

The Commons at Windekind Association, LLC BY-LAWS

DRAFT (1)

ARTICLE I - NAME

The name of the organization shall be The Commons at Windekind Association, LLC and shall be referred to in this document as the Common. Capitalized terms used and not otherwise defined herein shall have the meaning set forth in the definitions below.

ARTICLE II- DEFINITIONS

For the purposes of this By-Laws:

1. **Annual Assessment** - shall mean funds levied annually for the purposes of managing and maintaining the Common and all relevant expenses thereto.
2. **Articles** - shall mean the Articles of Organization filed with the Vermont Secretary of the Stat. on _____, 2015.
3. **By-Laws** - shall mean the By-Laws of the Community, as amended from time to time.
4. **Common Area** - shall mean all real property and related improvements that are intended for the mutual benefit or use of all Members of the Commons and shall consist of all property that is not a part of one of the 7 House Lots. The Common Area shall be inclusive of but not limited to such areas as the Shared System, common house, roads, ponds, garden, underground utilities, forest and agricultural lands, and any future improvements.
5. **Common Expenses** - shall mean expenses for the management, maintenance, repair, operation and enforcement of the Declaration of Covenants, Conditions and Restrictions and this By-Laws.
6. **Commons** - shall mean the Commons at Windekind Association, LLC a Vermont, Corporation formed by its Members as the organization of homeowners at the farm.
7. **Common Policies** - shall mean policies that may be established from time to time by the Community, in accordance with Declaration of Covenants, Conditions and Restrictions.
8. **Covenants, Conditions and Restrictions (CC&R) or Declaration** - shall mean the recorded land use restrictions, design controls, construction requirements and the like established by the Community.
9. **Decision of the Common** - shall mean consensus or vote of the Common as provided herein.
10. **Design Review Committee** - shall consist of three (3) Members selected by the Community, who shall develop rules and procedures to assist in the review of proposed House and Common Area improvements, and shall administer the provisions of the Declaration of Covenants.
11. **Design Objectives** - shall mean guidelines that may be established from time to time by the Common and enforced by the Design Review Committee.
12. **House Parcel (s)** - shall consist of the 7 separate House Parcels on the Property.
13. **Member(s)** - shall mean any adult individual who owns a recorded interest in a House Lot.
14. **Member Household(s)** - shall mean a Member or Members of a single household owning and/ or occupying a House Parcel who shall act as the governing board of the Community.
15. **Property** - shall mean all real property and improvements that are subject to the Declaration of Covenants, including all Common Area and all House Parcels.
16. **Shared System** - shall mean a on-site sewage disposal system and water supply system serving all of the House Parcels and Common Areas of the Community.
17. **Special Assessments** - shall mean funds levied from time to time for the purpose of paying non-recurring capital expenses.

ARTICLE III - PURPOSE, POWERS AND DUTIES

Purpose and Powers of the Community.

The Common has been organized for the purposes and shall have the powers set forth in its Articles duly filed with Vermont Secretary of State. The By-Laws may be amended or restated by the Member Households, from time to time, as provided in the General Provisions.

The Community's purpose is to function as a homeowners association for the development, management, maintenance and care of the Commons of approximately 7 private households and shared common facilities and property owned by the Common which, through the balance of individual autonomy and group opportunities, enhances the social and economic quality of life of the residents based upon the Guiding Principles set forth in Exhibit A.

The business and purposes of the Common shall not be limited to its initial principal business activity and, unless the Common otherwise determines, the Common shall have authority to engage in any other lawful business, trade, purpose or activity permitted by the General Laws.

