

## **BY-LAWS OF FRYE ISLAND, INC.**

(Revised July, 1987 to Incorporate All Previous Amendments)

### **Section 1.1. NAME.**

The name of this corporation is Frye Island, Inc.

### **Section 1.2. STOCK.**

The capital stock shall be 1,000 shares without par value to be known as common stock.

### **Section 1.3. PRINCIPAL OFFICE.**

The principal office of the corporation shall be at Standish, Maine.

### **Section 1.4. SEAL.**

The seal of the corporation shall be a circular disc upon which shall be inscribed the following:

**FRYE ISLAND, INC. - CORPORATE SEAL - 1975**

### **Section 2.1. PLACE OF STOCKHOLDERS' MEETINGS.**

Meetings of the stockholders shall be held at the registered office of the corporation or at such other place within or without the State of Maine as the Board of Directors may fix.

### **Section 2.2. ANNUAL MEETING OF STOCKHOLDERS.**

The Annual Meeting of the Stockholders shall be held on the observed 4th of July weekend. The specific date and time, to be fixed by the Board, shall be posted in two conspicuous places on the Island at least seven days in advance of the meeting.

A "Nominating Committee" appointed by the Board President, shall create a slate of directors to be placed in nomination at the annual meeting. The purpose of the slate of nominees is to present the voters with viable candidates to replace those whose terms have expired or otherwise fill vacancies on the Board. The slate of nominees so created shall be posted, along with the meeting notice, no later than 7 days before the time of the meeting.

At the Annual Meeting of the Stockholders, directors shall be elected to serve for the ensuing year or until their successors shall be duly elected and qualified. A financial report of the corporation's business as of the close of the preceding fiscal year, may be presented at the Annual Meeting.

**Section 2.3. SPECIAL MEETINGS OF STOCKHOLDERS.**

Special meetings of stockholders may be called at any time by the President or by a majority of the Board of Directors, or the holders of not less than one/fifth of all the shares outstanding entitled to vote at the particular meeting. At any time, upon the written request of an persons entitled to call a special meeting, it shall be the duty of the Secretary to call a special meeting of the stockholders to be held at such time as the Secretary may fix, not less than ten or more than sixty days after the receipt of the request. If the Secretary shall neglect or refuse to issue such call, the person or persons making the request may do so.

**Section 2.4. NOTICE OF STOCKHOLDERS' MEETINGS.**

At least five days' written notice shall be given of any meeting of stockholders, unless a greater period of notice is required by law. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the general nature of the business to be transacted.

**Section 2.5. WAIVER OF NOTICE OF STOCKHOLDERS' MEETINGS.**

Whenever written notice is required to be given by law, by the Articles, or by these By-laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except in the case of a special meeting, neither the business to be transacted at nor the purpose of the meeting need be specified in the Waiver of Notice of such meeting.

Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transactions of any business because the meeting was not lawfully called or convened.

**Section 2.6. QUORUM FOR STOCKHOLDERS' MEETINGS.**

The presence in person or by proxy of the holders of a majority of the outstanding shares entitled to vote shall constitute a quorum. The stockholders present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

**Section 2.7. VOTING BY STOCKHOLDERS.**

Every person, 18 years of age or older, entitled to the use or occupation of any lot of land within the limits of the corporation, and deemed the owner of the lot for the purpose of taxation by the corporation shall have the right to vote, provided that where a lot of land is owned by 2 or more persons only one shall be a legal voter and such persons may agree in writing filed with the directors which of the owners is to be the legal voter at any meeting of the corporation, and that in no case shall the ownership of more than one tract, parcel or lot of land entitle the owner or owners thereof to more than one vote at any meetings of the corporation.

In the event that a designated voter name has not been submitted to the directors in advance of a meeting of the stockholders, the corporation's current Lot Owner Directory shall be used to enforce the meaning of this section.

Voting for the election of directors of the corporation shall be accomplished by written ballot.

**Section 2.8. ADJOURNMENT OF MEETING.**

Adjournment of any meeting may be taken, but any meeting at which directors are to be elected shall be adjourned only from day to day, until such directors have been elected. Upon such adjournment it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken.

**Section 3.1. BOARD OF DIRECTORS, NUMBER, QUALIFICATIONS, ELECTIONS, TERM OF OFFICE AND COMPENSATION.**

The business affairs of the corporation shall be managed by a Board of not less than three (3) nor more than twenty-one (21) Directors, as may be fixed from time to time by the vote of a majority of the stockholders. Directors need not be residents of Maine or stockholders of the corporation. The corporation may, in the discretion of the stockholders, allow reasonable compensation to its Directors for their services and expenses of attendance at meetings

**Section 3.2. QUORUM FOR DIRECTORS' MEETINGS.**

A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If there be less than a quorum present, the majority of those present may adjourn the meeting from time to time and from place to place until a quorum is had and it shall not be necessary to give any notice of an adjourned meeting otherwise than by announcement at the meeting at which such adjournment is taken.

