

**BY-LAWS  
CANDLEWOOD KNOLLS COMMUNITY, INC.**

**Section 1  
PURPOSE**

1:10 It shall be the purpose of this corporation to:

- A. Provide a properly authorized body to own and/or operate and manage the utilities and certain real properties in the Community known as Candlewood Knolls.
- B. Provide civic, social, and recreational facilities and activities within the Community.
- C. Otherwise promote the welfare of the Community by the promulgation and enforcement of rules and regulations consistent with the Laws of the State of Connecticut and Town of New Fairfield to insure the peace and safety of its residents and the continuation and improvement of its physical aspects.

**Section 2  
MEMBERSHIP**

2:10 There shall be the following categories of members duly admitted by vote of regular members:

- A. Regular Member: A Regular Member shall be a property owner at Candlewood Knolls, a holder of common stock entitling him to voting rights and shall be free of any indebtedness to the corporation.
- B. Honorary Member: An Honorary Member is one who has provided outstanding service for many years to Candlewood Knolls. He shall be nominated for such membership by the Board of Directors and elected by the Regular Membership. He shall be entitled to the privileges but shall have no voting rights.

2:11 The regular membership is the primary legislative and governing body of

this corporation. It shall exercise final authority over all matters except where final authority is specifically delegated elsewhere by these By-Laws.

2:20 Meetings

The annual meeting of the regular membership shall be held at the Club House of the corporation at Candlewood Knolls in the Town of New Fairfield on the second Saturday of September or earlier date. Date and time to be determined by the Board of Directors.

The secretary shall serve personally or by mail a written notice at least ten days before such meeting addressed to each stockholder at his address as it appears on the stock book. At any meeting at which all stockholders shall be present or of which all not present have waived notice in writing the giving of notice as above required may be dispensed with. An additional meeting of the corporation shall be held on the second Friday of July for the conduct of such business of the corporation as may be deemed necessary. Special meetings of the stockholders other than those regulated by statute may be called at any time by a majority of the directors. Notice of special meetings and their purpose shall be sent out according to the above procedure. Twenty-Five percent of the regular members may petition the Board of Directors for a special meeting.

2:21 Presiding Officer:

The President of the regular membership shall serve as its presiding officer.

2:22 Order of Business:

The order of business at all meetings of the stockholders shall be as follows:

1. Roll Call
2. Proof of Notice of meeting or waiver of notice
3. Reading of minutes of preceding meeting
4. Reports of Officers
5. Reports of Committees
6. Election of Inspectors of Election (Annual Meeting Only)
7. Election of Officers and Directors (Annual Meeting Only)
8. Unfinished Business
9. New Business

- 2:23 Quorum:  
Twenty Five percent of the voting members in person or by a proxy of the regular memberships shall constitute a quorum.
- 2:24 Voting:  
Each regular member shall have one vote. Where title to property is divided and includes more than one name said one vote will be proportioned among the title holders.
- 2:25 Proceedings:  
A summary of the proceedings of each meeting of the regular membership shall be published and distributed as approved by the Board of Directors.

### **Section 3** **BOARD OF DIRECTORS**

- 3:10 Composition:  
The Board of Directors shall be composed of the Immediate Past President, the President, the Vice President, the Secretary, the Treasurer and six Directors elected from the regular membership.
- 3:20 Powers:  
The Board of Directors shall:
- a. Superintend and direct the publication and distribution of all official documents, journals, and reports consistent with policies enunciated by the regular membership; exercise the full powers of the regular membership in the interim between meetings of the regular membership except that the Board of Directors may not:
    - 1. elect honorary members of the corporation;
    - 2. elect officers (as distinguished from filling vacancies);
    - 3. give final approval of the annual budget;
    - 4. amend these by-laws;
    - 5. may not sell corporation owned land without approval of the membership.
  
  - b. Report all of its activities to the regular membership at the annual

meetings.

c. Exercise final authority over and shall manage the business and financial affairs of this corporation including but not limited to the acquisition, management, control, and disposition of its property and the authorization of all contracts on its behalf and the Board of Directors may delegate portions of such authority to the officers or committees.

d. Create committees to act upon specific matters when necessary.

e. Perform such other duties as are provided for in these by-laws.

3:30 Meetings:

The Board shall hold its annual meeting prior to the annual meeting of the corporation. Additional meetings: The President may call additional meetings of the Board. The President shall upon petition of five voting members of the Board call additional meetings of the Board. Written notices of time and place of each meeting shall be mailed to each member of the Board at least ten days prior to the proposed date of the meeting. Emergency meetings may be called at the discretion of the President upon twelve hours written or oral notice to the directors.

