

**AMENDED AND RESTATED BYLAWS OF
FOREST GLEN INN OWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME, PURPOSE AND PRINCIPAL OFFICE**

Section 1. The following Bylaws shall govern the operation of the “Forest Glen Inn Owners Association, Inc.” It is a *not-for-profit* corporation organized under New Hampshire RSA Chapter 292.

Section 2. The purpose of this Association is:

- a) To operate as a residential real estate management association to provide for the management, maintenance and care of Forest Glen Inn, and to perform such other functions as set forth in the Articles and these Bylaws, as from time to time amended.
- b) *To administer the affairs of the Forest Glen Inn for the present and future enjoyment of all Members.*

Section 3. The principal office of this Association is located at the Inn.

**ARTICLE II
DEFINITIONS**

Section 1. “**Association**” means the Forest Glen Inn Owners Association, Inc.

Section 2. “**Articles**” means the Articles of Association of the Forest Glen Inn Owners Association, Inc. entered into on August 20, 1979, pursuant to the provisions of Chapter 292 of the Revised Statutes Annotated of the State of New Hampshire, and other laws and statutes of said State relating thereto.

Section 3. “**Common Facilities**” means all of Forest Glen Inn, except Units.

Section 4. “**Board**” means the Board of Directors of the Association.

Section 5. “**Declaration**” means the Declaration of Covenants, Easements, and Restriction by Forest Glen Inn, Incorporated, dated August 20, 1979, recorded at the Carroll County Registry of Deeds at Book 46, Pages 25 and 26.

Section 6. “**Director**” means an individual serving as a Director on the Board of Directors of the Association. The qualifications of a Director are stated in ARTICLE IV, Section 5 hereof.

Section 7. “**Forest Glen Inn**” means the property, both land and building, described in Schedule A to the Declaration, comprising 6.68 acres of land (revised Thorne survey

1192 -6.64 acres), more or less, located at the easterly end of Artist Falls Road, North Conway, New Hampshire.

Section 8. **“Inn”** means the residence building only of Forest Glen Inn.

Section 9. **“Interval”** means seven consecutive days established for the exclusive use of a Unit and described as an “Interest” in the Articles and Declaration. There are 50 Intervals associated with each Unit. The remaining two consecutive seven-day periods are “Maintenance Periods” and are reserved to the Association for purposes of maintenance and repair and do not constitute “Intervals” for the purpose of these Bylaws.

Section 10. **“Good Standing”** means current in payment of all fees, levies, and other charges and supplementary assessments.

Section 11. **“Manager”** means the person or entity appointed by the Directors to carry out certain delegated responsibilities of the Association.

Section 11. **“Member”** means a member of the Association. All Owners are Members. Members enjoy the right to occupy a Unit exclusively during his/her designated Interval and to use the Common Facilities of Forest Glen Inn in common with other Members, subject to satisfaction of his or her obligations as an Owner and Member under the Resort Instruments. Only Members who are in Good Standing may vote in accordance with these Bylaws

Section 12. **“Owner”** means the purchaser of an Interval. There may be one or more Persons and/or corporations that are Owners of a particular Interval.

Section 13. **“Person”** means an individual, a business entity or a trust.

Section 14. **“Resort Instruments”** means the Declaration, Articles, these Bylaws, the Agreement for Purchase of Timesharing Interest and any rules, policies or procedures adopted by the Directors, all as may be amended from time to time.

Section 15. **“Unit”** means any one of the residential rooms located in the Inn, including the equipment and furnishings contained therein. The Units consist of 1 bedrooms and studios. The boundaries of the units including the horizontal and vertical boundaries are as follows: The interior surfaces of all perimeter walls are the vertical boundaries of each unit, and the interior surfaces of the lowermost floors and the uppermost ceilings are the horizontal boundaries of each unit.

ARTICLE III MEMBERSHIP, RIGHTS AND DUTIES

Section 1. **General.** The membership, voting rights, and property rights of the Association and its Members shall be as set forth in the Resort Instruments. In the event

of any conflict between these Bylaws and the Declaration, the terms and conditions of the Declaration shall control.

Section 2. Fees and Assessments. Owners are required to pay:

- a. An annual maintenance fee representing a proportional share of the costs of operating Forest Glen Inn, in accordance with the allocation formula specified in the Owner's Agreement for Purchase of Timesharing Interest, by which the Owner of a Studio Interval shall pay eighty-five percent (85%) of the fee paid by the Owner of a One-Bedroom Interval.
- b. An annual capital fee for the repair and replacement of the building, furniture, equipment, furnishings and other Common Facilities of the Forest Glen Inn, in accordance with the allocation formula by which the Owner of a Studio Interval shall pay eighty-five percent (85%) of the fee paid by the Owner of a One-Bedroom Interval.
- c. Other fees and supplementary assessments, all in accordance with the provisions of the Declaration.