1. to conduct its business and operations in any state, territory or possession of the United States or in any foreign country or jurisdiction.
2. to purchase, receive, take, lease or otherwise acquire, own, hold, improve, maintain, use or otherwise deal in and with, sell, convey, lease, exchange, transfer or otherwise dispose of, mortgage, pledge, encumber or create a security interest in all or any of its real or personal property, or any interest therein, wherever situated;
3. to borrow or lend money or obtain or extend credit and other financial accommodations, to invest and reinvest its funds in any type of security or obligation of or interest in any public, private or governmental entity, and to give and receive interests in real and personal property as security for the payment of funds so borrowed, loaned or invested;
4. to make contracts, including contracts of insurance, incur liabilities and give guaranties.
5. to employ employees, agents and other persons, to fix the compensation and define the duties and obligations of such personnel, to establish and carry out retirement, incentive and benefit plans for such personnel, and to indemnify such personnel to the extent permitted by these By-Laws.
6. to make donations for the public welfare or for community, charitable, religious, educational, scientific, civic or similar purposes; and
7. to institute, prosecute, and defend any legal action or arbitration proceeding involving the Community, and to pay, adjust, compromise, settle, or refer to arbitration any claim by or against the Common or any of its assets.
8. to collect assessments from Commons Board as necessary to defray the Community's operating expenses, impose liens, foreclose on House Lots.
9. to exercise any other rights or powers of a homeowners association under Vermont law.

ARTICLE IV - OFFICE

The principle office of the Common shall be located in the Town of Huntington, Vermont at such location as the Commons Board may determine from time to time.

ARTICLE V. – MEMBERSHIP

A Member of the Common is any adult individual who owns a recorded interest in a House Parcel, as well as their successors in interest. Membership shall be appurtenant to and may not be separated from ownership of a House Parcel. Members cannot act except in their capacity as members of a Member Household. A Member Household may have one or more Members.

- a. **LIMITATION OF LIABILITY OF MEMBERS:** No Member or officer of the Common shall be obligated personally for any debt, obligation or liability of the Common or of any other Member, whether arising in contract, tort or otherwise,

solely by reason of being a Member or officer of the Community. No Member or officer shall have any fiduciary or other duty to another Member with respect to the business and affairs of the Community, and no Member shall be liable to the Common or any other Member for acting in good faith reliance upon the provisions of these By-Laws. The failure of the Common to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under these By-Laws shall not be grounds for making its Members responsible for the liabilities of the Community.

- b. AUTHORITY** . Unless specifically authorized by the Community, no Member shall be an agent of the Common or have any right, power or authority to act for or to bind the Common or to undertake or assume any obligation or responsibility of the Common or of any other Member.
- c. TRANSFER/ADMISSION OF NEW MEMBERS**, Household Membership cannot be transferred other than in connection with the sale of a house in the Community. The members of the common shall be listed as the active members and this list shall be amended as needed to reflect the withdrawal or admission of members or the transfer of Members Households pursuant to these By-Laws. This list shall constitute the recorded list of membership for all purposes of these By-Laws.
- d. RIGHT TO WITHDRAW/TRANSFER**- Subject to the terms and conditions hereof, a Member shall resign or withdraw from the Common upon ceasing to be a resident of a Member Household upon written notice to the Community. Membership cannot be transferred other than in connection with the sale of a house. Any outstanding assessments due from any Member shall be paid according to the terms of the Declaration of Covenants, Conditions and Restrictions.

ARTICLE V- THE COMMONS BOARD

The Commons Board shall manage the business of the corporation. A Member Household is composed of a Member or Members of a single household owning and/or occupying a House Parcel. The Commons Board shall be represented and participate in the activities and the governance of the Common as set forth herein. Each Member shall cause his or her Member Household to pay their assessments, attend meetings and participate on committees, and participate in Common chores and projects.

ARTICLE VI-POWERS AND DUTIES OF THE COMMON BOARD

The business and affairs of the Common Board shall be managed under the direction of the Member Households, who shall have and may exercise on behalf of the Common all of its rights, powers, duties and responsibilities under as provided by law, including without limitation the right and authority for:

- A.** Operation, care, upkeep and maintenance of the Common Area
- B.** Appointment of committees to facilitate and manage the affairs of the Community.
- C.** Election of Officers from the Member Households;
- D.** Determination of the assessments required for the affairs of the Common including, without limitation, the operation and maintenance of the Community;
- E.** Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Area;
- F.** Adoption and amendments of the Declaration of Covenants, Conditions and Restrictions and Common Policies and Design Objectives covering the details of the operation and use of the Community;
- G.** Opening of bank accounts on behalf of the Common and designating the signatories required therefore;

