

THE ANDOVER LAKE MANAGEMENT ASSOCIATION, INCORPORATED
BY-LAWS 2015 Revision

ARTICLE I

NAME

The name of the corporation is The Andover Lake Management Association, Incorporated (ALMA).

ARTICLE II

ACTIVITIES AND OBJECTIVES

The nature of the activities to be conducted or the purposes of the corporation are to engage in any lawful act or activity permitted under the Connecticut Revised Non-stock Corporation Act (the “Act”) and which promotes social welfare, the common good, and the general welfare of the community so that the corporation may qualify for exemption from taxation under Section 501(c)(4) of the Internal Revenue Code of 1986, as the same may be amended and in force from time to time (the “Code”). Specifically, ALMA is a non-profit civic and environmental organization whose principal function is that of a landholder which includes exclusive ownership of the lake bottom of Andover Lake among other parcels of real estate in the Township of Andover, Connecticut. In order to protect its property ownership in such land and its value, ALMA also undertakes as a mission the conservation and preservation of the pristine condition of Andover Lake, its beach and surrounding areas and the dissemination of scientific information regarding the health of the lake to the community. Such environmental conservation, preservation and dissemination of scientific information regarding the lake’s health promote the social welfare and common good of the community so that all Members can enjoy the beauty and utilization of the lake, beach and surrounding areas.”

ALMA owns, maintains and operates the dam. ALMA also owns and maintains Rights of Way among other lake related and enforcing activities that any owner of private property may accomplish under the law or in equity. ALMA is responsible for environmental activities including water testing and any potential remediation actions. ALMA works with consultants as well as town, district and state officials in pursuing these responsibilities.

ARTICLE III

MEMBERSHIP

Section 1. Members. The corporation shall be a membership corporation and shall have a sole Member, which shall be the Andover Lake Property Owners Association (“ALPOA”). References to “ALPOA” or “Member” shall refer to the ALPOA membership unless otherwise specifically stated to be the ALPOA Board of Directors. The term “Board of Directors”,

“Board”, “directors” or “directorships” by itself shall refer to the ALMA Board of Directors and the term “corporation” shall mean ALMA. ALPOA shall have the power to elect and remove the directors of the corporation, as more fully described in Article IV hereof, and such other rights and powers with respect to the activities, property and affairs of the corporation as are accorded by the “Act” to the members of a Connecticut non-stock corporation.

Section 2. Election of Directors. Directors of ALMA shall be elected by ALPOA, at ALPOA’s Annual Meeting, or at such other time and date as shall be selected by the ALPOA Board of Directors.

ARTICLE IV

DIRECTORS

Section 1. The Board of Directors Nominating Process. The Board of Directors shall consist of persons who are Members in good standing of ALPOA, who have served on the ALPOA Board of Directors for a minimum of 1 year, who are interested in the purposes and objectives of the corporation, and whose skills or potential contributions are desirable to carrying out the purposes and objectives of the corporation. ALPOA Associate Membership on the ALMA Board of Directors is limited to one seat at a time, and such Associate Member shall be eligible to vote at ALPOA Annual, ALPOA Semi-Annual, ALMA Board of Directors and committee meetings (if they are a member of the committee), so long as the Associate Member remains on the ALMA Board of Directors. Co-owners of the same membership unit in ALPOA may not serve concurrently or successively on the Board of Directors of the corporation.

