to these Bylaws.

5.3. Design Review Committee.

Upon the Declarant's delegation of authority, or upon expiration or termination of the Declarant's rights under Article 5 of the Declaration, the Board shall appoint a Design Review Committee ("Design Review Committee" or "DRC") to assume jurisdiction over matters within the scope of the delegated authority of Article 5. The DRC shall consist of at least three, but not more than seven, persons, who shall serve and may be removed and replaced in the Board's discretion. DRC members need not be Owners or representatives of Owners. The DRC may, but need not, include architects, engineers, or similar professionals. The Association may compensate DRC members in such manner and amount, if any, as the Board may determine appropriate.

Further details about the DRC are set out in Article 5 of the Declaration..

Article 6. Standards of Conduct; Liability and Indemnification.

6.1. Standards for Directors and Officers.

The Board shall exercise its powers in a reasonable, fair, nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

In performing their duties, directors and officers shall be insulated from liability as provided for directors of corporations under the Maine Nonprofit Corporation Act and as otherwise provided by the Governing Documents. Directors and officers shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer believes in good faith to be in the best interest of the corporation and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under the Maine Nonprofit Corporation Act.

6.2. Liability.

A director shall not be personally liable to the Association, any Member, or any other Person for any action taken or not taken as a director if the director has acted in accordance with Section 6.1.

Pursuant to the business judgment rule, a director also shall not be personally liable for any action taken or not taken as a director if the director:

(a) acts within the expressed or implied scope of the Governing Documents and his or her actions are not ultra vires;

(b) affirmatively undertakes to make decisions which are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;

(c) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other), and avoiding participation in decisions and actions on matters as to which he has a conflict of interest (beyond that which all directors have by virtue of their ownership or occupancy of a Lot or Lot); and

(d) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

The officers, directors, and committee members of the Association shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association).

6.3. Indemnification.

Subject to the limitations of Maine law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

(a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under the Maine Non-Profit Corporation Act; or

(b) to the extent that the individual is adjudged liable for conduct that constitutes:

(i) appropriation, in violation of his or her duties, of any business opportunity of the Association; or

(ii) intentional misconduct or knowing violation of the law; or

(iii) an unlawful distribution to members, directors or officers; or

(iv) receipt of an improper personal benefit.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

6.4. Advancement of Expenses.

In accordance with the procedures and subject to the conditions and limitations set forth in the Maine Non-Profit Corporation Act, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

Article 7. Management and Accounting.

7.1 Compensation of Directors and Officers.

Directors and officers shall not receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total Class "A" votes in the Association at a regular or special meeting of the Association. Any director or officer may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies furnished to the Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Association, provided that such director's or officer's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding any interested director.

7.2. Right of Class "B" Member to Disapprove Actions within 10 days.

(a) Right to Disapprove. So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Class "B" Member, would tend to impair rights of Declarant or Builders under the Declaration or these Bylaws, or interfere with development or construction of any portion of Wire Road Subdivision, or diminish the level of services being provided by the Association. No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of this Section have been met.

(b) Right to Notice of Meetings. The Class "B" Member shall be given written notice of all meetings of Owners and the board of directors and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall set forth with reasonable particularity the agenda to be followed at such meeting.

(c) Opportunity to be Heard. The Class "B" Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

(d) 10 Days to Act. The Class "B" Member, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Class "B" Member, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, the Board, or the Association. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

7.3. Managing Agent.

The Board may employ for the Association a professional management agent or agents at

such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. Declarant or its affiliate may be employed as managing agent or manager.

The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Declarant Control Period unless such contract contains a right of termination which may be exercised by the Association, with or without cause and without penalty, at any time after termination of the Declarant Control Period upon not more than 90 days' written notice.

No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board.

7.4. Accounts and Reports.

Unless the Board, by resolution, determines otherwise, cash or accrual accounting, as defined by generally accepted accounting principles, shall be employed; and accounting and controls should conform to generally accepted accounting principles.

An annual report consisting of at least the following shall be made available to all Members within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant. During the Declarant Control Period, the annual report shall include certified financial statements.

7.5. Borrowing.

The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Member approval in the same manner provided in the Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 20% of the Association's budgeted gross expenses for that fiscal year. During the Declarant Control Period, no Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent, or any combination thereof, of Members representing at least 51% of the total Class "A" votes, in addition to such approval as may be required under the Declaration.

7.6. Right to Contract.

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other Owners or residents associations, within and outside Wire Road Estates. Any common management agreement shall require the consent of a majority of the total number of directors on the Board.

7.7. Agreements. Contracts. Deeds. Leases. Checks. Etc.

All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as the Board may designate by resolution.

Article 8 Enforcement Procedures.

8.1. Enforcement; Opportunity to be Heard.

The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Declaration or Maine law, the Board shall provide an Opportunity to be Heard prior to imposition of sanctions.