3:31 Presiding Officer:

The President shall serve as presiding officer of the meetings of the Board. The Vice President shall preside in the absence of the President. If both the President and the Vice President are absent, the Board may choose its own presiding officer.

3:32 Quorum:

A majority of the voting members of the Board shall constitute a quorum.

3:33 Voting:

Each member of the Board shall have one vote. All questions shall be determined by a majority vote.

3:40 Directors:

Duties:

1. Serve on the Board of Directors of this corporation.
2. Perform such other duties as are provided in these by-laws.

3:41 Eligibility:

Each director shall have been a regular member or spouse of regular member of this corporation. The regular member must have been a member for at least two (2) years prior to his election. Directors shall be elected at the annual meeting of the stockholders. Two directors will be elected each year for a three year term to commence on the first day of January following the election.

#### **Section 4** **OFFICERS**

4:10 **President:**

The President shall preside over all meetings of the Board of Directors and regular membership. He shall present at each annual meeting of the regular membership and Directors his report of the condition of the business of the corporation. He shall cause to be called regular and special meetings of the regular membership and Directors in accordance with these by-laws. He shall appoint and remove, employ and discharge and fix the compensation of all agents, employees and clerks of the corporation other than the duly elected officers subject to the approval of the Board of Directors. He shall sign and make all contracts and agreements in the name of the corporation. He shall see that the books, reports, statements and certificates required by the statutes are properly kept, made and filed according to law. He shall sign certificates of stock, notes, drafts or bills of exchange. He shall enforce these by-laws and perform all the duties incident to the position and office and which are required by law.

4:11 **Vice President:**

The Vice President shall assist the President in the administration of the affairs of this corporation and shall preside in the absence of the President and shall be the Vice Chairman of the Board of Directors. In the event of the unavailability of the President, the Vice President shall perform the duties of the President.

4:12 **Immediate Past President:**

The Immediate Past President shall make himself available for consultation to the President and shall serve on the Board of Directors.

4:13 **Secretary:**

The Secretary shall keep the minutes of the meetings of the Board of Directors and of the Stockholders in appropriate books.

He shall give and serve all notices of the Corporation.

He shall keep the stock and transfer books in the manner prescribed by law. so as to show at all times the amount of capital stock issued, the manner in which and the time when same was paid, the names of the owners thereof, alphabetically arranged, their respective places of residence, their post office address, the number of shares owned by each, the time at which each person became such owner, and the amount paid thereon; and keep such stock and transfer books open subject to the inspection of any stockholder of the corporation, and permit such stockholder to make extracts from said books to the extent and as prescribed by law.

He shall have the power to sign all certificates of stock, debentures, bonds, etc.

He shall present to the Board of Directors at their stated meetings all communications addressed him officially by the President or any Officer or shareholder of the Corporation or any other communications which should be brought to the attention of the Directors.

He shall attend to all correspondence and perform all the duties incident to the office of the Secretary.

4:14 Treasurer:

The Treasurer shall have the care and custody of and be responsible for the funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such bank or banks, trust company or safe deposit vaults as the Board of Directors may designate.

He shall sign, make, and endorse in the name of the corporation, all checks, drafts, warrants and orders for payment of money, and pay out and dispose of same and receipt therefore, under the direction of the President of the Board of Directors.

He shall have the power to sign certificates of stock.

He shall exhibit at all reasonable times his books and accounts to any

Director or Stockholder of the Corporation under application.

He shall render a statement of the condition of the finances of the corporation at each regular meeting of the Board of Directors and a full financial report at the annual meeting of the stockholders.

He shall keep correct books of account of all its business and transactions and such other accounts as the Board of Directors may require.

He shall do and perform all duties pertaining to the office of Treasurer.

4:15 Vacancies:

Nominations for all vacancies in any office shall be made by the President and voted on by the Board of Directors without undue delay, at its regular meeting, or at a meeting specially called for that purpose.

4:16 Term of Office:

All officers shall be elected for a term of two years at the annual meeting of the Stockholders held in even number years. Their term of office shall take effect the first day of January following the annual meeting.

## **Section 5** **NOMINATIONS**

- 5:10 The Nominating Committee shall consist of four Stockholders in good standing elected at the annual meeting together with the Immediate Past President of Candlewood Knolls to serve for the two following elections. The Chairman of the Nominating Committee shall be the Immediate Past President of Candlewood Knolls.

The Committee shall, twenty days before said election, nominate members to serve as Officers and Directors to succeed those whose terms shall expire and also the Nominating Committee for the following election. No member of the Nominating Committee may be nominated to succeed himself. The Secretary shall post upon the bulletin board in the Club House, and mail to each member of the Corporation twenty days before the annual meeting, a copy of the report of the Nominating Committee.