The obligation to pay such fees and charges is imposed on each Owner or Owners of an Interval, jointly and severally, and if unpaid, shall become a lien upon the Interval against which such fees and charges are levied, as provided by the Declaration.

Section 3. Termination of Membership Rights. The Declaration creates a lien in favor of the Association on each Interval as security for the prompt and faithful performance by each Owner of the obligations under the Declaration. Said lien is in the nature of a mortgage with a private power of sale and is intended to be enforced in accordance with the rules and procedures specified in the Association's Membership Termination Procedure. Failure to perform any of the obligations under the Declaration, including but not limited to payment of all maintenance fees and assessments when due, shall subject an Owner's rights in an Interval to termination in accordance with said procedure.

Section 4. Suspension of Membership Rights. Notwithstanding the remedies described in the preceding Section 3, the Board may, in its discretion, suspend the rights of any Member not in full compliance with the provisions the Resort Instruments.

Section 5. Temporary Use of Interval by Third Parties. Upon prior written notification to the Manager, any Member in Good Standing may temporarily assign his/her rights of use of an Interval and the Common Facilities, *during that Interval* to any person over the age of 18. Any Member that so assigns their rights is liable for all costs and damages caused by his/her assignee. Voting rights shall not be assigned, except in conformity with the proxy provisions of ARTICLE V, Section 1 hereof.

Section 6. Permanent Assignment and Transfer of Interval. If a Member is in Good Standing, he or she may assign and transfer the Interval to a new Owner. Any such assignment and transfer shall be effective upon completion of the following actions: (1) the Member must give notice of the assignment and transfer in writing to the Manager and deliver the properly completed and executed Forest Glen Inn Owners Association

Transfer Agreement to the Manager; (2) the name and address of the transferee must be recorded in the Secretary's membership roster

Section 7. **Name and Address.** Each Member shall register his/her current name and address with the Secretary of the Association, and shall promptly notify the Secretary of the Association of any change of address and/or change of name. The Secretary may delegate this duty to the Manager of the Inn.

ARTICLE IV BOARD OF DIRECTORS

Section 1. **Function.** The Board of Directors shall act on behalf of the Members and take such action that is necessary to ensure the ongoing operation of the Association and the Forest Glen Inn.

Section 2. **Number.** The management and control of the affairs of the Association shall be vested in and exercised by the Board which shall consist of seven Directors. These Directors shall be elected by simple majority vote of the Members represented in person or by proxy and voting, at the Annual Meeting of the Members of the Association or at a Special Meeting of the Members of the Association duly convened for that purpose.

Section 3. **Term.** Each Director shall hold office for a term of three years, not to exceed two consecutive elected terms, and thereafter shall continue in office until his/her successor is elected and qualified. A Director's term shall commence at the end of the annual meeting at which they are elected. The term of no more than three Directors shall expire in any one year, it being the intent of the Association to the greatest extent reasonably feasible, that Directors serve staggered terms.

Section 4. **Resignation and Removal.** Any Director may resign at any time by written notice to the President. Any Director may be removed from the Board by the vote of two-thirds (2/3) of the Members present in person or by proxy and voting at any Annual or Special Meeting of the Association, provided that written notice of such removal vote shall have been given to the Members at least 30 days prior to any such meeting. Any Director that misses 3 Regular meetings of the Board within a 12-month period, excluding Emergency Meetings, shall be deemed automatically to have resigned.

Section 5. **Qualification.** Only a Member who is an individual shall be eligible to serve as Director. Where a business entity or trust is a Member, any authorized representative of such corporate entity or trust shall be eligible to serve as Director. Only one member of a family may serve on the Board of Directors at any time. Family shall be deemed to include parents, spouses and children. During their terms Directors are prohibited from being employed by the Association in any capacity.

Section 6. **Disclosure.** Any individual nominated to be elected to the Board of Directors, must disclose any ownership interest or affiliation with any vendor doing business with the Association or any other business relationship with any other Member.

Section 7. **Vacancies.** A vacancy on the Board shall be filled by appointment by the Directors present at any Regular or Special Meeting of the Board. Each Member so appointed to fill a vacancy shall serve for the remainder of the unexpired term in respect of which he was appointed.