The Opportunity to be Heard requires that reasonable notice be given to the alleged violator describing the alleged violation, or property damage which is the basis of the proposed sanction, describing the proposed sanctions or fines which might be imposed, setting a date, place and time where the alleged violator may present their case, and notify the alleged violator that the meeting will be rescheduled to another date upon a timely, reasonable request for a postponement. The hearing may be conducted by conference call. The hearing will be conducted before the Board or the Covenants Committee, if one has been appointed. If the hearing is to be held before a Covenants Committee, the notice shall also state that the alleged violator has the right to appeal the decision of the Covenants Committee to the Board.

At the hearing, the alleged violator shall be afforded a reasonable opportunity to explain his or her position and to present defenses to the allegations. The minutes of the meetings of the Board or Covenants Committee, as applicable, shall contain a written statement of the results of the hearing (i.e., the decision of the Board or Committee) and the sanction, if any, to be imposed.

If the alleged violator does not appear at the hearing, the board or Covenants Committee may decide the matter without the alleged violator's presence.

Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, a written notice of appeal must be received by the Association's manager, President, or Secretary within 10 days after the hearing date.

Article 9. Miscellaneous.

9.1. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

9.2. Books and Records.

(a) The Association shall retain the same records as required under Section 1603-118 (a) of the Maine Condominium Act.

(b) Subject to subsections (c) and (d), all records retained by an Association must be available for examination and copying by a Member or the Member's authorized agent:

(1) During reasonable business hours at the Association's office or other mutually agreeable time or location; and

(2) Upon 10 days' notice in writing reasonably identifying the specific records of the Association requested.

(c) Records retained by the Association may be withheld from inspection and copying 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 applicable law;

(7) Records of an executive session of the board of directors; or

(8) Individual Lot or Lot files other than those of the requesting Member.

(d) The Association may charge a reasonable fee for providing copies of any records under this section and for supervising inspection of the records by the Member or the Member's representative.

(e) A right to copy records under this section includes the right to receive copies by photocopying or other means, including copies through an electronic transmission if available upon request by the Member.

(f) The Association is not obligated to compile or synthesize information.

(g) Information provided pursuant to this section 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 directors under the Association's Governing Documents.

9.3. Inspection by Directors.

Every director shall have the absolute right at any reasonable time to inspect all books,

records, and documents of the Association and the physical properties owned or controlled by the Association, except those matters which may be withheld from Members under Section 9.4 (c) that relate to the director's personal interests adverse to the Association, such as a directors existing or potential litigation or mediation, arbitration or administrative proceedings against the Association and communications with the Association's attorney and records of an executive session relating to such matters.

The right of inspection by a director includes the right to make a copy of relevant documents at the Association's expense.

9.4. Notices.

Form of Notice and Method of Delivery. Except as otherwise provided in the Declaration or these Bylaws or by law, all notices, demands, bills, statements, or other communications under the Declaration or these Bylaws shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by telephone facsimile or electronic mail with written confirmation of transmission.

Delivery Address. Notices shall be delivered or sent to the intended recipient as follows:

if to a Member, at the address, telephone facsimile number, or e-mail address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member;

if to the Association, the Board, or a committee of either, at the address, telephone facsimile number, or e-mail address of the principal office of the Association or its managing agent, or at such other address as the Association shall designate by notice in writing to the Members pursuant to this Section; or

if to the Declarant, at the principal address of the Declarant as it appears on the Secretary of State's records, or at such other address as the Declarant shall designate by notice in writing to the Association pursuant to this Section.

Effective Date. Notice shall be deemed to have been duly given and effective:

if sent by United States mail, when deposited with the U. S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery;

if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

Article 10. Amendment.

10.1. By Class B Member

Prior to termination of the Declarant Control Period, the Class "B" Member may unilaterally amend these Bylaws. Thereafter, the Class "B" Member may unilaterally amend these Bylaws at any time and from time to time if such amendment is necessary (i) to bring any provision into

compliance with any applicable governmental statute, rule or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; or (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee mortgage loans on the Lots. So long as the Class "B" membership exists, the Class "B" Member may unilaterally amend these Bylaws for any other purpose, provided the amendment has no material adverse effect upon any right of any Member.

10.2. By Class A Members.

Except as provided in Section 10.1, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing 67% of the total Class "A" votes in the Association, and the consent of the Declarant. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant.

10.3. Validity and Effective Date of Amendments.

Amendments to these Bylaws shall become effective upon recording in the York County Registry of Deeds unless a later effective date is specified therein. Any challenge to an amendment must be made within one year months of its recording, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Wire Road Homeowners Association, a Maine Nonprofit Corporation

That the foregoing Bylaws constitute the Bylaws of said Association, as adopted by Resolution of the Association dated _____ 2015

IN WITNESS WHEREOF, I have hereunto subscribed my name and seal of the Association this _____ day of _____, 2015