**Section 3.3. VACANCIES IN BOARD OF DIRECTORS.**

Vacancies in the Board of Directors, including vacancies resulting from an increase in the number of directors, may be filled by a majority of the remaining members of the Board though less than a quorum, each person so elected shall be a director until his successor is elected by the stockholders who may make such election at the next Annual Meeting of the Stockholders or at any special meeting duly called for that purpose and held prior hereto.

**Section 3.4. PLACE OF MEETING OF BOARD OF DIRECTORS.**

The meetings of the Board of Directors may be held at such place within the State of Maine or without the State as a majority of the directors may from time to time appoint and designate in the notice calling the meeting.

**Section 3.5. ORGANIZATION MEETING OF THE BOARD OF DIRECTORS.**

After the election of directors by the stockholders, the newly elected Board may meet for the purpose of organization or otherwise:

- (a) Immediately following their elections, or at such time and place as shall be fixed by vote of the stockholders at the annual meeting (and in either such case no notice of such meeting to the newly elected directors shall be necessary in order legally to constitute the meeting, provided a majority of the whole Board shall be present), or
- (b) At such time and place as may be fixed by consent in writing of all the directors.

**Section 3.6. REGULAR MEETINGS OF THE BOARD OF DIRECTORS.**

Regular meetings of the Board of Directors shall be held at such time and place as shall be determined by a majority of the directors for the time being in office.

**Section 3.7. SPECIAL MEETINGS OF THE BOARD OF DIRECTORS.**

Special meetings of the Board of Directors shall be held whenever called by the President or by a majority of the directors for the time being in office.

**Section 3.8. NOTICE OF MEETINGS OR BOARD OF DIRECTORS.**

At least two (2) days' notice shall be given of the time when and the place where any regular or special meeting of the directors is to be held. Such notice may be personally delivered, telegraphed, telephoned, mailed or cabled. Such meetings may be held without notice if all directors are present or have waived such notice.

**Section 3.9. ADJOURNMENT OF MEETINGS OF THE BOARD OF DIRECTORS.**

If a meeting of the Board of Directors is adjourned it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

**Section 3.10. POWERS OF BOARD OF DIRECTORS.**

The Board of Directors shall have all the powers and authority granted by law to directors except as may be specifically excepted by the Articles or by these By-laws.

**Section 3.11. REMOVAL OF DIRECTORS BY STOCKHOLDERS.**

The entire Board of Directors or any individual director may be removed from office without assigning any cause by a majority vote of the holders of the outstanding shares entitled to vote at an election of directors. In case the Board or any one or more directors be so removed, new directors may be elected at the same meeting.

**Section 3.12. ABSENTEEISM.** (previously 3.14.)

Any director who misses two (2) consecutive meetings without being excused by the Board shall have resigned his directorship.

**Section 4.1. OFFICERS.**

The officers of the corporation shall be a President, a Secretary, a Treasurer and a Clerk, all of whom shall be elected or appointed by the Board of Directors. The Board of Directors may also elect one or more Vice Presidents, one or more Assistant Treasurers and one or more Assistant Secretaries. Any two or more offices may be held by the same person except the offices of President and Secretary.

The Board of Directors may also elect or appoint such other officers, assistant officers and agents as they shall deem satisfactory and as the needs of the corporation may require, who shall have such authority and shall perform such duties as from time to time may be prescribed by the Board of Directors.

The officers shall be elected or appointed at the organization meeting or the Board of Directors in each year but if no so elected they and any assistant officers or agents the Board of Directors shall desire to appoint may be elected from time to time during the year. It shall not be necessary for any officer of the corporation to be a director.

**Section 4.2. THE PRESIDENT: POWERS AND DUTIES.**

The President shall have the ordinary duties of an executive officer having general supervision and direction of the affairs of the corporation. He shall, when present, preside at all meetings of the stockholders, and unless otherwise ordered by the Board of Directors, he shall in the name of the corporation execute all contracts and other documents requiring the signature of the corporation. He shall also do and perform such other duties as from time to time may be assigned to him by the Board of Directors.

Unless otherwise ordered by the Board of Directors, the President shall have full power and authority in behalf of the corporation to attend and act and vote at any meeting of the stockholders of any corporation in which the corporation may hold stock and at any such meeting shall possess and may exercise any and all the rights and powers incident to the ownership of such stock and which, as the owner thereof, the corporation might have possessed and exercised if present. The Board of Directors by resolution from time to time may confer like powers upon any person or persons.