- H. Leasing, managing and otherwise dealing with the Common Area;
- I. Owning, conveying, encumbering, leasing and other wise dealing with House Lots conveyed to it or purchased by it as the result of enforcement of the lien for Assessments, or otherwise;
- J. Obtaining of insurance for the Community, including the House Parcels, pursuant to the provisions hereof;
- K. Making of repairs, additions and improvements, or alternations of the Common;
- O. Enforcement of obligations of Member Households; enforcement of the Declaration of Covenants, Conditions and Restrictions and Common Policies and Design Objectives of the Common; allocation of income and expenses; anything and everything else necessary and proper for the sound management of the Community. In the case of persistent violation of the Declaration of Covenants, Conditions and Restrictions and Common Policies and Design Objectives by a Member Household, the Common shall have the power to require such Member Household to post a bond to secure adherence to the covenants or policies;
- N. Granting or relocating easements;
- O. Connecting House Lots and Common Areas in the Common to the Shared System or connecting such facilities to a public sewer line when and if said line is in place and connection is authorized;
- P. Managing, operating, inspecting, maintaining and repairing the Shared System, preventing the discharge of any wastewater to the Shared System and restoring the surfaces of roads, ways and the surface of the Property which may be disturbed in connection with the maintenance, repair and replacement of the Shared System;
- Q. Upgrading, expanding or replacing the Shared System to the extent required to comply with State and Local permit requirements. Collecting and reporting monitoring and other data in accordance with, and otherwise insuring compliance with, local and state approvals for the Shared System;
- R. Preparing from time to time, at least annually, an operating and capital expense budget in order to determine the amount of Common Expenses payable by Member Households to meet the expenses of the Shared System;
- S. Assessing each Member Household from time to time as Common Expenses, such Member Household's proportionate share of the total expenses incurred by the Common for the management, operation, inspection, maintenance, upgrade, expansion and repair of the Shared System and a reserve for the replacement of said Shared System in accordance with a maintenance and replacement plan and budget. The initial Operating Costs and Replacement Plan for the Shared System is attached as Exhibit C;
- T. Assessing each Member Household, from time to time, such Special Assessments as the Common shall in its discretion determine are necessary to pay extraordinary expenses related to the Shared System;
- U. Adopting reasonable rules and regulations governing the use by Commons Board of the Shared System;
- V. Making contracts and other agreements and opening bank accounts and escrow accounts in the name of the Common which the Common deems convenient to the performance of its duties hereunder;
- W. Enforcing compliance with, and administering the provisions of the Declaration regarding the Shared System;

ARTICLE VII- THE CONSENSUS POLICY

If a consensus (unanimity or non-objection of the attending Commons Board providing there is a quorum as set forth of the Common cannot be achieved during two consecutive facilitated meetings of the Commons Board separated by a minimum of 24 hours and if requested by any member participant of the meeting, all actions, approvals or consents to be taken or given by the Commons Board shall require the affirmative vote of 75% of the Commons Board in attendance at a meeting at which a quorum is present or the written consent of 75% of the Member Households.

Proxies shall be allowed, but cannot block consensus or fill a quorum. The Common as Commons Board of unsold units cannot constitute the 75% vote required. Each Member

Household shall be afforded one vote on all matters to be decided by vote of the Member Households, regardless of the number of Members in such Member Household.

Members within a Member Household shall jointly decide how to exercise their vote. If the Members within a Member Household cannot decide how the Member Household's vote is to be cast at the time a vote is to be taken, the Member Household shall abstain from such vote. Any purported vote of a Member Household that is contested by any Member of a Member Household shall be of no force or effect.

