Edgewater Estates Property Owners Association, Inc.

BYLAWS – Adopted xx/xx/xx

The mailing address and registered office of the Association is P.O. Box 564, Nassau, Delaware, 19969 and the resident agent in charge thereof shall be the Edgewater Estates Property Owners Association, Inc.

Current:

2. MEMBERS. Every owner of a lot shall be a member of the Association

3. MEETINGS OF MEMBERS. The annual meeting of members shall be held on the *third Saturday in October of each year at 10:00 AM, at which meeting they shall elect by ballot, by plurality vote, two (2) members to the Board of Directors and may transact such other business as may come before the meeting. * Change was approved at the Annual Mtg., July 2002.
Special meetings of the members may be called at any time by the President and shall be called by the President or Secretary on the request in writing, or by vote of a majority of the Directors, or at the request in writing of the members
representing a majority in number of all of the lots in Edgewater Estates entitled to vote.
All meetings of the membership for the election of Directors shall be held at the Lewes Public Library or, if that location is not available, at any other location in Lewes or Rehoboth Beach designated by the Board of Directors. All other meetings of the membership shall be held at such place or places, within Sussex County, Delaware, as may from time to time be fixed by the Board of Directors or as shall be specified and fixed in the respective notices or waivers of notice thereof.
A complete list of members entitled to vote, arranged in alphabetical order, and the number of votes each member may cast, shall be prepared by the Secretary and shall be open to the examination of any member during the entire time of the election.
Each member entitled to vote shall, at every meeting of the membership, be entitled to one vote in person or by proxy signed by him/her, but no proxy shall be voted on after six (6) months from its date.
Every lot owner shall be entitled to one (1) vote for each lot, and an owner is defined as the record fee simple title holder by deed to any such lot. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote of such lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any lot.
Notice of all meetings shall be mailed by the Secretary to each member entitled to vote, at his/her last known Post Office address, for annual meetings, ten (10) days and for special meetings ten (10) days prior thereto. Notice of the meeting shall be effective upon mailing, and may be in the form of the Association's newsletter.
The officers and members of those in attendance of a body, that when duly assembled to legally transact business, shall constitute a quorum.

Proposed:

1. MEMBERS - Every owner of a lot shall be a member of the Association

2. MEETINGS OF MEMBERS -

a. The annual meeting of members shall be held on a Saturday in October of each year, to begin before 12pm, at which meeting they shall elect one (1) or two (2) members to the Board of Directors and transact other business associated with their responsibilities on behalf of the members. Elections are done by majority vote of those members present.

b. Annual membership meetings shall be held at a public location in Lewes convenient for the membership and designated by the Board of Directors. All other meetings of the membership shall be held at such place or places within Sussex County, Delaware, as determined by the Board of Directors.

c. Special meetings of the members may be called and requested in writing at any time by the President, by a majority of the Directors, or at the request in writing of the members representing a majority in number of all lots in Edgewater Estates entitled to vote.

d. A complete list of members entitled to vote, arranged in alphabetical order, and the number of votes each member may cast, shall be prepared by the Secretary or Treasurer, and shall be open to the examination of any member during the entire time of the election.

e. Every lot owner shall be entitled to one (1) vote for each lot, and an owner is defined as the record title holder by deed to any such lot. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote of such lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any lot.

f. Each member present at every meeting of the membership, shall be entitled to one vote per lot, with the exception of members carrying a past due balance of

their annual dues who forfeit their right to vote in the annual and/or any special meetings.

g. At least 21 days prior thereto, notice of the annual meeting and any special membership meeting(s) shall be mailed or electronically delivered by the Board of Directors to each lot owner(s) at his/her last known mailing address, or approved email address. Notice of the meeting shall be effective upon mailing, and may be in the form of a postcard, flyer, form letter or electronic mail.

h. There must be a majority of officers in attendance for any Board meeting to legally transact business. Members when assembled for annual or special meetings shall constitute a quorum.