5:11 After the names of the members nominated to serve as provided for in Paragraph 5:10 of this Section shall have been posted and the Secretary's notices have been mailed, then at any time not less than ten days before the election any twenty-five members may nominate and over their names cause to be posted not less than ten days before the election by the Secretary upon the Club House bulletin board the name or names of any member or members to serve as Officers, Directors, or members of the Nominating Committee to succeed any of the members thereof whose term of office will expire on December 31st of that year. A member must be nominated in either of the foregoing ways to be eligible for election.

## **Section 6** **DISCIPLINARY PROCEDURES**

6:10 **Judicial Council**

The Judicial Council shall hear and determine disciplinary questions brought before it according to the provisions of these by-laws.

6:11 **Composition:**

The Judicial council is composed of three members all of whom shall be regular members of this corporation and shall have been past officers or directors. The chairman shall be named by the President each year. The Judicial council shall be nominated by the President, approved by the Board of Directors and serve for a term of three years. A member selected by the President to fill an unexpired term shall serve to complete the unexpired term. The Judicial Council shall entertain and exercise jurisdiction over all complaints involving membership in this corporation. Each cause may involve the dropping of a member of this corporation based upon any of the following grounds:

- a. Failure to abide by the provisions of these by-laws.
- b. In the case of the officers and members of the Board of Directors any alleged act of malfeasance or misconduct in office.

6:20 **Decision of the Judicial Council:**

- a. The findings of fact in all cases as determined by the Judicial Council shall be final.
- b. The opinions of the Judicial Council shall be submitted to the Board of Directors.
- c. The Board of Directors at its next meeting shall consider and exercise final authority in the disposition of all cases in which the Judicial Council recommends dropping from membership or office.



- 6:30 Decision of Board of Directors:  
Voting shall be by secret ballot. A three-fourths majority of those voting shall be required to sustain the charges.

**Section 7**  
**CORPORATE FUNDS AND ASSETS**

- 7:10 General Authority:  
The Treasurer shall act as official custodian of the funds of this corporation; shall supervise the deposit of such funds into financial institutions and shall invest and reinvest them upon the direction of the Board of Directors.
- 7:20 Budget:
- a. The proposed budget for the forthcoming fiscal year shall be prepared by a committee of the Board of Directors and shall anticipate all necessary expenses of this corporation and shall be submitted for approval at the annual meeting of the Board of Directors. The fiscal year will be from January 1 to December 31.
  - b. The budget shall also be submitted to the regular membership for amendment and final approval at the annual meeting. The Board of Directors shall meet immediately following the annual meeting of this corporation to implement the recommendations of the regular membership and to consider other matters as may properly come before the meeting.
- 7:21 Changes in Budget:  
The Board of Directors may change the line budget between the interval between meetings of the regular membership. They may not change the total budget.
- 7:30 Expenditures:
- a. All expenditures must be for the purposes authorized by the Board of Directors or be for the purposes authorized by these by-laws and must be within the total budget.
  - B. Checks issued by this corporation must bear the signature of one of the following officers: The Secretary, the Treasurer, the Vice President or the President providing, however, that the Board of Directors may authorize the establishment of special bank accounts and authorize the person or persons who may sign checks.
- 7:40 Audit:  
An audit of the financial records and accounts shall be made annually as soon as practical after the close of the fiscal year.

- 7:50 Bond:  
The Board of Directors shall determine which officers, employees or other persons in this corporation shall be bonded and amount of the bonds.

## **Section 8** **MISCELLANEOUS PROVISIONS**

- 8:00 Seal:  
This corporation shall have an official seal which shall contain the words: CANDLEWOOD KNOLLS COMMUNITY, INC. This seal shall be kept in the custody of the Secretary of the corporation.
- 8:10 Parliamentary and Procedural Authority:  
The official parliamentary authority of this corporation shall be the latest edition of Roberts Rules of Order.
- 8:20 By-Law Amendments:  
The by-laws may be amended by the regular membership in either of two ways:  
a. by a two-thirds majority of those voting provided that the proposed by-law changes have been approved by a two-thirds majority of those voting in Board of Directors.  
b. By a three-quarter majority of those regular members voting regardless of the Board of Directors vote.  
c. Any proposed by-law change must be mailed to each regular member ten days prior to such meeting with a yes or no ballot.
- 8:30 Grandfather Clause:  
There shall be no change in the status of any member of this corporation in good standing at the time of the adoption of these by-laws solely by reason of their adoption, any provision in these by-laws notwithstanding.
- 8:40 Administrative Procedure:  
The Board of Directors shall determine and prescribe procedural detail to carry out any provision contained in these by-laws.

