

BY-LAWS of SOUTH WINDS ASSOCIATION, INC.

AS AMENDED DEC.1, 2005

ARTICLE I

SECTION 1. The South Winds Association refers to the incorporated organization of the South Winds development property owners. The South Winds Development is located in the Town of Essex, County of Middlesex and State of Connecticut.

SECTION 2. Unless specifically indicated otherwise, each reference to a "member" or "membership" or "members" in these By-Laws is defined as property owner(s) in the South Winds Association (see Article II, Section 8). References to the "Association" in these By-Laws refer to the South Winds Association, as defined above.

SECTION 3. The fiscal year of the Association shall run from January 1 through December 31.

ARTICLE II

MEETINGS of MEMBERS

SECTION 1. Annual meetings of the Association shall be called by the Board of Directors to be held on a day and time during the first two weeks of December. At the annual meeting, members entitled to vote shall elect by a plurality vote officers of the Association for a term of three years, commencing on the following January 1. At a minimum, these officers shall consist of president, secretary and treasurer. The President is the Chairman of the Board, and the secretary and treasurer are Board members. The Board of Directors shall consist of the officers so elected plus any additional directors chosen by the Board to assist in conducting its business, subject to provisions in Article III. Subject to Section 4 of this Article II, other business as shall properly be brought before the meeting may be transacted.

SECTION 2. Special meetings of the members for any purpose may be called at the discretion of the Board of Directors or the President, and shall be called by the President at the request, in writing, of the members of not less than one-third of the voting power of the Association entitled to vote at the meeting. If the President shall not within 30 days after receipt of such written request call such meeting, one-third of the members may call the special meeting. Any such request shall state the purpose or purposes of the proposed meeting.

SECTION 3. Written notice of a meeting of members, stating the place, day time and general purpose of the meeting shall be given to each member of record entitled to vote at least fifteen days but not more than fifty days before the date fixed for the meeting. Refer to Article V, Section 7.

SECTION 4. Any business relating to the affairs of the Association may be transacted at the annual meeting of members, whether or not stated in the notice of such meeting; provided, however, that unless stated in such notice (i) no By-Law may be brought up for adoption, amendment or repeal (see Section VI) and (ii) no matter other than election of directors, may be brought up which expressly requires the vote of members pursuant to the laws of Connecticut. At each annual meeting in December, the Board must propose the next year's budget for adoption by Association vote. The notice of the annual meeting shall include a draft budget for member review. The Board shall consider for inclusion in the draft budget all items it receives by no later than October 1st. The budget must include an allocation for each major category of expenditure. New projects to be started during the next year may be proposed by the Board or any member of the Association, either prior to or at the annual meeting. Budget items proposed by members, if received by the Board by the first of October prior to the meeting, will be included in the draft budget that is included with the meeting notice. The budget and dues at least sufficient to cover the budget must be approved by a majority of those voting.

Business transacted at any special meeting of members shall be limited to the purposes stated in the notice. SECTION 5. All meetings of members shall be held in the Town of Essex (including Centerbrook or Ivoryton), State of Connecticut at a location as shall be fixed and arranged by the Board of Directors.

SECTION 6. One third of members entitled to vote, present in person or represented by written proxy, shall constitute a quorum for the transaction of business at all meetings of members.

SECTION 7. The owners of the Lots in the South Winds Development shall be entitled to one (1) vote for each Lot. When more than one person owns said Lot, the vote shall be exercised as they may, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. If payment of Association dues, fees or assessments are in arrears in excess of sixty days for any Lot, no vote shall be counted for such Lot, nor shall such Lot be considered in determining whether a quorum exists in any meeting. No vote on any question need be by ballot unless the chairman of the meeting shall order that such vote be taken by ballot.

SECTION 8. If a majority of members who are eligible to vote consent in writing to any action to be taken by the Association, such action shall be as valid as though it had been authorized at a meeting of the members. The Secretary of the Association shall file such consents with the minutes of the meetings of the members.

ARTICLE III DIRECTORS

SECTION 1. The business, property and affairs of the Association shall be managed by its Board of Directors, and the Board of Directors may exercise all of the powers of the Association without any action or consent by the members, except as may otherwise be provided by the laws of Connecticut, or by these By-Laws.

