

Adopted Effective September 19, 2012

**RESTATED BYLAWS**  
**OF**  
**THE PROPRIETORS OF STERLING WOODS, INC.**

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**RESTATED BYLAWS**  
**OF**  
**THE PROPRIETORS OF STERLING WOODS, INC.**

**ARTICLE I**

**Introduction**

These are the Restated Bylaws of **The Proprietors of Sterling Woods, Inc.** These Restated Bylaws have been approved in accordance with Article XVI of the Amended and Second Restated Declaration of Condominium I at Sterling Woods, which Amended and Second Restated Declaration was recorded in Volume 1046 at Page 111 of the Danbury Land Records (the "Declaration"). The existing Bylaws for the Association are hereby declared to be null and void and these Restated Bylaws are substituted in their place. All references to "Bylaws" shall be to these Restated Bylaws.

**ARTICLE II**

**Definitions**

Capitalized terms as used in these Restated Bylaws shall have the meaning assigned to them in this Article II.

**Section 2.1 - Act.** The Common Interest Ownership Act, Chapter 828, Sections 47-200 through 47-295 of the Connecticut General Statutes, as it may be amended from time to time. It is intended that amendments to the Act that are applicable to common interest communities already in existence will apply to this Common Interest Community, but amendments that are expressly applicable only to common interest communities created after the effective date of the amendments will not apply to this Common Interest Community unless the Declaration is amended to incorporate such amendments to the Act.

**Section 2.2 - Assessment.** The sums attributable to a Unit and due to the Association pursuant to Section 47-257 of the Act or Article XIX of the Declaration.

**Section 2.3 - Association.** **The Proprietors of Sterling Woods, Inc.,** a nonstock corporation organized under the laws of the State of Connecticut. It is the Association of Unit Owners pursuant to Section 47-243 of the Act.

**Section 2.4 - Bylaws.** The instruments, however denominated, that contain the procedures for conduct of the affairs of the Association regardless of the form in which the Association is organized, including any amendments to the instruments.

**Section 2.5 - Common Elements.** All portions of the Common Interest Community other than the Units. Common Elements may include easements in favor of Units or the Common Elements over other Units and other interests in real property for the benefit of Unit Owners which are subject to the Declaration.

**Section 2.6 - Common Expense Assessment.** An assessment for Common Expenses against one or more Units adopted by the Association under the provisions of Article XIX of the Declaration. It includes fees, charges, late charges, fines, and interest charged against a Unit Owner pursuant to the Act, the Community Documents, or both.

**Section 2.7 - Common Expenses.** Expenditures made by, or financial liabilities of, the Association, together with any allocations to reserves, including, but not limited to:

- (a) Expenses of administration, maintenance, and repair or replacement of the Common Elements and those portions of the Units for which the Association is responsible;
- (b) Expenses necessary or useful for the operation of the Association or the accomplishment of its purposes, or that the Association incurs in exercising its powers or performing its duties under the Community Documents, the Act, or other applicable law;
- (c) Expenses declared to be Common Expenses by the Community Documents or by the Act;
- (d) Expenses agreed upon as Common Expenses by the Association; and
- (e) Such reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement, or addition to the Common Elements, to those portions of the Units for which the Association is responsible, and to any other real or personal property acquired or held by the Association.

Some costs and expenses imposed by the Association shall be Common Expenses but shall be assessed against fewer than all the Units as provided in Section 19.2 of the Declaration.

**Section 2.8 - Common Interest Community. Condominium I at Sterling Woods.**

**Section 2.9 - Community Documents.** The Declaration, Survey, and Plans recorded and filed pursuant to the provisions of the Act to create **Condominium I at Sterling Woods**, and the certificate of incorporation, the Bylaws, and the Rules of the Association, as any of the foregoing may be amended from time to time. Any exhibit, schedule, or certification accompanying a Community Document is a part of that Community Document.

**Section 2.10 - Declarant.** N.E. Development Corporation, a Connecticut corporation and its successors, if any, as defined in Subsection 47-202(14) of the Act.

**Section 2.11 - Declaration.** The recorded Declaration for the Common Interest Community, including any amendments of record.