ARTICLE VIII- MEETINGS OF THE COMMONS BOARD

1. **Regular Meetings.** Regular meetings of the Commons Board shall be held on the first Sunday and of each month or on such other days as may be determined by decision of the Commons Board at any regular or special meeting. No notice of regular meetings will be delivered to Member Households.
2. **Special Meetings.** Special Meetings of Commons Board may be called for any proper purpose at any time by a majority of the Member Households. The Member House holds calling the Special Meeting shall determine the date, time and place of each meeting of Member Households, and written notice thereof shall be given to each Member Household not less than three days or more than 60 days prior to the date of the Special Meeting. The business of each meeting of Commons Board shall be limited to the purposes described in the notice.
3. **Quorum.** Sixty percent (60%) of the Commons Board shall constitute a quorum for the transaction of any business at a meeting of Member Households. Proxies are allowed, but cannot block consensus or fill quorum. Members may attend a Special Meeting by proxy for purposes of a 75% override vote. Members may also participate in a Special Meeting by means of conference telephone or similar communications equipment that permits all Members present to hear each other.
4. **Facilitator.** The Presiding Officer, or a person that he or she appoints, shall preside at all meetings of the Community. The Presiding Officer shall recommend the order of business and the procedures to be followed at each meeting of the Community.
5. **Recorder.** The Recording Officer appointed by the Commons Board shall take minutes at all meetings of the Community. The Recording Officer shall distribute and keep organized minutes and agendas for each meeting of the Community.

ARTICLE IX –OFFICERS

1. **Officers.** The officers of the Common shall be the Presiding Officer, the Financial Officer and the Recording Officer. The Commons Board may select additional officers as they deem appropriate. The Presiding Officer, Financial Officer and Recording Officer shall be Members, as shall other officers of the Common as may be designated.
2. **Selection and Removal of Officers.** The officers shall be chosen annually at a Regular Meeting of the Commons Board and shall hold office at the discretion thereof or until their successors are chosen. Any officer may be removed, either with or without cause, at a Regular or Special Meeting of the Commons Board called for that purpose, and at which eighty percent (75%) of the Commons Board are present and his or her replacement chosen as herein provided.
3. **Presiding Officer.** The Presiding Officer shall be the chief executive officer of the Community. He or she, or his or her designee, shall preside at all meetings of the Commons Board of the Community. Subject to the direction and authorization of the Member Households, he or she shall have all of the general powers and duties that are incidental to the office of president of a non-profit corporation under the laws of the State of Vermont

4. **Financial Officer.** The Financial Officer shall have the responsibility for Community's funds and securities, and such other funds and securities as are entrusted to the Community, and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of required financial data. He or she shall be responsible for the deposit of all monies and other valuable effects in the name of the Common in such depositories as may from time to time may be designated by the Board, No payment voucher shall be paid unless and until approved by the Financial officer, or in his or her absence, by the Assistant Financial officer, if any, or the Presiding Officer.
5. **Recording Officer.** The Recording Officer shall keep the minutes of all meetings of the Member Households; shall have charge of such books and papers as the Commons Board may direct; and shall perform all the duties incidental to the office of the Clerk of a corporation under the laws of Vermont and as described elsewhere in the By-Laws of the Community.
6. **Execution of Documents.** All agreements, contracts, deeds, leases, checks and other instruments of the Common shall be executed by such officer or officers of the Common or by such other person(s) as may be authorized by the Member Households, and in the absence of designation, by the Presiding Officer and/or Financial Officer.
7. **Compensation of Officers.** No Officer, with the possible exception of the Financial Officer, shall receive any compensation from the Common for acting as such, except for reimbursement of necessary and duly incurred expenses.

In the case of the Financial Officer the work demands may be at a level to warrant compensation or the hiring of a professional bookkeeper/account.

8. **Resignation.** Any officer may resign at any time by giving written notice to the Member Households, the Presiding officer or the Recording Officer. Any such resignation shall take effect on the date of the receipt of such notice or any later time specified therein.
9. **No Personal Liability.** The Presiding Officer, Financial Officer or Recording Officer shall not under any circumstance be held liable or accountable out of his or her personal assets or be deprived of compensation, if any, by reason of any action taken, suffered or omitted in good faith, in the reasonable belief that his or her action was in the best interests of the Community. Or to be liable, accountable or deprived of compensation by reason of honest errors of judgment or mistakes of fact or law or by reason of anything except his or her own personal and willful malfeasance and defaults. .
10. **Officers May Deal With the Community.** No officer shall be disqualified by his or her office, or status, from contracting or dealing, directly or indirectly, with the Common as vendor, purchaser or otherwise because of his or her, interest in any corporation, firm, trust, partnership or other organization connected with such contracting or dealing, provideding that the Officer shall act in good faith and shall disclose the nature of his or her interest before the dealing, contract or arrangement is entered into.
11. **Indemnification.** The Common shall, to the extent legally permissible, indemnify each officer and Member against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him or her in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office. The Common shall

have the power to obtain and maintain policies of casualty and physical damage insurance for the benefit and protection of the Community's Common Area.