- (a) The Board of Directors will complete a nominating process including interviews with potential candidates, a review of qualifications and a determination of commitment. A majority vote with a quorum present will authorize a nomination. Director nominations cannot be transacted without a meeting.
- (b) The Board of Directors should make an effort to reflect a representative balance emulating ALPOA regular membership between those whose real estate abuts the lake (lake front Members) and those Members whose real estate is not on the lake (non-lake front Members) but in the lake district. This effort is merely a guideline and not an absolute requirement to create an exact proportion of Board Members in relation to lake front Members and non-lake front Members.
- (c) Prior to an ALPOA/ALMA Joint Board Meeting, each Board will inform the other Board of nominations they intend to make.
- (d) The slate of directors shall be presented at the ALPOA/ALMA Joint Board Meeting preceding the Annual Meeting and shall be recorded in the minutes of such meeting.
- (e) The ALPOA membership may nominate any Member in good standing eligible to vote or a Member in good standing eligible to vote may nominate themselves

provided such nomination is presented to the President of ALPOA for an ALPOA Board nomination or the President of ALMA for an ALMA Board nomination at least 30 days prior to the Annual Meeting upon which a vote will be taken. The Board upon which the nomination is made shall complete a nomination process similarly described in Section 1 (a) and (b) above and may veto such nomination if a majority of the Board present to vote on the nomination determines that the candidates qualifications, commitment or the objective of seeking a representative balance described in (b) above warrants such a veto.

Section 2. Number, Election and Term of Office; Staggered Terms. Directors' terms of office shall begin on November 1st and expire on October 31st. The prescribed number of directorships shall be five (5), with staggered terms of office. Directors shall hold office for terms of five (5) years. A director shall be elected for each term or portion thereof by the affirmative vote of the Member. One director shall be elected at the ALPOA Annual Meeting each year, to fill the directorship of the director whose term is then expiring.

Section 3. Removal or Resignation. A director may be removed from office for cause at any time by a majority of the vote of the ALMA Board of Directors or by ALPOA. As used in these By-Laws and in the corporation's certificate of incorporation "cause" shall include:

- (a) The failure of a director to act in accordance with the standards of conduct set forth in Section 33-1104 of the "Act".
- (b) The failure of a director to remain a property owner in Andover and/or Member in good standing of ALPOA.
- (c) A director who has more than three (3) unexcused absences from Board Meetings in any calendar year.
- (d) Directors may be removed by judicial proceedings to the extent provided by the "Act".

A director may resign from office at any time by giving written notice thereof to the corporation. The resignation shall be effective as of the date specified therein, or immediately if no date is specified.

Section 4. (Intentionally Left Blank).

Section 5. Officer Election Meeting. The Officer Election Meeting of the Board of Directors shall be held subsequent to the ALPOA Annual Meeting. At each Officer Election Meeting, the Board of Directors shall elect the officers of the corporation for the ensuing year.

Section 6. Regular Meetings. Regular meetings of the Board of Directors shall be held whenever and wherever the Board of Directors may specify by resolution. Fundamental Matters may not be brought before the regular meeting unless specifically described in a written notice of the meeting given at least ten (10) days before the meeting. If no resolution shall be in effect, regular meetings of the Board of Directors shall be called in the manner set forth below for calling Special Meetings of the Board of Directors.

Section 7. Special Meetings. Special Meetings of the Board of Directors may be called by the President, and shall be called by the President upon the written request of two (2) directors. If the President does not call the meeting within seven (7) days after receipt of the written request, the directors making the request may call the meeting. Notice may be given by the person calling the meeting. At least five (5) days oral or written notice of each Special Meeting stating the date, time and place of the meeting shall be given to each director. Notice of a Special Meeting shall include a description of the purpose or purposes for which the meeting is called, and only those items included in the notice may be voted upon at the Special Meeting.

Section 8. (Intentionally Left Blank).

Section 9. Quorum and Voting Requirements. A majority of the prescribed number of directorships shall constitute a quorum, and the transaction of all business to come before the directors shall require the vote of a majority of the prescribed number of directorships, except for those matters for which the vote of a greater proportion of the directorships may be required by the “Act”, the certificate of incorporation, or these By-Laws. Directors absent from Board Meetings shall not be entitled to vote by proxy.

Section 10. Powers. The directors shall manage the property, activities and affairs of the corporation, subject to the terms of the certificate of incorporation, these By-Laws and the “Act”.