**Section 2.12 - Director.** A member of the Executive Board.

**Section 2.13 - Executive Board.** The board of directors of the Association pursuant to Subsections 47-245(a) and (b) of the Act, and Sections 33-1080 through 33-1130 of the Connecticut Revised Nonstock Corporation Act, except where superseded by the Act.

**Section 2.14 - Improvements.** Any buildings, facilities, amenities, landscaping, or infrastructure existing from time to time on the land included in the Common Interest Community, including but not limited to, buildings, paving, utility wires, pipes, light poles and trees, shrubbery, and lawns planted by the Declarant or the Association.

**Section 2.15 - Limited Common Elements.** A portion of the Common Elements allocated by the Declaration or by the operation of Subsections 47-221(2) or (4) of the Act for the exclusive use of one or more but fewer than all of the Units. The Limited Common Elements in the Common Interest Community are described in Article VI of the Declaration.

**Section 2.16 - Maintain, Repair and Replace.** To Maintain, Repair and Replace (or to perform Maintenance, Repair and Replacement) is the act of addressing and correcting deterioration, wear and tear, and obsolescence to the Property which is not covered by the casualty insurance required by Section 47-255 of the Act or by this Declaration, or for which insurance carried by the Association is in effect.

**Section 2.17 - Manager.** A person, firm, or corporation engaged by the Association to perform management services for the Common Interest Community and the Association.

**Section 2.18 - Notice and Comment.** The right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 24.1 of the Declaration.

**Section 2.19 - Notice and Hearing.** The right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Section 24.2 of the Declaration.

**Section 2.20 - Person.** An individual, corporation, limited liability company, business trust, estate, trust, partnership, association, joint venture, public corporation, government, governmental subdivision or agency, instrumentality or any other legal or commercial entity.

**Section 2.21 - Plans.** The plans filed with the Declaration as Schedule A-4, as they may be amended from time to time.

**Section 2.22 - Property.** The land, all Improvements, easements, rights, appurtenances, and any other interests in real property that have been or are to be submitted to the provisions of the Act by the Declaration as amended of record.

**Section 2.23 - Record.** When used as a noun, "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

**Section 2.24 - Rule.** A policy, guideline, restriction, procedure or regulation, however denominated, adopted by the Association pursuant to Section 9.5 of these Bylaws which is not set forth in the Declaration or Bylaws and which governs the conduct of Persons or the use or appearance of all or portions of the Property. The Rules are not a part of the Declaration and are not to be considered to be title documents.

**Section 2.25 - Security Interest.** An interest in real property or personal property, created by conveyance or contract, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of leases or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation.

**Section 2.26 - Special Assessment.** Any Common Expense Assessment assessed against all of the Units that is not part of a budget for the overall operation of the Common Interest Community.

**Section 2.27 - Survey.** The survey filed with the Declaration as Schedule A-3, as it may be amended from time to time.

**Section 2.28 - Unit.** A physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Section 5.2 of the Declaration.

**Section 2.29 - Unit Owner.** The Declarant or other Person who holds legal title to a Unit or who has a leasehold interest of 40 years or more in a Unit, including renewal options. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the initial owner of each Unit created by the Declaration.

**Section 2.30 - Votes.** The votes allocated to each Unit as shown on Schedule A-2 to the Declaration. The casting of Votes is subject to the provisions of these Bylaws.

## **ARTICLE III**

### **Executive Board**

#### **Section 3.1 - Number and Qualification; Termination of Declarant Control.**

- (a) The affairs of the Common Interest Community and the Association shall be governed by an Executive Board which shall consist of at least three (3) persons, the majority of whom, excepting the Directors appointed by the Declarant, shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a Director and shall be deemed to be a Unit Owner for the purposes of the preceding sentence. Directors shall be elected by the Unit Owners except for those appointed by the Declarant. At any meeting at which Directors are to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the corporation laws of the State of Connecticut.
- (b) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Unit Owners setting terms.
- (c) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.
- (d) At any time after Unit Owners other than the Declarant are entitled to elect a Director, the Association shall call and give not less than ten (10) nor more than sixty (60) days' notice of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