ARTICLE X- COMMITTEES:

The Common Board may appoint Members to committees, each having not fewer than two (2) Members. Each committee shall appoint a chairperson from amongst its members who will facilitate the affairs of the committee. Members of all such committees shall serve during the pleasure of the Community. In the event that any member of a committee shall cease to be a Member of the Common for any reason, such Member shall forthwith cease to be a member of such committee. Any committee shall possess and may exercise any powers expressly delegated to such committee by the Community, other than those powers the delegation of which is expressly forbidden by law. All action taken by a committee shall be subject to revision or alteration by the Members.

Each committee shall fix its own rules of procedure, shall meet as provided by such rules or by resolution of the Community, and shall keep records of its actions and proceedings, which records shall be made available for examination by the Members. The greater of two (2) members or a majority of the members of a committee shall constitute a quorum and in every case where a quorum is present, the consensus of the members of such committee present at any meeting shall be necessary for the adoption of any resolution by such committee.

- a. **DESIGN REVIEW COMMITTEE:** The Common hereby establishes an Design Review Committee as a permanent committee of the Community, which shall administer and perform the architectural and landscape review and control functions of the Common set forth in the Declaration of Covenants, Conditions and Restrictions as to all construction and improvements made by the Common or Member Households. The Design Review Committee will consist of no less than three (3) and no more than five (5) members and shall be appointed from the Community.

ARTICLE XI - ASSESSMENTS

Assessments: Member Household's shall be assessed proportionally for Common Expenses based on the size of their house (number of bedrooms, as defined by zoning).

- a. "**Annual Assessments**" will be levied annually for the purpose of managing and maintaining the Common and all relevant expenses thereto.
- b. The Common Board shall determine the Annual Assessment needed to enable the Common to conduct its operations and achieve its goals, and the amount shall be announced to the Commons Board by notice mailed to each Member Household. Annual Assessments shall be established as of July 1st of each calendar year for the ensuing twelve months, which assessments shall be levied against each Member Household for the purposes set forth in the Declaration of Covenants, Conditions and Restrictions. Assessments will be payable in advance on the 1st of each month, on which date the unpaid amount shall accrue interest at 1.5% per month and become a lien, after six months of non payment, on the property of the delinquent Member Household.
- c. "**Special Assessments**" may be levied from time to time against Commons Board for the purpose of paying non-recurring capital expenses such as the acquisition of property; the cost of construction of capital improvements to the Common Area; the cost of reconstruction or unexpected repair or

replacement of a capital improvement. All Special Assessments shall be assessed at rates to be determined by the Community. All such Special Assessments shall be payable on the payment date determined by the Common. In the event that the Common makes any Special Assessment, the amount thereof and the date for payment shall be announced to the Member Household by notice sent by mailed to each Member Household at such Member Household's address shown on Schedule A. Non payment of these assesments are subject to the same rules an those for Annual Assesments.

The Common may bring an action to foreclose such a lien against any one or more of the House Parcels in the manner in which deeds of trust on real property are foreclosed, and/or a suit on the personal obligation of the Member Household, or by any other available process. All costs and expenses incurred by the Common in enforcing or collecting any such Common Expense or Special Assessment, including reasonable attorney's fees, shall be paid by the Member Household responsible for the assessment.

ARTICLE XII- FINANCIAL

- f. **Records and Audits:** The Commons Board shall keep detailed records of the actions of the Member Households, minutes of the meetings of the Board. The Board shall as soon as reasonably possible after the close of the fiscal year submit to the Commons Board a report of the operations of the Common for such year, which shall include financial statements.

The Commons Board shall keep and maintain the financial records and books of accounting of the Common as well as a separate account for each House Parcel, which among other things shall contain the amount of each assessment of Annual Assessments and Special Assessments against each House Parcel, the date when due, the amounts paid thereon and the balance remaining unpaid. Copes of the Declaration, these By- Laws and any rules and regulations, as the same may be amended from time to time, shall be maintained at the office of the Commons Board and shall be available for inspection by Members, their authorized agents during reasonable business hours.