Current:

DIRECTORS. The property and business affairs of the Association shall be managed by its Board of Directors, consisting of six (6) members, each of whom shall be elected by votes representing a majority of the lots in Edgewater Estates, whose owners being in attendance and/or proxy votes submitted, for a term of three (3) years. Terms of directors shall be staggered, with two (2) directors to be elected to regular three-year terms at each annual meeting of the Association. Vacancies on the Board may be filled by the Board until the next annual meeting of the Association at which time the remaining term of the vacated seat shall be filled by vote of the members of the Association. All members of the Board of Directors must be members of the Association. Whenever any Director shall cease to be a member of the Association, his/her office shall be vacated thereby.

Proposed:

4. DIRECTORS - The property and business affairs of the Association shall be managed by its Board of Directors, consisting of five (5) members, each of whom shall be elected by members' votes attending the annual or special meeting, for a term of three (3) years. Terms of Directors shall be staggered, with one (1) or two (2) Directors to be elected or re-elected to three-year terms at each annual meeting of the Association. Vacancies on the Board may be appointed by a majority vote of the Board until the next annual meeting of the Association at which time the remaining term of the vacated seat shall be filled by vote of the members of the Association. All members of the Board of Directors must be members of the Association and reside in Edgewater Estates at least 9 months of

each calendar year. Whenever any Director shall cease to be a member of the Association, his/her office shall be vacated thereby.

Current:

POWERS OF DIRECTORS. The Board of Directors shall have in addition to such powers as are hereinafter expressly conferred on it, all such powers as may be exercised by the Association, subject to the provisions of the Laws of Delaware, the Certificate of Incorporation, Edgewater Estates Restrictive Covenants, and the By-Laws.
a. The Board of Directors shall have power:
To manage the following properties on behalf of the Edgewater Estates Property Owners Association as follows:
(1) Both entrance ways to Edgewater Estates; one intersecting with State Road No. 265 (Minos Conaway Rd) at Edgewater Drive, and the other intersecting the same State Road No. 265 (Minos Conaway Rd) at Conaway Drive.
(2) The boat ramp and associated property located in, Block A, Lot 16, at Oak Court.
(3) The outlot property located on Elm Drive, between Lots A-76 and A-n.
b. To make capital expenditures related to the following:
(1) Any property owned by the Association or necessary to the conduct of the business of the Association. such expenditure not to exceed $5000, per project, in any fiscal year.
(2) And any other property upon the approval by vote of the majority of the membership of the Association, and shall be authorized to maintenance on the aforesaid properties,
c. To appoint .contractors and to dismiss them at its discretion, to fix their duties and compensation and to change them from time to time and to require security as it may deem proper.
d. To confer on any officer of the Association power to select, discharge or suspend such contractors.
e. To determine by whom and in what manner the Association's bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed.
f. To control, through the Architectural Review Committee as established in the Restrictive Covenants, the buildings, structures, or improvements placed on each lot in Edgewater Estates, in accordance with the restrictions established in the Restrictive Covenants.

Proposed:

5. POWERS OF DIRECTORS. The Board of Directors shall have in addition to such powers as are hereinafter expressly conferred on it, all such powers as may be exercised by the Association, subject to the provisions of the Laws of Delaware, the Certificate of Incorporation, Edgewater Estates Restrictive Covenants, and the By-Laws.

a. The Board of Directors shall have power to manage the following Association-owned property on behalf of the Edgewater Estates Property Owners Association:

1) Both entrance ways to Edgewater Estates; one intersecting with State Road No. 265 (Minos Conaway Rd) at Edgewater Drive, and the other intersecting the same State Road No. 265 (Minos Conaway Rd) at Conaway Drive.
2) The boat ramp and associated property located in, Block A, Lot 16, at Oak Court.
3) The out-lot property located on Elm Drive, between Lots A-76 and A-n.

b. To make capital expenditures related to the Association-owned property noted above in section a. and within the approved budget for the fiscal year.

