

EXHIBIT A

BYLAWS OF PUTNAM FOREST HOMEOWNERS ASSOCIATION

1. Purpose of Bylaws. These Bylaws of the Putnam Forest Homeowners Association, an unincorporated association formed pursuant to the Declaration of Covenants, Conditions, Rights, and Restrictions for the Putnam Forest Subdivision, supplement the provision of said Declaration. Terms which are used or defined in said Declaration are intended to have the same meaning when used herein. The purpose of these Bylaws is to provide for governance of the Association and to establish procedures formulated to preserve and promote the residential character and living conditions for the common betterment, use, and enjoyment of the owners of lots within the Property. All current and future owners, and their tenants, lessees, guests, invitees, and any other persons using any of the lots, are subject to and shall comply with these Bylaws and any regulations adopted hereunder, as the same may be amended from time to time.

2. Office. The office of the Association shall be located in Stowe, Vermont or at such other place within the State of Vermont as may be designated by the Association.

3. Membership. As provided in the Declaration, membership of the Association shall consist of all owners of Lots within the Property. Reference is hereby made to the Declaration for further description of the rights, duties, and obligations of the owners as members of the Association. The members shall act as a collective body in considering, authorizing, and transacting all actions and business of the Association.

4. Meetings. The following provisions shall govern the conduct of the meetings of members of the Association:

(a) Organization Meeting. As soon as practicable following conveyance of one or more lots, Declarant shall call an organization meeting of the members of the Association for purposes of adopting the Bylaws, electing officers, and acting upon all other matters as may properly come before the meeting in connection with organization and initial operation of the Association.

(b) Annual Meetings. After the organization meeting, there shall be annual meetings of the Association which shall be held during the month of December of each year unless another month is designated by the President as being more convenient for the owners, and on such day and at such time as the President may designate. The purpose of the annual meeting shall be to elect officers for the ensuing year, approve assessments for payment by

the owners, and transact all other business necessary or advisable for carrying out the duties of the Association.

(c) Special Meetings. Special meetings of the Association may be called at any time by the President and may be called by the President upon receipt of the written request of not less than twenty-five percent (25%) of the voting power incident to lots within the Property. Business transacted at any such special meeting shall be limited to those matters stated by the notice of such meeting.

(d) Notice of Meetings. Notice of the annual meetings and any special meetings of the members shall be delivered personally or by mail to each member not less than ten nor more than fifty days before the date of such meeting. The notice shall state the time, place, and purposes of the meeting. If mailed, the notice shall be directed to each member at his address as it appears on the records of the Association. Lack of, or improper notice of meetings may be waived in writing by all members entitled to vote, which such waiver shall be equivalent to the required giving of notice.

(e) Quorum and Voting Requirement. At all meetings of the members, the presence in person or by proxy of members representing fifty-one percent (51%) of the members entitled to vote shall constitute a quorum. All matters properly before such meeting shall be decided by the affirmative vote of a majority of the votes cast by the members present in person or represented by proxy at such meeting, unless otherwise required by law or the Declaration.

(f) Conduct of Meetings. The President shall preside over all meetings of the members, and the Secretary shall keep the minutes of all such meetings and shall record all business transacted thereat. The members present at a duly called meeting at which a quorum is attained may transact business until adjournment, notwithstanding the subsequent withdrawal of any member leaving less than a quorum.

5. Action by Written Consent of Members. Any action required to be taken at a meeting of the Association or which may be taken at any such meeting may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such written consent shall have the force and effect as a unanimous vote and may be stated as such on any certification or other document. All written consents shall be installed in the minute book of the Association.

6. Officers. Officers of the Association shall be elected and serve with duties attendant thereto as follows:

(a) Number and Qualifications. The officers of the Association shall be the President, Secretary and Treasurer. Any two offices, except those of President and Secretary, may be held by the same person. All officers must be members of the Association.

(b) Election and Term of Office. The officers shall be elected annually by the members at the annual meeting of the Association. Each officer shall serve for a one-year term and shall continue in office until the next annual election of officers. An officer may succeed himself in office.

(c) Officers. The officers of the Association are as follows:

(i) President. The President shall, when present, preside at all meetings of the Association. He shall have and exercise general supervision over the business and affairs of the association, including but not limited to, execution of all documents and taking of all actions necessary or desirable to further the interest of the association.

(ii) Vice President. The Vice President shall perform the function of the President in the event the President is absent or otherwise unable to serve. In addition, the Vice President shall perform such other duties as may be assigned to him from time to time by the President.

