

BY-LAWS
OF
AVON CREST NORTH – SECTION 3
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

Section 1.01. Name and Office.

The name of the corporation is Avon Crest North – Section 3 Homeowners Association, Inc. hereinafter referred to as the “Association”. The principal office of the corporation shall be located in the Town of Niskayuna, County of Schenectady and State of New York.

ARTICLE II
DEFINITIONS

As used by these by-Laws, the following terms shall be defined as:

Section 2.01. Association Facilities.

All land, improvements and other properties heretofore or hereafter owned by or in the possession of the Association.

Section 2.02. Declaration.

The document entitled “Declaration of Protective Covenants, Restrictions, Easements, Conditions, Charges and Liens of the Avon Crest North – Section 3 Subdivision” as it may from time to time be supplemented or amended in the manner provided for in said Declaration.

Section 2.03. Property.

All such land and the improvement thereon, and such additions as may be made thereto from time to time, as are subject to the Declaration.

ARTICLE III
MEMBERS

Section 3.01. Membership.

The Association shall have one class of members. Only home or lot owners shall be members. Each home or lot owner upon the date that title to the home or lot is transferred to said home or lot owner shall be deemed automatically to be a member and there shall be no other qualification for membership. Membership as a home or lot owner shall terminate when such owner transfers title to the home or lot.

Section 3.02 Right to Assign Membership.

Members may not transfer or assign their membership.

Section 3.03. Voting Rights of Members.

Each Member 18 years of age or older shall have one vote in the Association ("Members"). Directors shall be elected by a plurality of the votes cast at a meeting of members by the members entitled to vote in the election. In addition, whenever any corporate action, other than the election of directors, is to be taken under this declaration by vote of the members, it shall, except as otherwise required by the certificate of incorporation, this declaration or the by-laws, be authorized by a majority of the votes cast at a meeting of members by the members entitled to vote thereon. Except as provided in the preceding sentence, any reference to corporate action at a meeting of members by "majority vote" or "two-thirds vote" shall require the action to be taken by such proportion of the votes cast at such meeting, provided that the affirmative votes cast in favor of any such action shall be at least equal to the quorum. Blank votes or abstentions shall not be counted in the number of votes cast.

Section 3.04. Assigning Right to Vote.

Any Member may assign his or her right to vote, by written proxy to any other Member, provided that each such proxy shall specify the meeting or issue to which it applies. The form of such proxy may be prescribed from time to time by the Board of Directors.

Section 3.05. Voting Regulations.

The Board of Directors may make such regulations, consistent with the terms of the Declaration, the Certificate of Incorporation, these By-Laws and the Not-For-Profit Corporation Law of the State of New York, as it deems advisable for any meeting of Members, in regard to proof of age, proof of membership, evidence of right to vote, the appointment and duties of inspectors of votes, registration of Members for voting procedures and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

ARTICLE IV
MEETINGS OF MEMBERS

Section 4.01. Annual Meeting.

The annual meeting shall be held during the last quarter of the calendar year.

Section 4.02. Special Meetings.

Special meetings of the Voting Members unless otherwise regulated by Statute, may be called at any time by the President by resolution of Board Directors, or by the President or Secretary at the request in writing of a majority of the Board of Directors or at the request in writing of

not less than one-tenth (1/10) of the Members. Such request shall state the purpose of the meeting.

Section 4.03. Notice of Meetings.

Not less than ten (10) nor more than thirty (30) days before the date of any Annual or Special meeting of members, the Association shall provide each Member, written notice stating the time and place of the meeting and, in the case of Special Meeting, indicating that is being issued by or at the direction of the person or persons calling the meeting and the purpose or purposes for which the meeting is called. Such notice shall be mailed or otherwise delivered to each Member's residence as shown on the records of the Association. If mailed, such notice shall be deemed to be given when deposited in the United State mail addressed to the Member at his or her post office address as it appears on the records of the Association with postage thereon prepaid. Notwithstanding the foregoing provisions, a waiver of notice in writing signed by the Member either before or after the meeting, or actual attendance at the meeting in person, shall be deemed equivalent to the giving of such notice to such Member. Any meeting of Members, Annual or Special, may adjourn from time to time and reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

Section 4.04. Quorum.

At each meeting of Members, there shall be present in person or by proxy, to constitute a quorum for the transaction of business at such meeting, not less than one-tenth of the total number of Members. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time to a future day without further notice. The act of a majority of the Members present in person or by proxy at a meeting at which a quorum is present shall be the act of the Members unless the act of a greater number is required by law, or by the Certificate of Incorporation of the Association or by the Declaration.

ARTICLE V
BOARD OF DIRECTORS

Section 5.01. Directors: Selection and Term.

The business and affairs of the Association shall be managed by a Board of Directors. There shall be no less than three nor more than seven directors. Directors shall be selected as follows:

(a) Directors shall be elected as per Section 5.03 of these By-Laws.

(b) Elected directors shall serve for two year terms and shall be members of the Association. The term of office for newly elected directors shall begin on January 1 following the date of election.