1) If such expenditure is un-budgeted and required for the safety or proper maintenance of the community, notification must be given to the members if it exceeds $2000.
2) All other *non-emergency, unbudgeted expenditures* of the Association's funds require approval by vote of the majority of the membership present at an annual meeting or special meeting called for the proposal by the Board of that expenditure(s), or a returned electronic or mailed ballot initiated by the Association.

c. To select and appoint contractors, fix their duties and compensation, and dismiss them at its discretion. Selection of contractors for expenses exceeding $1000 require a minimum of 2 estimates and Board majority approval. All contractors must be licensed and insured and hold the Edgewater Estates Property Owners Association harmless for any claims.

d. To determine by whom and in what manner the Association's bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed.

e. To enforce and abide by the Restrictive Covenants and ensure the Architecture Review Committee review requests for buildings, structures, or improvements placed on each lot in Edgewater Estates, in accordance with the restrictions

established in the Restrictive Covenants. The Board of Directors may serve as this committee in the absence of volunteer members from the community. In the absence of a committee, a majority vote is required of the Board to approve any architectural changes.

Current:

MEETINGS OF DIRECTORS. After each annual election of Directors, the newly elected Directors may meet for the purpose of organization, the election of officers, and the transaction of other business.
a. Regular meetings of the Directors shall be held at least quarterly, and at such other times as may be fixed by resolution of the Board of Directors, the time and place of all such meetings to be at the discretion of the President.
b. Special meetings of the Directors may be called by the President on three (3) days notice in writing to each Director and shall be called by the President in like manner on the written request of three (3) Directors.
c. Special meetings of the Directors may be held within Sussex County at such place as is indicated in the notice or waiver of notice, thereof.
d. A majority of the Directors shall constitute a quorum, but a smaller number may adjourn from time to time, without further notice, until a quorum is secured.

Proposed:

6. MEETINGS OF DIRECTORS - Within 30 days of each annual meeting and election of Directors, the elected Directors will meet for the purpose of organization, election of officer roles, and other business.

a. Regular meetings of the Directors shall be held at least quarterly, and at such other times as may be fixed by resolution of the Board of Directors, the time and place of all such meetings to be at the discretion of the Directors.

b. Special meetings of the Directors may be called by the President on five (5) days' notice in writing or email to each Director and shall be called by the President on the written request of three (3) Directors.

c. A majority of the Directors shall constitute a quorum and is required for the Board to adjourn.

No changes:

7. COMPENSATION OF DIRECTORS AND MEMBERS OF COMMITTEES - Directors and members of standing committees shall receive no compensation but shall be entitled to be reimbursed for routine expenditures made on behalf of the Association.

Current:

OFFICERS OF THE ASSOCIATION. The officers of the Association shall be a President, three (3) Vice-Presidents, Secretary, and Treasurer. All officers shall be chosen from among the Directors. No person may hold more than one (I) of rice.
a. The officers of the Association shall hold office until their successors are chosen. Any officer chosen or appointed by the Board of Directors may be removed either with or without cause at any time by the affirmative vote of a majority of the whole Board of Directors.
b. If the office of any officer(s) becomes vacant for any reason, the vacancy shall be filled by the affirmative vote of a majority of the whole Board of Directors.

Proposed:

8. OFFICERS OF THE ASSOCIATION - The Five (5) officers of the Association shall be a President, two (2) Vice-Presidents, Secretary, and Treasurer. All officers shall be chosen from among the Directors. No person may hold more than one officer role. At times, Board members may be required to perform the duties of other roles until such time replacements are seated.

a. The officers of the Association shall hold office until their successors are chosen or they resign from their position. Any officer either elected by members or appointed by the Board of Directors may be removed either with or without cause at any time by the affirmative vote of a majority of the whole Board of Directors.

b. If the position of any officer(s) becomes vacant for any reason, the vacancy shall be filled by an appointment and affirmative vote of a majority of the whole Board of Directors.

c. All officers of the Association shall inherit and/or establish an email account separate from their personal account and use said account to transact and communicate all Association business. Access to the historical emails and communications must then be transferred to their replacement and/or the President of the Association until such time a replacement is appointed or elected.

All communications received from the members and associated responses must be retained by all officers in these accounts.