**Section 3.2 - Powers and Duties.** The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws and Rules, including, but not limited to those set forth in subsection (x) of this Section 3.2;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Adopt and amend Special Assessments;
- (d) Invest funds of the Association;
- (e) Collect Common Expense Assessments from Unit Owners;
- (f) Hire and discharge managing agents;
- (g) Hire and discharge employees and agents other than managing agents and independent contractors;
- (h) Institute, defend or intervene in litigation or administrative proceedings in the



Association's name on behalf of the Association or two (2) or more Unit Owners on matters affecting the Common Interest Community provided, the Association shall comply with the requirements of Section 47-261f of the Connecticut General Statutes with regard to any proceedings involving construction defects;

- (i) Make contracts and incur liabilities;
- (j) Regulate the use, Maintenance, Repair, Replacement and modification of the Common Elements;
- (k) Cause additional Improvements to be made as a part of the Common Elements;
- (l) Acquire, hold, encumber and convey in the Association's name any right, title or interest to real property or personal property but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 47-254 of the Connecticut General Statutes;
- (m) Grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one (1) year, through or over the Common Elements;
- (n) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Subsections (2) and (4) of Section 47-221 of the Connecticut General Statutes, and for services provided to Unit Owners;
- (o) Impose charges or interest or both for late payment of Assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, and Rules of the Association;
- (p) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 47-270 of the Connecticut General Statutes and for statements of unpaid Assessments;
- (q) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- (r) Assign the Association's right to future income, including the right to receive Common Expense Assessments subject to the following requirements:

**Section r.1 – Approval of Assignment.** The Association may borrow money and assign its right to future income as security for the loan only after:

- (a) The loan transaction and the assignment have been approved by the Executive Board;

(b) A Majority of all of the Unit Owners vote in favor of or agree to the assignment in writing or at the special meeting; and

(c) The Association has complied with the requirements of Section 3.2(r.2) of these Restated Bylaws.

**Section r.2 – Notice of Proposed Borrowing.** At least fourteen days before the closing of any loan to the Association, the Executive Board shall:

(a) Disclose in a Record to all Unit Owners the amount and terms of the loan and the estimated effect of such loan on any Common Expense Assessment, and

(b) Afford the Unit Owners a reasonable opportunity to submit comments in a Record to the Executive Board with respect to such loan;

- (s) Exercise any other powers conferred by the Declaration or Bylaws;
- (t) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (u) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (v) By resolution, establish committees for the Association, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.
- (w) By Rule, require that disputes between the Executive Board and Unit Owners and between two or more Unit Owners regarding the Common Interest Community must be submitted to nonbinding alternate dispute resolution in the manner described in the Rules as a prerequisite to commencement of a judicial proceeding.
- (x) Adopt Rules that affect the use and occupancy of Units that may be used for residential purposes only as set forth in the Act.

**Section 3.3 - Standard of Care.** In the performance of their duties, the officers and Directors of the Executive Board are required to exercise the degree of care and loyalty required of fiduciaries of the Unit Owners, if appointed by the Declarant, and the degree of care and loyalty required of an officer or director of a corporation if elected by the Unit Owners. Directors are

subject to the conflict of interest rules applicable to an officer or director under Chapter 602 of the Connecticut General Statutes.

**Section 3.4 - Additional Limitations.** The Executive Board shall be additionally limited pursuant to Article XXV of the Declaration.

**Section 3.5 - Manager.** The Executive Board may employ a Manager for the Common Interest Community at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under Subdivisions 3.2(e), (g), (i) and (j). Licenses, concessions and contracts may be executed by the Manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

**Section 3.6 - Removal of Directors.** The Unit Owners, by majority vote of all persons present in person or by proxy and entitled to vote at any meeting of the Unit Owners at which a quorum is present or voting by ballot pursuant to the ballot voting procedures described in Section 4.9(e) of these Bylaws, may remove a Director of the Executive Board with or without cause, other than a Director appointed by the Declarant. A Director appointed under Section 47-245(g) of the Connecticut General Statutes may be removed only by the Person that appointed that Director. The Unit Owners may not consider whether to remove a Director or officer at any meeting of the Unit Owners unless that subject was listed in the meeting notice or the notice of the vote by ballot. The Director or officer being considered for removal must have a reasonable opportunity to speak before the vote or if vote by ballot, to deliver information to the Unit Owners.