- g. **CHECKS DRAFTS AND OTHER INSTRUMENTS** Check, notes, drafts and other instruments for the payment of money drawn or endorsed in the name of the Common shall be signed by a duly selected officers or by any other person or persons to whom such power may be designated by the Community.

ARTICLE XIII- GENERAL PROVISIONS

1. **Offset.** Whenever the Common is obligated to make a distribution or payment to any Member Household, any amounts that Member Household owes the Common may be deducted from said distribution or payment.
2. **Notices.** Except as expressly set forth to the contrary in these By-Laws, all notices, requests, or consents required or permitted to be given under these By-Laws must be in writing and shall be deemed to have been properly given if hand delivered to Commons Board at their addresses. .

3. **Amendment or Modification.** Except as specifically provided herein, these By-Laws may be amended or modified from time to time by Decision of the Community.
4. **Governing Law; Severability.** These By-Laws are governed by and shall be construed in accordance with the laws of the State of Vermont. If any provision of these By-Laws or the application thereof to any person or circumstance is held invalid or unenforceable to any extent, the remainder of these By-Laws and the application of that provision shall be in effect.
5. **Dispute Resolution.** Any dispute, controversy or claim arising out of or in connection with these By-Laws shall be resolved by face-to-face negotiations between the parties involved, such negotiations to be conducted in the spirit of the Community's Guiding Principles.

If the dispute cannot be resolved by face-to-face negotiation the parties shall submit to mediation proceedings to occur at a mutually acceptable time and place, with a mutually acceptable mediator and mutually acceptable procedures. In the event that the dispute, controversy or claim cannot be settled by negotiations or mediation, either party may demand, by written notice to the other party, that the dispute be submitted to arbitration.

The arbitration shall be conducted according to the provisions of this Section. If the parties to the dispute mutually agree upon one or more individuals to arbitrate the dispute, such individuals shall arbitrate the dispute. If the parties mutually agree upon the rules for conducting the arbitration, such rules shall govern the arbitration. If, however, the parties cannot agree upon the identity of the arbitrators and/or the rules for conducting the arbitration within seven (7) days after the notice demanding arbitration, either party may request the American Arbitration Association (the "AAA") to appoint, on an expedited basis, one arbitrator who shall have substantial experience as an arbitrator, be experienced in the subject matter of the dispute and be able to commence the arbitration proceedings (with at least an initial hearing), according to the requirements of this Section and other complimentary rules of the American Arbitration Association, within fourteen (14) days after the appointment.

The arbitration proceedings shall be completed within thirty (30) days after the initial hearing and the arbitrator's decision shall be provided to the parties within seven (7) days thereafter. The decision of the arbitrator shall be final and binding provided such decision is set forth in writing by the arbitrator which recites the decision and all findings and orders relative to the implementation thereof including, without limitation, the amount and/or nature of any awards and the allocation of responsibility among the parties to pay the AAA fees and the fees of the attorneys and other professionals incurred by the parties, in accordance with this Section. A court of competent jurisdiction located in the State of Vermont may enforce the arbitrator's decision. The parties hereby expressly submit to the jurisdiction of all federal and state courts located in the State of Vermont, in connection with any action brought to enforce or otherwise relating to these By-Laws.

Except where clearly inconsistent with the subject matter of the dispute, the parties agree to continue performing their respective obligations under these By-Laws while the dispute is being resolved. Prior to receipt of the arbitrator's decision, each of the parties shall pay their own expenses in connection with the mediation and/or arbitration and shall share the costs of any mediator and/or arbitrator. The arbitrator may order that either of the parties that is entitled to an award on the merits of the dispute shall have its costs (including AAA fees and attorney and other professional fees), paid by the other party; provided, however, that the arbitrator shall have discretion to apportion the responsibility for the costs of the parties in the event that the arbitrator's decision is not solely in favor of one of the parties.