Section 11. Participation in Meeting by Teleconference or Similar Means. A Director may participate in a meeting of the Board of Directors by, or conduct the meeting through the use of, any means of communication by which all directors participating in the meeting may simultaneously hear one another during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 12. Transaction of Business Without Meeting.

- (a) Any transaction of business without a meeting requires the unanimous consent of all directors. The consent to conduct business without a meeting must be in writing signed by each director, or in the alternative, may be consented to by e-mail without a signature, but with the printed name of the director on such e-mail consent. Such e-mail (or a separate written communication) may express the directors’ vote on the event or action upon which a vote is being sought.
- (b) In order to give an informed consent to vote without a meeting, each director must have in writing (via e-mail or other written communication) a description of the event or action upon which a vote will be taken. In order for the event or action to pass, the vote need not be unanimous but must be consistent with the requirements set forth in Article IV, Section 9.
- (c) The Secretary shall record for the record, the unanimous consent to conduct a transaction of business without a meeting, a voting quorum and the results of any vote.

Section 13. Compensation of Directors. The directors shall not receive a salary or other compensation for their services as directors. By vote of the Board of Directors, the directors may be allowed compensation for expenses and fees for attendance at external professional or educational meetings pertaining to lake management as set forth in the vote. Nothing in this section shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation for their services.

Section 14. Fundamental Matters.

- (a) A Fundamental Matter which requires 10 days notice to the directors and the affirmative vote of the majority of the prescribed number of directorships is the following:
 - (i) The removal of a director under Section 3 of Article IV.

- (b) The Fundamental Matters which require 10 days notice to the directors, the affirmative vote of two-thirds (2/3) of the prescribed number of ALMA and ALPOA directorships, and a quorum of fifteen (15) ALPOA Voting Members and the affirmative vote of two-thirds (2/3) of such Voting Members in attendance at the meeting at which the vote is taken are the following:
 - (i) The dissolution and liquidation of the corporation under Section 2 of Article VIII
 - (ii) The sale, lease, mortgage or exchange of any property owned by ALMA. Note: Thirty (30) days prior to a property transfer sale, lease or exchange), the corporation shall notify all adjacent property owners by certified mail.
 - (iii) The amendment of these By-Laws under Section 1 of Article IX
 - (iv) The amendment of the certificate of incorporation under Section 1 of Article IX.

Section 15. Conflicts of Interest. A director whose relationship with the corporation creates a conflict of interest or the appearance of a conflict of interest in any matter coming before the Board of Directors must announce their potential conflict and disqualify themselves from debate and voting on the matter involved. In the event an affected person does not disqualify themselves due to the potential conflict of interest in the opinion of any other director, such director may raise the issue and call for a vote after a debate on the potential conflict. If a majority vote of the directors present at the meeting determines that a conflict exists, the director affected by the conflict shall be ineligible to participate in the debate and from voting on any issue involving the conflict.

Section 16. Expenditures from the Lake Management Fund.

- (a) Expenditures from the Lake Management Fund exceeding 10% of the fund require specific notice to the Voting Members, the affirmative vote of a majority of the prescribed number of directorships of both the ALPOA and the ALMA

Boards, and a quorum of fifteen (15) Voting Members and the affirmative vote of a majority of the Voting Members in attendance at the meeting at which the vote is taken.

- (b) Expenditures from the Lake Management Fund exceeding 25% of the fund require specific notice to the Voting Members, the affirmative vote of two-thirds (2/3) of the prescribed number of directorships of both the ALPOA and the ALMA Boards and a quorum of fifteen (15) Voting Members and the affirmative vote of two-thirds (2/3) of the Voting Members in attendance at the meeting at which the vote is taken.
- (c) In an emergency, e.g. involving potential dam failure or loss of water which requires immediate mitigation, expenditures exceeding 10% of the Lake Management Fund may be made with the affirmative vote of two-thirds (2/3) of the prescribed number of directorships of both the ALPOA and the ALMA Boards.
- (d) Expenditures from the Lake Management Fund of less than 10% of the fund require a majority vote of both ALMA and ALPOA Board of Directors.