**Section 3.7 - Vacancies.** Vacancies in the Executive Board caused by anything other than the removal of a Director by a vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, in the following manner:

- (a) as to vacancies of Directors whom Unit Owners other than the Declarant elected, by a majority of the remaining such Directors constituting the Executive Board; or
- (b) as to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced or, if earlier, until the next regularly scheduled election of Directors. Where a Director has been removed by a vote of the Unit Owners, a replacement shall be accomplished by a majority vote of the Unit Owners at a meeting where a quorum is present.

**Section 3.8 - Regular Meetings.** The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held within thirty (30) days thereafter at such time and place as shall be fixed by the Unit Owners at the meeting at which such Executive Board shall have been elected. No notice shall be necessary to the newly elected Directors in order to give legal

sanction to such meeting, providing a majority of the Directors shall be present. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings. The Executive Board shall meet at least six (6) times annually at the Common Interest Community or at a place convenient to the Common Interest Community.

**Section 3.9 - Special Meetings.** Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice shall be hand-delivered or mailed or sent by a Record reasonably calculated to give notice and shall state the time, place and purpose of the meeting. A gathering of Directors at which the Directors do not conduct Association business shall not constitute a meeting of the Executive Board. The Executive Board may not use incidental or social gatherings of Directors to evade the requirements of these Bylaws.

**Section 3.10 - Location and Openness of Meetings.** All meetings of the Executive Board shall be held within the City of Danbury, unless all Directors consent in writing to another location. Except during executive sessions of the Executive Board, meetings of the Executive Board and committees of the Association shall be open to the Unit Owners and a representative designated by any Unit Owner.

**Section 3.11 - Waiver of Notice.** Any Director may waive a notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

**Section 3.12 - Quorum of Directors.** At all meetings of the Executive Board, a quorum shall be present if Directors entitled to cast a majority of the votes on the Executive Board are present at the time a vote on the specified action requiring a vote is taken. If a quorum of Directors is present when a vote is taken, the affirmative vote of a majority of the Directors present shall constitute the act of the Executive Board. At any meeting properly adjourned to a date, time and place certain at which a quorum of Directors is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

**Section 3.13 - Compensation.** A Director may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

**Section 3.14 - Consent to Corporate Action.** If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in a Record to any action taken or to be taken by the Association, such action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be, provided, the Secretary shall promptly give notice to all Unit Owners of any action taken by unanimous consent of the Executive Board.. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

**Section 3.15 - Notice of Legal Proceedings.** The Executive Board shall promptly provide notice to the Unit Owners of any legal proceeding in which the Association is a party other than enforcement proceedings involving the Rules, collection or foreclosure actions for sums due the Association, or the defense in any foreclosure action commenced by a third party against a Unit.

**Section 3.16 - Executive Board Determination Regarding Enforcement Action.** The Executive Board may determine whether to take enforcement action by exercising the Association's power to impose sanctions or commencing an action for a violation of the Community Documents, including whether to compromise any claim for unpaid Assessments or any other claim made by or against the Association. The Executive Board does not have a duty to take enforcement action if it determines that, under the facts and circumstances presented:

- (a) the Association's legal position does not justify taking any or further enforcement action;
- (b) the covenant, restriction or Rule being enforced is, or is likely to be construed as, inconsistent with law;
- (c) although a violation may exist or may have occurred, it is not so material as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (d) it is not in the Association's best interests to pursue an enforcement action.

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

**Section 3.17 - Executive Sessions.** The Executive Board and those committees of the Association may hold executive sessions only during a regular or special meeting of the Executive Board or of the committee. No final vote or action may be taken during an executive session. Votes or actions shall be taken during the regular or special meeting of the Executive Board or of the committee, as the case may be.

An executive session may be held only to:

- (a) consult with the Association's attorney concerning legal matters;
- (b) discuss existing or potential litigation or mediation, arbitration or administrative proceedings;
- (c) discuss labor or personnel matters;

- (d) 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
- (e) prevent public knowledge of the matter to be discussed if the Executive Board or committee, as the case may be, determines that public knowledge would violate the privacy of any Person.

**Section 3.18 - Unit Owner Right to Comment.** At each Executive Board meeting, the Executive Board shall provide a reasonable opportunity for Unit Owners to comment regarding any matter affecting the Common Interest Community and the Association.