Notwithstanding the foregoing requirement to arbitrate any dispute, in the event either of the parties determines it necessary to seek injunctive relief against another, the party seeking the injunction may seek such injunction without complying with the prerequisite

of mediation and arbitration. The parties hereto agree that any arbitrator(s) utilized hereunder shall have the authority to issue injunctive orders for specific enforcement.

8. **Third-Party Beneficiaries.** The provisions of these By-Laws are not intended to be for the benefit of any creditor or other person to whom any debts or obligations are owed by, or who may have any claim against, the Common or any of its Members. Notwithstanding any contrary provision of these By-Laws, no such creditor or person shall obtain any rights under these By-Laws or shall, by reason of these By-Laws, be permitted to make any claim against the Common or any Member.
9. **Counterparts.** This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document, and all counterparts shall be construed together and shall constitute the same instrument.
10. **Fiscal Year.** The fiscal year of the Common shall end on June 30 each year. The Commons Board may change such fiscal year as they, in their discretion, determine is appropriate.

ARTICLE XIV– CONFLICT OF INTEREST:

Transactions with Interested Persons. Unless entered into in bad faith, no contract or transaction between the Common and one or more of its Members, or between the Common and any other corporation, partnership, association or other organization shall be voidable providing they meet the following criteria:

- a. That the material facts as to the relationship or interest of said Member and as to the contract or transaction were disclosed or known to the Commons and the contract or transaction was authorized by the disinterested Member Households; or
- a. The contract or transaction was not patently unfair to the Common as of the time it was authorized, approved or ratified by the disinterested Member Households; or
- b. Member interested in such contract or transaction, because of such interest, shall be considered to be in breach of these By-Laws or liable to the Community, any Member, or any other person or organization for any loss or expense incurred by reason of such contract or transaction or shall be accountable for any gain or profit realized from such contract or transaction.

ARTICLE XIV– TRANSFER OF INTEREST

1. Any person who acquires in any manner an interest or any part thereof in the Community, whether or not such person has accepted and assumed in writing the terms and provisions of these By-Laws or been admitted as a Member Household, shall be deemed by the acquisition of such interests to have agreed to be subject to and bound by all of the provisions of these By-Laws with respect to such interest.
2. Transfer of a Member Household shall automatically follow ownership of a House Lot and cannot be otherwise transferred.

3. Upon the transferee becoming a Member Household, the Member Household transferring its interest shall be relieved of liability with respect to the transferred interest arising or accruing under these By-Laws on or after the effective date of the transfer, unless the transferor affirmatively assumes such liability; provided, however, that the transferor shall not be relieved of any liability for prior distributions and unpaid contributions unless the transferee affirmatively assumes such liabilities.

ARTICLE XV– SALE OF HOUSE LOTS

1. No Severance of Ownership. No Member shall execute any deed, mortgage, or other instruments conveying or mortgaging title to his or her House Lot without including therein the undivided interest of a Household Member's interest in the Common Area; it being the intention hereof to prevent any severance of such combined ownership.
2. Payment of Assessments. No Member shall convey, mortgage, pledge, hypothecate, sell, or lease his or her House Lot unless and until he or she shall have paid in full to the Common all unpaid assessments assessed by the Common against his house and until he or she shall have satisfied all unpaid liens against such house.

ARTICLE XVI – DISSOLUTION, LIQUIDATION, LIQUIDATION AND TERMINATION

Dissolution. Subject to the rights of the mortgagees, the Common shall dissolve and its affairs shall be wound up upon the first to occur of the following:

1. the written unanimous consent of the Member Households;
2. the consolidation or merger of the Common in which it is not the resulting or surviving entity.
3. Liquidation. Upon dissolution of the Community, the Commons Board may appoint one or more Officers as liquidating trustee. The liquidating trustees shall proceed diligently to liquidate the Common and wind up its affairs and shall dispose of the assets of the Community. Until final distribution, the liquidating trustees may continue to operate the business and properties of the Common with all of the power and authority of the Member Households. As promptly as possible after dissolution and again after final liquidation, the liquidating trustees shall cause an accounting by the accounting firm then serving the Common of the Community's assets, liabilities, operations and liquidating distributions to be given to the Member Households.

Duly adopted by consensus by the . this _____ day of _____, 2000.
_____ Recording Officer