ARTICLE V

COMMITTEES

The Board of Directors may from time-to-time form such committees as it believes are necessary and prudent for the management of the business and affairs of the corporation. The committees shall have only those powers and that authority expressly set forth in the resolution of the Board of Directors by which the committees are created. In no event may any committee exercise any powers or authority, which, under the “Act”, may not be delegated to a committee. All committees shall promptly report their actions to the full Board of Directors. The provisions set forth above in these By-Laws regarding meetings, transaction of business without a meeting, teleconference meetings, notice of meetings, and quorum and voting requirements of the Board of Directors shall also apply to committees and their members.

ARTICLE VI

OFFICERS

Section 1. Titles, Election, and Duties. The directors shall elect, from the members of the Board of Directors, a President, Vice-President, Secretary, and a Treasurer, and may from time to time elect one or more other officers as they deem expedient. Any two (2) or more offices may not be held by the same person. The duties of the officers of the corporation shall be the duties imposed by these By-Laws and prescribed by the Board of Directors.

Section 2. President. The President shall be the chief executive officer of the corporation and shall preside at all meetings of the Board of Directors. The President shall enforce the laws and rules of the corporation, decide all questions of order and declare the results of all elections. The President shall be subject to the control of the Board of Directors.

Section 3. Vice-President. The Vice-President, or, if there shall be more than one, the Vice-Presidents in the order of seniority or in any other order determined by the Board of Directors shall, in the absence or disability of the President, perform the duties and exercise the powers of the President.

Section 4. Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall keep the fiscal accounts of the corporation. The Treasurer may endorse checks, notes, and other obligations for and on behalf of the corporation, and shall deposit the same and all monies and valuables in the name of and to the credit of the corporation in the banks and depositories the Board of Directors shall designate. The Treasurer shall submit financial reports to the corporation and shall submit an annual report at the ALPOA Annual Meeting. Such annual report shall cover corporation's income, expenses, fund balances for the fiscal year. The Treasurer shall make such reports and furnish such information to the Secretary of State as required by law to maintain corporation's corporate status. All expenses in excess of Five Hundred and 00/100 Dollars (\$500.00), for any item not specifically provided for in the corporation's current budget or any item which exceeds a budgeted expense by Five Hundred and 00/100 Dollars (\$500.00), shall be submitted to the corporation's Board of Directors for approval prior to payment, except in an emergency in which case the President or Vice-President and one other officer may approve the emergency expenditure.

Section 5. Assistant Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer in the performance of the Treasurer's duties and shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer.

Section 6. Secretary. The Secretary shall keep the minutes of the meetings of directors, and shall authenticate records of the corporation, unless any of such duties are delegated to another officer by the Board of Directors. The Secretary shall give notice of meetings as required in these By-Laws. The Secretary shall have custody of the corporate seal and all books, records, and papers of the corporation, except those in the custody of any other person authorized to have custody and possession of books, records, and papers by a resolution of the Board of Directors.

Section 7. Assistant Secretary. The Assistant Secretary, if any, shall assist the Secretary in the performance of the Secretary's duties and shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary.

Section 8. Term of Office. Each of the officers shall serve for a term of one (1) year and thereafter until his or her successor is elected and qualified. One individual may not hold two offices at the same time.

Section 9. Removal; Vacancies. Any officer may be removed by a majority vote of the entire Board of Directors at any time, with or without cause and with or without notice or a hearing. Vacancies among the officers shall be filled by the Board of Directors.

ARTICLE VII

FINANCIAL AND MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year/Budget. The corporation shall act on the basis of a fiscal year beginning on October 1st and ending on September 30th. Each year the corporation shall prepare a budget of all reasonable and necessary expenses for the maintenance of its property. The budget shall be submitted to ALPOA at the Annual Meeting. Upon review and approval by ALPOA, the corporation shall receive funds as required in the amount of such approved budget. However, if ALPOA does not provide the necessary funds, the corporation shall take all legal measures necessary to protect and maintain its property; provided, however, that no action shall be taken that will affect the exempt status of the corporation under Section 501(c)(4) of the Code.