Section 8. **Meetings.** Regular Meetings of the Board shall be held at the Inn immediately preceding the Annual meeting of the Association, and at least two other times during the year. There shall be an organizational meeting of the Board immediately following the Annual meeting of the Association. Special Meetings of the Board may be called upon written request of not fewer than two Directors, or at the discretion of the President of the Association. Any such Special Meeting shall be held at the place specified in such written request of the Directors, or in the case of a Special Meeting called by the President, at such place as specified by the President. Notice of such Special Meetings shall be given to each Director, personally or by mail, telephone or e-mail, at least five days prior thereto, unless all of the Directors either are present at such meeting or waive such notice in writing. Any such notice shall state the purpose for which such Special Meeting is being called. The Agenda of the Special Meeting may be expanded upon the vote of a majority of those present or represented by proxy and voting at the Special Meeting. Emergency Meetings may be held at any time without prior notice, provided a majority of the Board is in attendance. Emergency Meetings may be held in person or by telephone conference-call if the Directors in attendance are able to communicate orally with each other. Regular and Special Meetings may also be held by telephone conference-call, but the notice provisions called for in these Bylaws shall be required.

Section 9. **Quorum.** A majority of the Board shall constitute a quorum for the transaction of business and shall be required for the transaction of business. When a quorum is present at any meeting, the votes of a majority of the Directors participating in said meeting shall decide any business brought before such meeting.

Section 10. **Powers and Duties.** The Board shall have the following powers and duties and may delegate any such powers or duties to a Manager who shall be appointed by the Board, except for the following powers which shall not be delegated: the power of appointment or removal specified in subsection a, the power to establish fees specified in subsection b, and the power to adopt rules in subsection f

- a. To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their remuneration, and require of them such security or fidelity bond as the Board may deem expedient.
- b. To establish, levy, assess, and collect the fees or assessments referred to in ARTICLE III, Section 2 hereof.

- c. To maintain, alter, repair, operate and otherwise administer and care for the Forest Glen Inn.
- d. To obtain and maintain in force all policies of insurance required by the Declaration, and such other insurance as required by law, or as the Board may determine.
- e. To obtain any legal, accounting, administrative, and other services deemed advisable.
- f. To adopt and enforce rules that Members shall follow in possessing, occupying and vacating the Forest Glen Inn. All Members, family, guests, assignees and other occupants of the Units shall at all times comply with said rules and procedures.
- g. To cause to be kept a complete record of all of the Board's decisions and of the corporate affairs of the Association and to prepare no less than once per fiscal year financial reports of the Association, and to make such records available for inspection by Members at the Inn, upon prior notice to the Secretary, and to present a statement thereof to the Members at the Annual meeting of the Members of the Association.
- h. To purchase, sell, lease or otherwise obtain and use any personal property or equipment in the course of its administration and management of Forest Glen Inn.
- i. To open and maintain bank accounts, and to authorize the drawing of checks and other financial instruments
- j. To prepare a budget for the Association setting out the cash requirements it determines are reasonably necessary and required to meet the Forest Glen Inn's expenses for the fiscal year.
- k. To exercise on behalf of the Association all powers, duties and authority vested in or delegated to said Association.
- l. To adopt and maintain such policies and procedures as it deems reasonably necessary.

ARTICLE V MEETINGS OF MEMBERS

Section 1. **Voting.** At all meetings of Members, each Member in Good Standing may vote in person or by proxy. There shall be one vote for each Interval. Whenever an Interval is owned by more than one person, the several owners of such Interval shall (a) determine and designate which one of such owners shall be authorized and entitled to cast

votes, execute instruments and otherwise exercise the rights appertaining to such Interval hereunder, and (b) notify the Directors of such designation by a notice in writing signed by all of the record Owners of such Interval. In the absence of any such notice of designation, the Directors may designate any one such Owner for such purpose. All proxies shall be in writing and filed with the Secretary. Every proxy shall automatically lapse upon the earlier of: the adjournment of the meeting for which it was intended; the sale of the Member(s)' Interval; or upon the death of the Member.

Section 2. Regular Meetings. The Regular Annual Meeting of the Members shall be held in the Fall of each year, at the Inn in the Town of Conway, New Hampshire, or at such other place and time as the Board may designate time by written notice mailed or delivered to the Members. Notice of the Annual Meeting shall be transmitted by mail to the Members no less than thirty days prior to the date set by the Directors.