(iii) Secretary. The Secretary shall have charge of all books and records pertaining to the organization and operation of the Association and shall be responsible for keeping and filing all reports, statements, and other documents required by law, except to the extent that the same are to be kept or filed by the Treasurer. The Secretary shall keep true and complete minutes of all meetings of the Association. The Secretary shall keep an accurate and current record of the names and addresses of all members of the Association. He shall give, or cause to be given, notice of all meetings in accordance with these Bylaws or as otherwise required by law. In addition to these particular duties, the Secretary shall perform all other duties incident to the office of the Secretary and shall have such other responsibilities as may be assigned to him from time to time by the President.

(iv) Treasurer. The Treasurer shall have custody of and be responsible for all of the funds of the Association and shall keep accurate and complete records of all receipts, disbursements, and other financial transactions of the Association. The Treasurer shall deposit all receipts and other funds of the Association in such banks or other depositories as are designated by the members and shall disburse funds of the

Association in such amounts and to such persons as may be ordered by the President acting on behalf of the Association. He shall render to the members upon their request, and at least annually, an accounting of all financial transactions of the Association and of its financial condition. In addition to these particular duties, the Treasurer shall perform all of other duties incident to the office of Treasurer and shall have such other responsibilities as may be assigned to him from time to time by the President.

(d) Removal or Resignation. Any officer may be removed for any reason by majority vote of the members. An officer may resign at any time and shall be deemed to have resigned automatically upon sale, conveyance, or other cessation of ownership of the lot owned by the officer. The vacancy created by any such removal or resignation may be filled for the balance of the unexpired term appertaining to such office by majority vote of the members.

(e) Indemnification. Each officer and agent of the Association shall be indemnified by the Association against all damages, costs, expenses, and liabilities, including reasonable attorney's fees, incurred by or imposed upon such officer or agent in connection with any action, lawsuit, or other proceeding to which he or she may be made a party, or in which he or she may become involved, by reason of being or having been an officer or agent of the Association, except in relation to any matter wherein such officer or agent is finally adjudged liable for gross negligence or willful misconduct, malfeasance, or nonfeasance in the performance of his duties. The scope of this indemnification shall encompass any settlement of any action, lawsuit, or other proceeding, provided that the Association shall have approved such settlement and reimbursement as being in the best interest of the Association.

(f) No Compensation. No officer shall be compensated for services performed in his official capacity, nor shall any officer or other member of the Association receive any of the earning, income, or profit from the operations of the Association. Officers or other members may, however, be reimbursed for reasonable expenses incurred.

7. Determination of Each Owner's Proportionate Share of Assessments. The obligation of each owner to pay his proportionate share of the assessments incident to ownership of such owner's Lot as set forth in the Declaration shall be based on a budget of the anticipated common expenses of the Association adopted by the members each year at the annual meeting upon consideration of current costs and future needs of the Association. In addition, the budget may also include such reasonable amounts as are deemed necessary or advisable to provide

a general operating reserve and reserves for contingencies. Upon approval and adoption of the budget, the annual assessments shall become binding upon all members and shall become a charge upon each lot to the extent of each Lot's proportionate obligation for payment of the total annual assessment. Each member shall be obligated to pay the annual assessment attributable to his Lot in equal quarterly installments on or before the first day of January, April, July, and October of the year during which such annual assessment is in effect, or at such other intervals as the members may determine. In the event of transfer of ownership of a Lot, the annual assessment attributable to such lot shall be prorated upon transfer of the Lot.

In addition to the annual assessments, the Association may levy special assessments for purposes of defraying the cost of construction, reconstruction, repair, or replacement of any capital improvement upon the Property or a supplementary assessment to cover the cost of any extraordinary expenses not covered by the annual assessments. Any such special or supplementary assessments shall require the approval of at least sixty-six percent (66%) of the voting power of the Association at a special meeting of the members called for the purpose of considering such special or supplementary assessment.

Notwithstanding any statement or provision to the contrary herein, the obligation of each owner to pay his proportionate share of the reasonably and necessarily incurred common expenses and assessments as set forth in the Declaration shall be and remain in full force and effect regardless of any failure or omission of the Association to conduct its affairs in strict conformance with these Bylaws.

8. Amendments to Bylaws. The provisions of these Bylaws may be amended, added to, or repealed in whole or in part at any meeting of the members by the affirmative vote of seventy-five percent (75%) of the owners. The notice of any such meeting shall specifically set forth any such proposed amendments, additions, or replaced provisions. For so long as Declarant owns any of the Lots within the Property, Declarant's written consent shall be required for any proposed amendments, additions, or replaced provisions.