**Section 3.19 - Notice of Meetings.** Unless the date, time and place of any Executive Board meeting is included in a schedule given to the Unit Owners, or the Executive Board meeting is called to deal with an emergency, the Secretary shall give notice of each Executive Board meeting to each Director and to the Unit Owners. The notice shall be given at least ten days before the Executive Board meeting and shall state the time, date, place and agenda of the Executive Board meeting. All notices shall be given in accordance with the requirements set forth in Section 9.1 of these Bylaws.

**Section 3.20 - Availability of Materials Distributed to the Executive Board.** If any materials are distributed to the Executive Board prior to any meeting of the Executive Board, the Executive Board at the time materials are distributed to the Executive Board shall make copies of those materials reasonably available to the Unit Owners, except that the Executive Board need not make available copies of unapproved minutes or materials that are to be considered in executive session.

**Section 3.21 - Executive Board Meetings Utilizing Conferencing Process.** The Executive Board may meet by telephonic, video or other conferencing process provided that:

- (a) the meeting notice states the conferencing process to be used and provides information explaining how Unit Owners may participate in the conference directly or by meeting at a central location or conference connection; and
- (b) the process provides all Unit Owners the opportunity to hear or perceive the discussion and offer comments as provided in Section 3.18 of these Bylaws.

**Section 3.22 - Limitation on Challenges.** Any challenge to the validity of any action taken by the Executive Board for failure to comply with the requirements of these Bylaws may not be brought more than 60 days after the minutes of the meeting of the Executive Board at which the action was taken are approved or a Record of the action taken is distributed to Unit Owners, whichever is later.

## ARTICLE IV

### Unit Owners

**Section 4.1 - Annual Meeting.** Annual meetings of Unit Owners shall be held within thirty (30) days of the expiration of the Association's fiscal year. At such meeting, the Directors shall be elected by ballot of the Unit Owners, in accordance with the provisions of Article III of these Bylaws. The Unit Owners may transact other business at such meetings as may properly come before them.

**Section 4.2 - Budget Meeting.** Meetings of Unit Owners to consider proposed budgets and Special Assessments shall be called in accordance with Sections 19.4 and 19.5 of the Declaration. The budget may be considered at annual or special meetings called for other purposes as well.

**Section 4.3 - Special Meeting.** Special meetings of Unit Owners may be called by the president, a majority of the Executive Board, or Unit Owners who having at least twenty percent (20%) of the Votes in the Association request that the secretary call the meeting. If the Association does not notify Unit Owners of a special meeting within fifteen (15) days after the required percentage of Unit Owners request the secretary to do so, the requesting Unit Owners may directly notify all of the Unit Owners of the meeting. Only matters described in the meeting notice required by Section 4.5 of these Bylaws may be considered at a special meeting.

**Section 4.4 - Place of Meetings.** Meetings of the Unit Owners shall be held at such suitable place convenient to the Unit Owners as may be designated by the Executive Board or the president.

**Section 4.5 - Notice of Meetings.** Except for budget meetings, for which notice shall be given in accordance with Sections 19.4 and 19.5 of the Declaration, the secretary or other officer specified in the Bylaws shall cause notice of any meeting of the Unit Owners to be sent to each Unit Owner by any means provided for in Section 9.1 of these Bylaws, not less than ten (10) nor more than sixty (60) days in advance of any meeting. The notice of any meeting shall state the date, time and place of the meeting and the items on the agenda, including, but not limited to, a statement of the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove an officer or Director of the Executive Board. No action shall be adopted at a meeting except as stated in the notice. All notices shall be given in accordance with the requirements set forth in Section 9.1 of these Bylaws.

**Section 4.6 - Waiver of Notice.** Any Unit Owner may, at any time by means of a Record, waive notice of any meeting of the Unit Owners, and such waiver shall be deemed equivalent to the receipt of such notice.

**Section 4.7 - Adjournment of Meeting.** At any meeting of Unit Owners, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time. If the meeting is adjourned to a date, time and place certain and the original notice of the meeting complies with the requirements of these Bylaws, no further notice of the meeting shall be required in advance of the date upon which the meeting has been adjourned to.