## **Section 9** **CERTIFICATE OF STOCK**

- 9:00 Common Stock:

The common stock of the corporation shall be issued one share to each regular member. Each share of stock shall have a par value of \$5.00. Only regular members shall be entitled to hold stock.

Each share of stock shall entitle the holder thereof to one vote at regular or special meetings of the corporation. Where multiple names are listed on the stock certificate, the one vote shall be so divided among those names appearing on the stock.

9:10 Description of Stock Certificates:

The certificate shall exhibit the holder's name and the number of shares. They shall be signed by the President or Vice President, countersigned by the Secretary or Treasurer and sealed with the seal of the corporation. The certificates of stock shall be numbered and registered in the order in which they are issued. They shall be bound in a book and shall be issued in sequential order there from, and in the margin thereof shall be entered the name(s) of the person(s) owning the share therein represented with the number of shares and the date thereof. The stock certificate shall be issued in the name(s) in which the property is recorded in the records of the Town of New Fairfield.

9:20 Issuance of Stock:

A person owning real property in Candlewood Knolls Community has the right to purchase one share of stock at the price established pursuant to Paragraph 10:00 at the price prevailing during that year. In the event the corporation has no shares of stock available for delivery at the time of purchase of real property owner shall nonetheless pay for the share and the corporation shall deliver the share so purchased as soon thereafter as a share shall become available. If additional shares are necessary, the corporation shall take all appropriate steps to increase the number of authorized shares so that the required share can be issued and delivered.

9:30 Transfer of Stock:

Any stockholder selling his real property in the Candlewood Knolls Community for whatever reason shall sell all shares held by him to the corporation at the price in effect at the time of termination pursuant to the provisions of Paragraph 10:00.

9:40 Moreover, in the event any shareholder shall be expelled or his resignation accepted by the Board then in that event the stock certificate shall be returned to the Secretary for cancellation and the value of the share as set by the Board for that year shall be refunded to him.

9:41 :

Any stockholder selling his real property in the Candlewood Knolls Community for whatever reason shall sell all shares held by him to the

corporation at the price in effect at the time of termination pursuant to the provisions of Paragraph 10:00.

- 9:40 Moreover, in the event any shareholder shall be expelled or his resignation accepted by the Board then in that event the stock certificate shall be returned to the Secretary for cancellation and the value of the share as set by the Board for that year shall be refunded to him.
- 9:41 A stockholder cannot redeem or sell his stock while he is an owner of property in Candlewood Knolls Community except in the instance of disciplinary action by the Judicial Council and the Board of Directors.
- 9:50 No stock of the corporation shall be sold, assigned, transferred or encumbered with the exception of the death of a shareholder or transference to a spouse, as set forth herein, any shareholder terminating his membership in the Candlewood Knolls Community, Inc. shall deliver his shares to the Secretary or Treasurer of the Corporation not later than thirty (30) days after the date of termination.
- 9:51 In the instance that a shareholder sells one property and purchases another within the 30 days of selling his first residence his stock need not be surrendered and his membership as a property owner can be maintained without a new application.
- 9:60 In instances where the shareholder is selling his real property in the Knolls, a notice of intent to sell shall be delivered to the Secretary of the Corporation not later than ten (10) days prior to the date of sale with names and address of new buyer.
- 9:70 In the event of the death of a shareholder, and the stock is not transferred to a surviving spouse, said shares must be delivered not later than thirty (30) days after the appointment of the legal representative of the estate. The Corporation shall purchase the share at the price of the shares on the date of the death of the shareholder; the Corporation may, at its option, delay payment for such shares for a time not to exceed twelve (12) months.
- 9:80 The Corporation shall not record the stock in its stock record books nor recognize any past or future attempt by a stockholder nor his legal representative, to transfer ownership, except as set forth hereinabove.
- 9:90 Shares of the capital stock of the Corporation shall be transferred only on the books of the Corporation by the holder thereof, in person or by his legal representative, upon surrender and the cancellation of certificates for

a like number of shares. In case of transfer by a legal representative, the power authorizing said transfer, duly acknowledged, shall be deposited with the Secretary.

**Section 10**  
**VALUATION OF STOCK**

10:00 At the meeting of the Board of directors held in January of each year, the Board shall fix the price per share which the corporation will pay for shares of stock during that calendar year. The price shall not be less than par value, but may be more than par value. The price as fixed at the meeting in January shall not be changed during the year for which it is fixed.

10:50 Addresses of Members:

Every member shall notify the secretary of any change of address and by failure to do so shall be deemed to have waived any right to notice under the by-laws of the corporation.

Revised: June, 1986

NOTE: Any reference to the masculine gender in these bylaws is also intended to include the feminine gender.