Current:

DUTIES OF THE PRESIDENT. The President shall be the chief executive officer of the Association. It shall be his/her duty to preside at all meetings of the membership and Directors; to have general and active management of the business of the Association; to see that all orders and resolutions of the Board of Directors are carried into effect; to execute all contracts, agreements, and other obligations in the name of the Association, and to affix the Association's seal thereto when authorized by the Board.
a. He/she shall have the general supervision and direction of the other officers of the Association and shall see that their duties are properly performed.
b. He/she shall report on the operations of the Association for the year to the members at their annual meeting.
c. He/she shall be ex-officio a member of all committees and shall have the general duties and responsibilities of supervision and management usually vested in the office of the President of an Association. The President or his/her designee shall represent the interests of the Association at public meetings.
He/She shall appoint, at least four (4) months prior to the Annual Meeting, with the concurrence of the Board the chair of the Nominating Committee who shall be a member of the Board or a yearly resident.

Proposed:

9. DUTIES OF THE PRESIDENT - The President shall be the chief executive officer of the Association, have active management of the business of the Association and see that all orders and resolutions of the Board of Directors are carried into effect.

a. He/she shall preside at all meetings of the membership and Directors.
b. He/she shall have the general supervision and direction of the other officers of the Association and shall see that their duties are properly performed.
c. He/she shall report on the operations of the Association for the year to the members at their annual meeting.
d. President or his/her designee shall represent the interests of the Association at public meetings.
e. He/She shall actively seek and nominate members for Board positions within 90 days of, and to be considered at the annual meeting(s).

No changes:

10. PRESIDENT PRO TEM - In the absence or disability of the President, the Board may appoint with a majority vote, from their own number, a President Pro Tem.

Current:

10. DUTIES OF VICE PRESIDENTS. Each Vice President shall be vested with all the powers required to perform all the duties of the President in his/her absence or disability and shall perform such other duties as may be prescribed by the Board of Directors.

Proposed:

11. DUTIES OF VICE PRESIDENTS - Each Vice President shall be vested with all the powers required to perform all the duties of the President in his/her absence or disability and shall perform such other duties as may be prescribed by the Board of Directors. At a minimum, one Vice President is responsible for Building & Grounds contracts and oversight, with one Vice President responsible for contracts and/or maintenance of the Association's website.

Current:

12. DUTIES OF SECRETARY. The Secretary shall attend all meetings of the Association and the Board of Directors. He/she shall act as clerk thereof and shall record all of the proceedings of such meetings in a book kept for that purpose. He/she shall give proper notice of meetings of members and Directors and shall perform such other duties as shall be assigned to him/her by the President or the Board of Directors.

Proposed:

12. DUTIES OF SECRETARY - The Secretary shall attend all meetings of the Association and the Board of Directors.
a. He/she shall act as clerk thereof and shall record all of the proceedings of such meetings in a manner that ensures accurate documentation of Association business and Board of Directors decisions, motions and voting.
b. He/she shall circulate draft minutes of all meetings within a reasonable amount of time, request and track approval to publish, and format in such a way they are permanently retained on the Association's website and in hard copy/paper files.
c. He/she shall give proper notice of meetings of members and Directors and perform such other duties as shall be assigned to him/her by the President or the Board of Directors.

Current:

DUTIES OF TREASURER. The Treasurer shall have custody of the funds and securities of the Association 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.
a. He/she shall keep an account of the membership registered in such manner and subject to such regulations as the Board of Directors may prescribe.
b. He/she shall give the Association a bond, if required by the Board of Directors, in such sum and in form with security satisfactory to the Board of Directors for the faithful performance of the duties of his/her office and the restoration to the Association, in case of his/her death, resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his/her possession, belonging to the Association. He/she shall perform such other duties as the Board of Directors may from time to time prescribe or require.
The Treasurers' books shall be audited annually, prior to the annual meeting, and at any time a change is made to the office of Treasurer. The Auditor shall be appointed by the President and approved by the Board of Directors.