**Section 4.8 - Order of Business.** The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure).
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports.
- (e) Establish number and term of memberships of the Executive Board (if required and noticed).
- (f) Election of inspectors of election (when required).
- (g) Election of Directors of the Executive Board (when required).
- (h) Ratification of budget or Special Assessment (if required and noticed).
- (i) Unfinished business.
- (j) New business.

Unit Owners shall be given a reasonable opportunity at any meeting to comment regarding any matter affecting the Common Interest Community or the Association.

**Section 4.9 - Voting.**

- (a) If only one (1) of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast all the Votes allocated to that Unit. If more than one of the owners are present, the Votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one (1) of the owners casts the Votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.
- (b) Votes allocated to a Unit may be cast pursuant to a directed or undirected proxy duly executed by a Unit Owner. If a Unit is owned by more than one (1) Person, each owner of the Unit may vote or register protest to the casting of Votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given pursuant to this Subsection only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one (1) year after its date



unless it specifies a shorter term. A Person may not cast Votes representing more than fifteen percent (15%) of the Votes in the Association pursuant to undirected proxies.

- (c) The vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning corporation or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
- (d) Votes allocated to a Unit owned by the Association shall be cast in any vote of the Unit Owners in the same proportion as the Votes cast on the matter by the Unit Owners other than the Association.
- (e) The Association may conduct a vote without a meeting. In the event the Association conducts a vote without a meeting, the following requirements shall apply:
  - (1) The Association shall notify the Unit Owners that the vote will be taken by ballot;
  - (2) The Association shall deliver a paper or electronic ballot to every Unit Owner entitled to vote on the matter;
  - (3) The ballot shall set forth each proposed action or office to be filled and provide an opportunity to vote for or against the action or the candidate for office;
  - (4) When the Association delivers the ballots, it shall also:
    - A. Indicate the number of responses needed to meet the quorum requirements set forth in Section 4.10 of these Bylaws;
    - B. State the percentage of Votes necessary to approve each matter other than election of Directors;
    - C. Specify the time and date by which a ballot must be delivered to the Association to be counted, which time and date may not be fewer than three (3) days after the date the Association delivers the ballot; and
    - D. Describe the time, date and manner by which Unit Owners wishing to deliver information to all Unit Owners regarding the subject of the vote may do so.

- (5) All ballot votes shall be final, and a ballot is not revoked after delivery to the Association as the result of death or disability or attempted revocation by the Person which cast the Vote.

**Section 4.10 - Quorum.** Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners, shall constitute a quorum at such meeting.

**Section 4.11 - Majority Vote.** The vote of a majority of the Unit Owners by ballot or present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

## ARTICLE V

### Officers

**Section 5.1 - Designation.** The principal officers of the Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, and assistant secretary, and such other officers as in its judgment may be necessary. The president and vice president, but no other officers, need be Directors. Any two (2) offices may be held by the same person, except the offices of president and vice president, and the offices of president and secretary. The office of vice president may be vacant.

**Section 5.2 - Election of Officers.** The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

**Section 5.3 - Removal of Officers.** Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

**Section 5.4 - President.** The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Unit Owners and of the Executive Board. He or she shall have all of the general powers and duties which are incident to the office of the president of a non-stock corporation organized under the laws of the State of Connecticut, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of treasurer in the absence of the treasurer. The president, as attested by the secretary, may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

**Section 5.5 - Vice President.** The vice president shall take the place of the president and perform his or her duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president, on an interim basis. The vice president shall also perform such other duties as may be imposed upon him or her by the Executive Board or by the president.

**Section 5.6 - Secretary.** The secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board. He or she shall have charge of such books and papers as the Executive Board may direct and he or she shall, in general, perform all the duties incident to the office of secretary of a nonstock corporation organized under the laws of the State of Connecticut. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

**Section 5.7 - Treasurer.** The treasurer shall have the responsibility for Association funds and securities 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 all required financial data. He or she shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he or she shall, in general, perform all the duties incident to the office of treasurer of a non-stock corporation organized under the laws of the State of Connecticut. He or she may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He or she may have custody of and shall have the power to endorse for transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

**Section 5.8 - Agreements, Contracts, Deeds, Checks, etc.** Except as provided in Sections 5.4, 5.6, 5.7 and 5.10 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

**Section 5.9 - Compensation.** An officer may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties.

**Section 5.10 - Resale Certificates and Statements of Unpaid Assessments.** The treasurer, assistant treasurer, or a Manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 47-270 of the Connecticut General Statutes and statements of unpaid Assessments in accordance with Subsection (h) of Section 47-258 of the Connecticut General Statutes.