**Section 4.3. TREASURER: POWERS AND DUTIES.** (previously 4.4.)

The Treasurer shall have the custody of all the funds and securities of the corporation which may come into his hands. When necessary or proper (unless otherwise ordered by the Board of Directors) he shall endorse on behalf of the corporation for collection checks, notes and other obligations, and shall deposit same to the credit of the corporation in such banks or depositories as the Board of Directors may designate and shall sign all receipts and vouchers for payments made by the corporation except when the Board of Directors shall otherwise direct. He shall at all reasonable times, exhibit his books and accounts to the Board of Directors, annually prepare and submit to the annual meeting of the stockholders a full statement of the assets and liabilities of the corporation and of its transactions during the preceding year, and he shall have such other powers and shall perform such other duties as may be assigned to him from time to time by the Board of Directors. He shall give such bond for the faithful performance of his duties as may be required by the Board of Directors.

**Section 4.4. SECRETARY: POWERS AND DUTIES.** (previously 4.6.)

Unless otherwise ordered by the Board of Directors, the Secretary shall keep minutes of all meetings of the stockholders and of Board of Directors in proper books to be kept for such purpose, and shall attend to the giving of all notices for the corporation, including notices of meetings of stockholders and of the Board of Directors. He shall have charge of the share of such other books and papers as the Board of Directors may direct; office of secretary and shall have such other powers and perform such other duties as may be assigned to him by the Board of Directors. The Secretary shall be in attendance at all meetings of the Executive Committee.

**Section 4.5. VACANCIES.** (previously 4.9.)

If any offices shall become vacant by reason of death, resignation, removal or suspension, the directors then in office, although less than a quorum, may choose a successor or successors by majority vote.

**Section 5.1. SHARE CERTIFICATES.**

One (1) share of stock shall be assigned by number to each subdivided house lot (excluding common areas) shown on a plan entitled "Subdivision Plan of Sebago Lake Shores, Frye Island, Sebago Lake" recorded in the Cumberland County Registry of Deeds, plan Book 100, Page 40, by the Secretary with share number now responding to the lot number as shown on the said Plan, provided however, that no shares shall be initially issued to or for any lot so long as it is owned by the corporation. Upon sale of such lots a share shall be assigned by the Secretary and recorded in the capital stock ledger. No certificate shall be issued to any person, it being the intent hereof that the share of stock and all rights thereto be attached to the land to be exercised by the then current fee holder or holder of possessory or contract rights as hereinafter provided.

**Section 5.2. SHARE VOTING QUALIFICATIONS.**

The owner, contract holder or holder of possessory rights of any lot, except lots with covenants prohibiting residential building thereon shall be the holder of a qualified share entitled to vote in accordance with the provisions of Section 2.7 of these By-Laws.

**Section 5.3. TRANSFER OF SHARES.**

Once an original assignment of shares has been made to any lot, no further transfer thereof may be made.

**Section 6.1. FISCAL YEAR.**

The fiscal year of the corporation shall be established by the Board of Directors.

**Section 6.2. INDEMNIFICATION OF DIRECTORS AND OFFICERS.**

The corporation shall indemnify any and all of its directors or officers or former directors or officers, or any person who may have served at its request as director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor, against expense actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which the, or any of them are made parties or a party, by reason of being or having been directors or officers or a director or officer of the corporation or of such other corporation, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged, in such actions, suit or proceeding, to be liable for negligence or misconduct in the performance of duty.

The foregoing indemnification shall include reimbursement of expenses connected with the settlement of any such action, suit or proceeding, including amounts paid by or on behalf of any such director or officer or former director or officer or person in compromise thereof (other than amounts paid to the corporation itself or to any subsidiary company), as well as legal and other costs, provided that the total of such expenses connected with a settlement or compromise shall not substantially exceed the expenses which might reasonably be incurred by such director or officer or former director or officer or person in conducting such litigation to a final conclusion, and provided that no director or officer or former director or officer or person shall be so reimbursed if the Board of Directors of the corporation shall conclude that his conduct, with respect to any of the matters complained of, was such as would impose legal liability upon him. The foregoing indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any other provision of these By-laws, agreement, vote of stockholders or otherwise.

**Section 6.3. AMENDMENTS TO BY-LAWS.**

The stockholders entitled to vote thereon may, by a majority vote, make, alter, amend or repeal By-laws at any regular or special meeting duly convened after notice to the stockholders of such purpose.

The Board of Directors, by a majority vote of the members thereof, may make, alter, amend or repeal such By-laws at any regular or special meeting, duly convened after notice to the Directors of such purpose; subject, however, to the power of the stockholders to change such action by majority vote of the stockholders entitled to vote thereon at any annual or special meeting duly convened after notice to the stockholders of such purpose.