SECTION 2. The number of directorships of the Association shall be at least 3 and not more than 5 and, within such limits, shall be fixed from time to time by resolution of the members or the Board of Directors, or, in the absence thereof, shall be the number of directors elected at the preceding annual meeting of the members. Directors must be members of the Association by virtue of property ownership and residence in the South Winds Development and must be eligible to vote. Loss of eligibility to vote will result in automatic removal of the director. Directors shall, except as provided in Sections 4 and 5 of this Article III, be elected annually. Each director shall be elected for a term of three years commencing on January 1 following the election, or until he or she shall resign, die or be removed in the manner hereinafter provided. Reduction in the number of directorships shall not remove any director from office or shorten his or her term. The three year terms for president, secretary and treasurer shall be staggered such that only one of these offices expires each year.

SECTION 3. Any director of the Association may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Association. Such resignation shall take effect immediately upon receipt by the Association's Board Chairman if no time is specified therein, or at such later time as such director may specify.

SECTION 4. Any director may be removed at any time by the affirmative vote of a majority of the voting power of the Association entitled to vote at a special meeting of the members called for such purpose, and the vacancy in the Board caused by any such removal may be filled by the members at such meeting or at any subsequent meeting.

SECTION 5. Vacancies in the Board of Directors, except for the office of president shall be filled as follows: (i) if a vacancy occurs, the vacancy may be filled for the unexpired term by the concurring vote of a majority of the remaining directors. (ii) if a vacancy is created by an increase in the number of directorships, it shall be filled for the unexpired term at a meeting of members; (iii) the members may elect a director at any time to fill any vacancy which is permitted by this Section 5 to be filled by the directors but has not been filled; and (iv) in the case of resignation of a director to take effect at a date later than the receipt thereof by the Association, appropriate action to elect a successor to take office when the resignation becomes effective may be taken at any time after such receipt in the same manner as though such resignation were effective on receipt. v. A vacancy of the president shall be filled only by

plurality vote of the membership, either at a special meeting or by written ballot submitted to the secretary. A quorum for such a vote is 1/3 of the membership.

MEETING OF THE BOARD OF DIRECTORS

SECTION 6. The Board of Directors of the Association may hold meetings, both regular and special at a location of convenience within the Town of Essex (including Ivoryton or Centerbrook).

SECTION 7. The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be determined and announced by the newly elected Board at the annual meeting, and no further notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. .

SECTION 8. Meetings of the Board of Directors shall be called by the Secretary on at least seven days' notice to each director on the request of the President or on the request of any two directors. Any business of the Association may be transacted at any Board meeting. The purpose or business to be transacted at any meeting of the Board of Directors is to be specified in the notice or waiver of notice of such meeting.

SECTION 9. At every meeting of the Board of Directors two-thirds of the total number of directorships (as fixed pursuant to Section 2 of this Article III) shall constitute a quorum but in no event shall a quorum be constituted by less than two directors except when the Board consists of one person. The act of a majority of the directors present at any meeting at which a quorum is present at the time of the act shall be the act of the Board of Directors, except as may be otherwise specifically provided by these By-Laws or by the laws of Connecticut. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Each Director is entitled to one vote. Association members should be welcome at any Board meeting. Non-Board members cannot vote at Board meetings. The Board is under no obligation to provide formal notification of Board meetings to non-members of the Board, but should make a good faith effort to let Association members know about such meetings in the normal course of activities.

SECTION 10. If all the directors severally or collectively consent in writing to any action to be taken by the Association, such action shall be as valid action as though it had been authorized at a meeting of the Board of Directors. The Secretary of the Association shall file such consents with the minutes of the meetings of the Board of Directors. With respect to expenditures other than real estate taxes and premiums for liability insurance, a majority of directors may approve expenditures on behalf of the Association for items included in the budget up to the budgeted amount. The majority of directors may approve expenditures that do not exceed \$250 in excess of amounts budgeted or expenditures up to \$250 for items not specifically budgeted as long as the funds are available from the "contingency" portion of the approved budget. The directors have authority to pay real estate taxes and premiums for liability insurance policies up for renewal without regard to the preceding limitations.

ARTICLE IV NOTICES

SECTION 1. Notices to directors and members must be in writing and shall be delivered personally or mailed to the directors or members at their Association addresses, or e-mailed to the Internet address supplied to the secretary in writing by the director or member. Notice by mail or by e-mail shall be deemed to be given on the day on which the same shall be deposited in the mails or sent via e-mail. In computing the period of time required or permitted for any notice to be given under the provisions of these By-Laws or the laws of Connecticut or a resolution of members or directors, both the day on which the notice is given and the day on which the matter noticed is to occur shall be included.