The Association may charge a reasonable fee for preparing resale certificates and statements

of unpaid Assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board provided, such fee shall not exceed any maximum fee allowed under the Act. The Association may refuse to furnish resale certificates and statements of unpaid Assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

## **ARTICLE VI**

### **Enforcement**

**Section 6.1 - Abatement and Enjoinment of Violations by Unit Owners.** The violation of any of the Rules adopted by the Executive Board, or the breach of any provision of the Community Documents shall give the Executive Board the right, after Notice and Hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

- (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist therein) that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Community Documents, and the Executive Board shall not thereby be deemed liable for any manner of trespass; or
- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

**Section 6.2 - Fine for Violation.** By resolution, following Notice and Hearing, the Executive Board may levy a fine of \$50.00 per day or per occurrence up to a maximum of \$150.00 per day or per occurrence for a violation of the Community Documents after such Notice and Hearing, but such amount shall not exceed the amount necessary to insure compliance with the Rule or order of the Executive Board.

## **ARTICLE VII**

### **Indemnification**

The directors and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in Sections 33-1116 through 33-1124 of the Connecticut General Statutes, the provisions of which are hereby incorporated by reference and made a part hereof.

## **ARTICLE VIII**

### **Records**

**Section 8.1 - Records and Audits.** The Association shall maintain financial records. The

financial records shall be maintained and audited in accordance with Article XVIII of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the Community Documents.

**Section 8.2 - Examination.** Subject to the exceptions set forth in Section 8.4, all records maintained by the Association or by the Manager shall be available for examination and copying by any Unit Owner, by any holder of a Security Interest in a Unit, or by their duly authorized agent or attorney. Any such examination or copying shall occur during reasonable business hours or at a time and location mutually convenient to the Association, the Manager and the Person seeking examination and/or copying. The Person seeking examination and copying shall provide at least five (5) days notice to the Association in a Record reasonably identifying the specific records of the Association requested. The Association may charge a reasonable fee for providing copies of any records and for supervising the Unit Owner's inspection. 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 in a Record by the Unit Owner. The Association is not obligated to compile or synthesize information. Information provided pursuant to this section may not be used for commercial purposes.

**Section 8.3 - Records.** The Association shall keep the following records:

- (a) Detailed records of receipts and expenditures affecting the operation and administration of the Association and other appropriate accounting records;
- (b) Minutes of all meetings of the Unit Owners and Executive Board other than executive sessions, a record of all actions taken by the Unit Owners or Executive Board without a meeting, and a record of all actions taken by a committee in place of the Executive Board on behalf of the Association;
- (c) The names of Unit Owners in a form that permits preparation of a list of the names of all Unit Owners and the addresses at which the Association communicates with them; in alphabetical order showing the number of Votes each Unit Owner is entitled to cast;
- (d) The Association's original or restated organizational documents, if required by law, other than the Act, as well as the Community Documents, including all amendments thereto;
- (e) All financial statements and tax returns of the Association for the past three (3) years;
- (f) A list of the names and addresses of its current Directors and officers;
- (g) The Association's most recent annual report delivered to the Secretary of State, if any;
- (h) Financial and other records sufficiently detailed to enable the Association to comply with Section 47-270 of the Connecticut General Statutes, as amended;

- (i) Copies of current contracts to which the Association is a party;
- (j) Records of Executive Board or committee actions to approve or deny any requests from Unit Owners for design or architectural approval; and
- (k) Ballots, proxies and other records related to voting by Unit Owners for one (1) year after the election, action or vote to which they relate.