Section 2. Corporate Seal. The corporate seal shall be a circular seal with the full name of the corporation set forth in the margin of the circle.

Section 3. Procedure. Roberts Rules of Order - Revised shall govern the conduct of all meetings of the Board of Directors and of the committees thereof except as the same may be in conflict with the terms of the “Act”, these By-Laws or the certificate of incorporation.

Section 4. Indemnification and Reimbursement. The corporation shall be bound by and comply with the provisions of Sections 33-1117(f) of the “Act” pertaining to mandatory indemnification of directors, and Section 33-1122(4) of the “Act” pertaining to mandatory indemnification of officers, employees and agents. The corporation shall indemnify its directors, officers, employees, and agents to the fullest extent permitted by law. In this regard, the Board of Directors may advance funds for the purpose of paying legal expenses in the defense of any claim for which indemnification may be available to the fullest extent permitted by law. The corporation may purchase and maintain insurance providing greater indemnification than that permitted by the “Act” on behalf of any individual who is or was a director, officer, employee, agent, or other representative of the corporation to the extent set forth in the policy of insurance.

ARTICLE VIII

DISTRIBUTION OF ASSETS

Section 1. Generally. The corporation is non-profit. The corporation shall not authorize or issue shares of stock or pay dividends. None of the corporation’s earnings, income, or assets shall ever be distributed to, or inure to the benefit of, its directors, officers, or to any private individual; provided, however, that the corporation may compensate reasonably any private individual including its officers and directors for services performed for the corporation; and

provided further, that, the corporation may make distributions in furtherance of the purposes set forth in Article II above.

Section 2. Dissolution and Liquidation. The corporation may be dissolved and liquidated at any time by the two-thirds (2/3) affirmative vote of the ALMA and ALPOA Directors and the affirmative vote of two-thirds (2/3) of the Voting Members in attendance at the meeting at which the vote is taken, at which a quorum of fifteen (15) Voting Members is present and for which proper 10 days notice has been given. Upon liquidation, the assets remaining after payment of all liabilities shall be distributed pursuant to the “Act” in accordance with a plan for the distribution of assets adopted by the affirmative vote of two-thirds (2/3) of the ALMA and ALPOA Directors and a two-thirds (2/3) vote of a quorum of the Voting Members in accordance with the “Act”.

ARTICLE IX

AMENDMENTS

Section 1. Certificate of Incorporation and By-Laws. Except as otherwise specified by the “Act” or the certificate of incorporation, new By-Laws may be adopted, and the existing certificate of incorporation or these By-Laws may be amended, restated or repealed by the affirmative vote of the majority of the prescribed number of directorships and the affirmative vote of two-thirds (2/3) of the ALPOA Voting Members in attendance at the meeting at which the vote is taken, at which a quorum of fifteen (15) ALPOA Voting Members is present and for which proper notice has been given, provided however, that no change shall be made in the certificate of incorporation or these By-Laws that will affect the exempt status of the corporation under Section 501(c)(4) of the “Code”.

Section 2. Record of Changes. Whenever a By-Law is amended or repealed or a new By-Law is adopted, that action and the date on which it was taken shall be noted on the original By-Laws in the appropriate place, or a new set of By-Laws shall be prepared incorporating the changes.

Section 3. Inconsistencies with Certificate of Incorporation. If any provisions of these By-Laws shall be found to be inconsistent with any provisions of the certificate of incorporation, as presently existing or as amended, the certificate of incorporation shall be the controlling authority.

IN WITNESS WHEREOF, I, John Benda, Secretary of The Andover Lake Management Association, Incorporated certify that the By-Laws herein have been duly adopted, as last amended by the Member of the corporation on June 30, 2015 at the Semi-Annual Meeting.

John Benda, ALMA, Secretary