Section 5.02. Nominations for Elected Directors.

Only members may be nominated for Elected Directors. Nominations for Elected Directors shall be made initially by a Nominating committee consisting of a Chairman, who shall be a member of the Board of Directors and two (2) or more Members. The Members of the Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each Annual Meeting of members and shall serve only to make nominations for Elected Directors to be elected at that meeting. The Nominating Committee shall make as many nominations for Elected Directors as it shall, in its sole discretion, determine, but not less than the number of vacancies that are to be filled.

The Nominating Committee shall submit its list of Nominees to the Secretary of the Association not less than thirty (30) days prior to the Annual Meeting and such list shall be included in the Notice of the Annual Meeting.

In addition to nominations by the Nominating Committee, any other Member may be nominated for Elected Director by a written nominating petition signed by ten (10) or more Members and submitted to the Secretary of the Association not less than ten (10) days prior to the date of the Annual Meeting; provided however, if any such nominating petition is submitted to the secretary not less than thirty (30) days prior to the Annual Meeting, the person nominated therein shall be included in the list of nominees in the notice of the Annual Meeting.

In addition to the foregoing, write-in votes for Members not previously nominated shall be permitted at the time of voting.

The Nominating Committee shall also develop a slate of officers for the Board of Directors and present this slate at the first meeting of the Board of Directors following the Annual Meeting.

Section 5.03 Voting for Elected Directors.

Voting shall be by secret written ballot which shall:

- A. set forth the number of vacancies to be filled;
- B. set forth the names of those nominated by the nominating petition;
- C. provide space for a write-in vote for each vacancy.

The person or persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5.05 Vacancies.

Any vacancy of an Elected Director shall be filled at the next meeting of the Board of Directors by the affirmative vote of a majority of the remaining elected Directors or by the sole remaining Elected Director, or if not previously so filled, shall be filled at the next succeeding

Annual Meeting of the Members (nominations and voting therefore to be provided in Sections 5.02 and 5.03 of these By-Laws). Any Director appointed or elected to fill a vacancy shall serve as such until the expiration of the term of the vacated position.

Section 5.06. Removal.

At a duly called meeting of Members, the Members may, by the affirmative vote of two-thirds of all Members, remove any Elected Director (or Director appointed to fill the vacancy of an Elected Director). The Members may thereafter elect the successor to fill the unexpired term of the Elected Director so removed.

Section 5.07. Compensation.

No Director shall receive any compensation or salary for his or her services as Director. However, a Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties and a Director who serves the Association in any other capacity may receive compensation therefor.

Section 5.08. Regular Meetings.

The Board of Directors by resolution may provide for the holding of regular meetings and may fix the time and place within the Town of Niskayuna for the holding of such meetings.

Section 5.09. Special Meetings.

Special Meetings of the Board of Directors may be called by the President and shall be called by the President or Secretary upon the written request of two or more Directors. The person or persons authorized to call such special meetings of the Board may fix any place within the Town of Niskayuna as the place for holding such special meetings.

Section 5.10. Notice of Special Meetings.

Notice of the time and place of each Special meeting of the Board of Directors shall be served upon each Director in one of the following ways:

(a) by ordinary mail directed to him or her at his or her usual place of business or residence at least five (5) days before the day of the meeting,

(b) by delivering the same to him or her personally at least two (2) days before the day of the meeting,

(c) by sending the same to him or her by electronic mail, telegram, cablegram or notifying him or her by telephone at least three (3) days before the day of the meeting.

Any Director may waive notice of any meeting by signing a written waiver before, at or after the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of

such meeting. Neither the business to be transacted at, nor the purpose of such Special Meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, by the Declaration, by the Certificate of Incorporation, or by the By-Laws.

Section 5.11. Quorum of Voting.

At all meetings of the Board of Directors, a simple majority of the Directors shall constitute a quorum for the transaction of business. In the absence of a quorum the Directors present, by a majority vote and without further notice, may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Except in cases in which it is by statute, by the Declaration or these By-Laws otherwise provided, a vote of a majority of those in attendance at a duly constituted meeting shall be sufficient to elect and pass any measure.

Section 5.12. Personal Attendance by Conference Communication Equipment.

Any one or more members of the Board of Directors may participate in a meeting of the Board, with the consent of all the members of such Board, by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

Section 5.13. Action by the Association.

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing the action. Said consent may be in the form of fax, email, or any other ordinary means of written communication. The resolution and the written consents thereto by the member of the Board shall be filed with the minutes of the proceedings of the Board.

Section 5.14. Responsibilities of the Board of Directors.

The Board shall have the powers and duties necessary for the administration of the affairs of the Association except such powers and duties as by law or by the Certificate of Incorporation or by these By-Laws may not be delegated to the Board. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the following:

(a) Adopting an annual operating and capital budget for the Association and collecting dues as provided therein.

(b) Adopting reasonable rules and regulations for the maintenance and operation of the Association and the property contained in the development.