**Section 8.4 - Records not Subject to Examination.**

- (a) Records retained by the Association shall be withheld from inspection and copying to the extent that they concern:
  - (1) Personnel, salary and medical records relating to specific individuals, unless waived by the individual to whom such record relates; or
  - (2) Information the disclosure of which would violate any law other than the Act.
- (b) Records retained by the Association may be withheld from inspection and copying to the extent that they concern:
  - (1) Contracts, leases and other commercial transactions to purchase or provide goods or services currently being negotiated;
  - (2) Existing or potential litigation or mediation, arbitration or administrative proceedings;
  - (3) Existing or potential matters involving federal, state or local administrative or other formal proceedings before a governmental tribunal for enforcement of the Community Documents;
  - (4) Communications with the Association's attorney which are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
  - (5) Records of an executive session of the Executive Board; or
  - (6) Individual Unit files other than those of the requesting Unit Owner.

**Section 8.5 - Form Resale Certificate.** The Executive Board shall adopt a form resale certificate to satisfy the requirement of Section 47-270 of the Connecticut General Statutes.

## ARTICLE IX

### Miscellaneous

**Section 9.1 - Notices.** All notices to the Association or to the Executive Board shall be delivered to the office of the Manager, or if there is no Manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in a Record to all Unit Owners and to all holders of Security Interests in the Units who have notified the Association in writing that they hold a Security Interest in a Unit. The Association shall deliver any notice required to be given by the Association pursuant to the Act or pursuant to any provision contained within the Community Documents, to any mailing or electronic mail address a Unit Owner designates, except that the Association may also deliver notices by: (a) hand delivery to each Unit Owner; (2) hand delivery, United States mail postage paid, or commercially reasonable delivery service to the mail address of each Unit; (3) electronic means, if the Unit Owner has given the Association an electronic address; or (4) any other method reasonably calculated to provide notice to the Unit Owner. All notices to holders of Security Interests in the Units shall be sent, except where a different manner of notice is specified elsewhere in the Community Documents, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing to the Association. Notices required by the Act or any provision of the Community Documents shall be effective when sent. The ineffectiveness of a good faith effort to deliver notice by an authorized means shall not invalidate action taken at or without a meeting.

**Section 9.2 - Fiscal Year.** The Executive Board shall establish the fiscal year of the Association.

**Section 9.3 - Waiver.** No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

**Section 9.4 - Office.** The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

#### **Section 9.5 - Rules Procedures.**

- (a) At least ten (10) days before adopting, amending or repealing any Rule, the Executive Board shall give all Unit Owners notice of: (1) its intention to adopt, amend or repeal a Rule and shall provide the text of the Rule or the proposed change; and (2) a date on which the Executive Board will act on the proposed Rule or amendment after considering comments from the Unit Owners.
- (b) Following adoption, amendment or repeal of a Rule, the Association shall notify the Unit Owners of its action and provide a copy of any new or revised Rule.
- (c) Subject to provisions of the Declaration, the Association may adopt Rules to establish and enforce construction and design criteria and aesthetic standards. If the

Association adopts such Rules, the Association shall adopt procedures for enforcement of those Rules and for approval of construction applications, including a reasonable time within which the Association must act after an application is submitted and the consequences of its failure to act.

- (d) A Rule regulating display of the flag of the United States of America must be consistent with federal law. Additionally, the Association may not prohibit display, on a Unit or on a Limited Common Element adjoining a Unit, of the flag of the state in which the Common Interest Community is located, or signs regarding candidates for public or Association office or ballot questions, but the Association may adopt Rules governing the time, place, size, number and manner of those displays.
- (e) Unit Owners may peacefully assemble on the Common Elements to consider matters related to the Common Interest Community, but the Association may adopt Rules governing the time, place and manner of those assemblies.

**Section 9.6 - Meeting Procedures.** Meetings of the Association shall be conducted in accordance with the most recent edition of Roberts Rules of Order Newly Revised unless two-thirds (2/3) of the Votes allocated to Unit Owners present at the meeting are cast to suspend those rules.

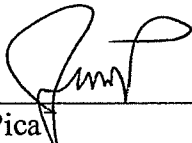
## **ARTICLE X**

### **Amendments to Bylaws**

The Bylaws may be amended only pursuant to the provisions of Article **XVI** of the Declaration.

Certified to be the Bylaws adopted by the Executive Board following Notice and Comment to all Unit Owners this 19th day of September, 2012.

**THE PROPRIETORS OF  
STERLING WOODS, INC.**

BY   
John Pica  
Its President, Duly Authorized