Section 3. Special Meetings. Special Meetings of the Members may be called at any time by the President, by a majority of the Directors, or upon written request of the Members representing one-fourth (1/4) of the Intervals. Notice of the time and place of Special Meetings shall be transmitted to the Members by the Secretary (or in the Secretary's absence, by any other officer or Director), and shall set forth the purpose for which the meeting is being called. Such notice shall be mailed to the Members at least thirty days prior to such Special Meeting. Each Member shall register his current address with the Secretary.

Section 4. Meeting Procedure. Robert's Rule of Order shall govern all Member Meetings of the Association.

Section 5. Quorum. The presence in person or by proxy at any Annual or Special Meeting of Members representing one-tenth (1/10) of the Intervals shall constitute a quorum and a quorum shall be required for the Members to transact business of the Association. When a quorum is present (unless otherwise provided in the Resort Instruments) a simple majority of the Members present in person or by proxy and voting shall decide any business properly brought before the meeting. If the required quorum is not available at any such meeting, one further meeting may be called, subject to the thirty days prior written notice requirement set forth above, as the case may be for Regular or Special Meetings, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting.

ARTICLE VI OFFICERS

Section 1. Designation. The officers of the Association shall be a President, a Secretary, a Treasurer and such other officers as the Board may from time to time appoint.

Section 2. Qualification. An officer must be a Member or a duly appointed representative thereof. Only a Director may serve as President. The other officers need

not be Directors to serve as officers. During their term(s), officers are prohibited from being employed by the Association in any capacity.

Section 3. **Election.** The officers shall be appointed by the Directors at any Regular or Special Meeting of the Board.

Section 4. **Term and Removal.** All officers shall hold office for a term of one (1) year, and thereafter until their successors are elected except that officers may be removed at will by the Board upon or replaced from time to time by a majority vote of the Directors.

Section 5. **President.** The President, or his/hers designate, shall preside at all meetings of the Board, and Members. The President shall have such other powers and perform such other duties as are stipulated in the Declaration or in these Bylaws, or as may be required by the Board and/or by the Association from time to time, or as are ordinarily exercised by the presiding officer of a corporation, including the power to appoint committees.

Section 6. **Treasurer.** The Treasurer shall implement the financial policies of the Association, which policies are subject to approval by the Board.

Section 7. **Secretary.** The Secretary shall: record the votes and keep the minutes of all meetings of the Board and of the Association in an archive to be kept for that purpose; keep the records and documents of the Board and of the Association; keep the records and names of all Members, together with their mailing addresses as registered by such Members; and shall have such other powers and duties as may be delegated to the Clerk by the Board from time to time. The list of Members' names and addresses shall be used only for the normal business purposes of the Association. It shall not be published nor circulated in whole or in part without the prior written consent of Members representing a majority of the Intervals.

Section 8. **Authority.** Any Director, officer, employee or other agent in the name and on behalf of the Association shall be prohibited from executing any contract, note or instrument of indebtedness that would pledge the assets of, or mortgage the property of the Association, or from endorsing any check, draft or other order for the payment of money to the credit of the Association, without prior authorization by resolution adopted by a majority of the Directors. Such authority may be general or it may be confined to specific instances; and unless authorized as required hereunder, no officer, employee or agent shall have the power or authority to bind the Association to any contract or engagement, to pledge its credit, or to render it financially liable for any purpose or in any amount.

Section 9. **Funds.** All funds of the Association shall be deposited from time to time to the credit of said Association in such banks, trust companies or other depositories as the Board may select.

**ARTICLE VII
INDEMNIFICATION OF OFFICERS**

Each Director and officer of the Association (and their respective heirs, executors, and administrators) shall be indemnified by the Association against any cost, expense (including attorney's fees), judgment and liability reasonably incurred by or imposed upon him/her in connection with any action, suit or proceeding to which he/she may be made a party or with which he shall be threatened, by reason of his/her being, or having been, a Director or officer of the Association, except with respect to matters as to which he/she shall be finally adjudged in action, suit or proceeding to be liable for willful misconduct as such Director or officer. In the event of settlement of any such action, suit or proceeding brought or threatened, such indemnification shall be limited to matters covered by the settlement as to which the Association is advised by counsel that such Director or officer is not liable for willful misconduct as a Director or officer. The foregoing right of indemnification shall be in addition to any rights to which any Director or officer may otherwise be entitled.

**ARTICLE VIII
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

**ARTICLE IX
AMENDMENTS**

The Bylaws may be amended by Members representing a majority of the Intervals, voting in person or by proxy, at a meeting duly called and complying with the quorum requirements of ARTICLE V, Section 5. Notice of such meeting must include notice of any proposed amendment, and *notice shall be mailed to the Members at least thirty days prior to the meeting.*