Proposed:

13. DUTIES OF TREASURER - The Treasurer shall have custody of the funds and securities of the Association and shall keep full and accurate accounts of receipts and disbursements in records belonging to the Association and shall deposit all monetary effects in the name and to the credit of the Association in such depositories as designated by the Board of Directors.

a. He/she shall keep an account of the membership registered in such manner to ensure accurate invoicing of all members for annual dues assessments.
b. He/she shall retain, in case of his/her death, resignation or removal from office, all books, papers, vouchers, money and other property of whatever kind in his/her possession, belonging to the Association.
c. He/she shall recommend, contract with and oversee any external accounting support and functions performed on behalf of the Association for the purpose of annual dues collection and/or annual tax filing(s).
d. He/she shall maintain and provide as requested all processes and procedures in place to accurately manage the finances of the Association.
e. He/she shall hold the Association’s checkbook, be one of two or three signatories, and hold the title of first point of contact with any bank with which the Association holds accounts.

f. He/she shall track all revenue and expenses for the Association and provide a clear and accurate budget for the members' review and approval at each annual meeting.

The Treasurer's books may be audited annually, prior to the annual meeting, and at any time a change is made to the office of Treasurer. The Auditor may be appointed by the President and approved by the Board of Directors and may suffice to be all other officers of the Board collectively.

No changes:

14. DUTIES OF OFFICERS MAY BE DELEGATED - In case of the absence or disability of any officer of the Association or for any other reason deemed sufficient by a majority of the Board, the Board of Directors may delegate his/her powers or duties to any other officer or to any Director during that absence.

Current:

15. MEMBERS OF RECORD. The Association shall be entitled to treat the holder of title as the member in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such membership on the part of any other person whether or not it shall have express or other notice thereof, save as expressly provided by the laws of Delaware.

Proposed:

15. MEMBERS OF RECORD - The Association shall be entitled to treat only the holder(s) of title as the member(s) thereof and accordingly shall not be bound to recognize any other claim to, or interest in such membership on the part of any other person, save as expressly provided by the laws of Delaware.

No changes:

16. FISCAL YEAR - The fiscal year of the Association shall begin on the first day of October in each year until September 30th the following year.

Current:

17. ASSESSMENT. Each lot shall be assessed a certain amount each year to support the Association budget. The amount of the assessment will be proposed at the annual meeting for the vote of the membership.

Proposed:

17. ASSESSMENT - Each lot shall be assessed a certain amount each year to support the Association's approved budget. The amount of the assessment will be proposed by the Board at the annual meeting for the vote of the membership. Although members may approve or decline the proposed assessment, they are established to support the budget needs of the Association and cannot therefore be proposed by members.

Current:

18. CHECKS FOR MONEY. All checks, drafts or orders for the payment of money shall be signed by any two (2) officers of the Association. No check shall be signed in blank.

19. BOOKS AND RECORDS. The books, accounts and records of the Association except as otherwise required by the laws of the State of Delaware will be kept within the State of Delaware, at such place or places as may from time to time be designated by the By-Laws or by resolution of the Directors.

20. NOTICES. Notice required to be given under the provisions of these By-Laws to any Director, officer or member, shall not be construed to mean personal notice, but may be given in writing by depositing the same in a Post Office or letter box, in a postpaid, sealed wrapper, addressed to such member, officer or Director at such address as appears on the books of the Association, and such notice shall be deemed 10 be given at the time when the same shall be thus mailed. Any member, officer or Director may waive, in writing, any notice required to be given under these By-Laws, whether before or after the time stated therein.

21. AMENDMENTS OF BY-LAWS. These By-Laws may be amended, altered, repealed or added to at any regular or special meeting called for that purpose by affirmative vote of members present and constituting at least a quorum.

Proposed:

18. CHECKS FOR MONEY - All checks, drafts or orders for the payment of money shall be signed by any two (2) officers of the Association.

19. BOOKS AND RECORDS - The books, accounts and records of the Association except as otherwise required by the laws of the State of Delaware will be kept

within the State of Delaware, at such place or places as may from time to time be designated by the By-Laws or by resolution of the Directors.

20. NOTICES - Notice required to be given under the provisions of these By-Laws to any Director, officer or member, shall not be construed to mean personal notice, but may be given in writing by Post Office mail addressed to such member, officer or Director at such address as appears on the books of the Association. Where approved to utilize, emails are considered a valid alternative to Post Office mail to formally notify members of meeting notices and/or ballots when business requires a vote of the membership.

21. AMENDMENTS OF BY-LAWS - These By-Laws may be amended, altered, repealed or added to at any annual membership or special meeting called for that purpose, by affirmative vote of the majority of members present at such meeting.