(c) Protecting the rights of the Association and its Members by enforcing and carrying out the provisions of the Declaration, Articles of Incorporation, By-Laws, and any rules and regulations adopted by the Board

ARTICLE VI OFFICERS

Section 6.01. Officers.

The officers of the Association shall be determined by the Board of Directors and may include a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary and a Treasurer and such other officers as may be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 6.02. Election and Term.

Officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each Annual Meeting of members. The term of each officer will commence when elected at the meeting of the Board of Directors following the Annual Meeting and will continue until a successor shall have been duly elected. The vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 6.03. Resignation and Removal.

Any officer may be removed by the Board of Directors, with or without cause, whenever, in the judgment of the Board, the best interests of the Association will be served thereby. Any officer may resign at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.04. President.

The President shall be the chief executive officer, shall supervise the work of the other officers, shall preside at all meetings of members and shall preside at all meetings of Directors and shall perform such other duties and functions as may be assigned him or her. He or she may sign, in the name of the Association, any and all contracts or other instruments authorized by the Board.

Section 6.05. Vice President.

Any Vice President shall be capable of performing all of the duties of the President. He or she may sign in the name of the Association any and all contracts or other instruments authorized by the Board, and shall perform such other duties and functions as may be assigned to him or her by the President or the Board.

Section 6.06. Secretary.

The Secretary shall cause notices of all meetings to be served as prescribed in these by-Laws, shall keep the minutes of all meetings, shall have charge of the seal of the Association and the Association records and shall perform such other duties as are assigned to him or her by the President or the Board. Any Assistant Secretary shall be capable of performing all of the duties of the Secretary.

Section 6.07. Treasurer.

The Treasurer shall have the custody of all moneys and securities of the Association and shall keep or cause to be kept regular books and records. He or she shall account to the President and the Board, whenever they may require it, with respect to all his or her transactions as Treasurer and of the financial condition of the Association, and shall perform all other duties that are assigned to him or her by the President or the Board.

Section 6.08. Other Officers.

Such other officers as the Board may appoint shall perform such duties and have such authority as the Board may determine.

ARTICLE VII
COMMITTEES

Section 7.01. Committees.

The Board of Directors, by resolution duly adopted, may designate one or more committees, each to have a Chairman and two or more members which may or may not be Directors, and may delegate such powers and duties to them as the Board may deem advisable; provided, however, that no such committee shall have the authority to approve an amendment to the Certificate of Incorporation of the Association, the By-Laws or a plan of merger or consolidation.

Section 7.02. Standing Committees.

The standing committee of the Association shall be the Architectural Standards Committee and such other committees as the Board of Directors shall deem desirable. The Architectural Standards Committee shall have the duties and functions described for such committee in the Declaration.

The Association shall also have the authority to establish other committees to provide greater expertise and efficient use of available human resources.

ARTICLE VIII
FINANCE.

Section 8.01. Fiscal Year.

The fiscal year of the Association shall be the calendar year unless otherwise provided by the Board of Directors.

Section 8.02. Annual Reports & Budgets.

There shall be prepared annually at the direction of the Board of Directors, a full and correct statement of the financial affairs of the Association including a balance sheet and an income statement of operation for the preceding fiscal year, and a budget for the ensuing year, which shall be submitted at the Annual meeting of the Association and will be made available to all Members.

ARTICLE IX
BOOKS AND RECORDS

Section 9.01. Books and Records.

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, Certificate of Incorporation and By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association.

ARTICLE X
CERTIFICATES OF MEMBERSHIP

Section 10.01. Certificates of Membership.

The Board of Directors may provide for the issuance of certificates evidencing membership in the Association, which shall be in such form as may be determined by the Board of Directors. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore, upon such terms and conditions as the Board of Directors may determine or prescribe.

ARTICLE XI
INDEMNIFICATION

Section 11.01. Indemnification.

The Association may, by resolution of the Board of Directors and to the fullest extent permissible under the New York State Not-For-Profit Law, indemnify the Association or any current or former officers and directors against expenses and costs actually and necessarily

incurred by them in connection with the defense of any action, suit, or proceeding in which they or any of them are made parties, or a party, by reason of having been officers or directors of the Association, except in relation to matters as to which such individuals shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his/her duties as an officer or director of the Association.

ARTICLE XII ORGANIZATION

Section 12.01. Organization.

The Association is organized pursuant to the Not-For-Profit Corporation Law of New York. All the functions of this Association are subject to the provisions of such law.

ARTICLE XIII AFFIRMATIVE ACTION

Section 13.01. Affirmative Action.

This association will be in compliance with equal program opportunity, equal employment opportunity and Americans with Disabilities Act legislation.

ARTICLE XIV AMENDMENTS

Section 13.01. Amendments.

These By-Laws may be altered, repealed or amended and new By-Laws may be adopted at any regular or special meeting of the Members, by vote of a two-thirds (2/3) of the Members present in person or by proxy. Notice of any proposed changes shall be given to the Members at least ten (10) days in advance of the meeting. These By-Laws shall not be amended in any manner which conflicts with the Declaration or the Certificate of Incorporation, and in the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.