ARTICLE V
OFFICERS

SECTION 1. At any time, the Board of Directors may choose one or more Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as in its judgment the business of the Association may require, subject to the provisions of Article III. The Board of Directors may fill such vacancies among the officers of the Association as may from time to time occur by reason of death, resignation, removal or other cause, except that the office of president can be filled only by vote of the Association. Two or more offices may be held by the same person, except that the offices of President and Secretary shall not be held by the same person. Holding multiple offices does not entitle the holder to more than one vote.

SECTION 2. The compensation of agents of or contractors for the Association shall be fixed by the Board of Directors within the limits of a budget item for the specific purpose that has been approved by the Association at either the annual or special meeting.

SECTION 3. Any agent of the Association may be removed by the Board of Directors in its sole discretion, with or without cause, but without prejudice to his contract rights, if any. The appointment of an officer or agent for a given term, or a general provision in these By-Laws, with respect to the term of office, shall not of itself create contract rights.

THE PRESIDENT

SECTION 4. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall have general and active charge, control and supervision of all its business and affairs. He or she shall preside at all meetings of members and of the Board of Directors at which he or she is present. The President shall perform such other duties as the Board of Directors may from time to time prescribe.

SECTION 5. The President shall have general authority to execute contracts in the name and on behalf of the Association, except where any such documents are required by law to be otherwise executed, provided, however, that authority to execute any such documents may also be delegated by these By-Laws or by the Board of Directors to any other officer of the Association. Any such contract must be in accordance with the Association budget and associated projects or activities approved by the Association, including but not limited to property insurance, legal counsel, billing and collections.

THE VICE-PRESIDENTS

SECTION 6. The Vice-President, or if there shall be more than one, the Vice-Presidents, shall perform such duties or exercise such powers as the Board of Directors or the President may from time to time prescribe.

THE SECRETARY AND ASSISTANT SECRETARIES

SECTION 7. The Secretary shall: give, or cause to be given, notice of all meetings of the members and all meetings of the Board of Directors whether regular or special, and whether called by the Board or by the members; record, or cause to be recorded, the proceedings of all such meetings in a book or document kept for that purpose; perform like duties for the standing committees when required; keep, or cause to be kept, and account for, all books, documents, papers and records of the Association, except those for which some other officer or agent is properly accountable; and perform such other duties as may be prescribed from time to time by the Board of Directors or the President

THE TREASURER AND ASSISTANT TREASURERS

SECTION 8. The Treasurer shall have the custody of the Association funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer shall deliver or cause to be delivered to all Association members the annual bill for dues at least 35 days before due, and be responsible for collecting, or causing to be

collected, and depositing, moneys received.

SECTION 9. The Treasurer shall be responsible for any collection actions necessitated by payments that are overdue. A fee of \$35 will be charged for dues not fully paid as of 90 days from the billing date or 90 days from Jan.1 of the current year, whichever is later. On the 61st day beyond the due date of dues, fees or assessments, and at the discretion and direction of the Board, the Treasurer shall initiate collection action in Small Claims Court. All costs of such actions shall be borne by the Association member(s) against whom such action is taken. Upon successful completion of such action, a lien may be placed on the debtor's property pending collection of such amounts as determined by the Court and these By-Laws. For amounts past due at the date of approval of these By-Laws, a \$35 fee will be charged thirty days from the date of approval. Properties with past due amounts at the time of approval of these By-Laws shall be subject to Small Claims Court action on the 61st day after approval.

SECTION 10. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors and shall render to the President and to the Board of Directors, whenever required, an account of all his or her transactions as Treasurer and of the financial condition of the Association.

SECTION 11. The Treasurer will submit an annual report of the current year's budget at each annual meeting in December, and review the proposed budget for the coming fiscal year.

SECTION 12. If required by the Board of Directors, the Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Association, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Association. The cost of any such bond shall be paid by the Association and is subject to budget approval prior to execution.

ARTICLE VI AMENDMENTS

SECTION 1. These By-Laws may be adopted, repealed or amended by the Association members by the affirmative vote of a majority of those present, either in person or by proxy, and constituting a quorum at a meeting called for this purpose or at the annual meeting. Any Association member who is eligible to vote may propose a change to these By-Laws at the annual Association meeting. The Board must be notified of any such proposed changes by November 1st prior to the annual meeting, or 45 days prior to any special meeting to be scheduled for this purpose. The Board is responsible for communicating the proposal to the property owners in the Association fifteen days prior to the meeting. (Refer to Article II, Sections 2 and 3).

SECTION 2. Nothing in these By-Laws is intended to affect the timing for submission, review or approval of this initial version by the Association as these By-Laws are not currently in effect.