

Section 1: [Section 13 (Certificate of Amendment dated December 6, 2008, Recorded Book 266, Page 370)] Reduction of

MARKUP #1 ->

13. The Declaration of Protective Covenants, Restrictions and Reservations, dated July 25, 1967, as amended to date, may be amended by vote or agreement, in person or by proxy, of owners of properties in good standing in the subdivision, representing two-thirds of at least fifty one percent of owners of property in good standing covered by the Declarations. Any amendment must be reordered [sic] in the office of the Town Clerk of Wilmington, Vermont, such amendment to be prepared, executed, recorded and certified by any officer of Chimney Hill Owners Association, Inc., designated for that purpose, or, in the absence of designation, by the President of the Association.

Section 2: [Section 10 (Certificate of Amendment dated February 20, 2010, Recorded Book 277, Page 61)] Inadvertent D

The undersigned certifies that they are the President and Secretary, respectively, of the Chimney Hill Owners Association, Inc., and further certify that Section 10 of the Declaration of Protective Covenants, Restrictions and Reservations, dated July 25, 1967, as amended to date, applicable to the Chimney Hill subdivision (the 'Subdivision'), was amended by vote of 85 percent of all owners in good standing of the Subdivision at a meeting duly warned and held on February 13, 2010, at which a quorum was present and acting throughout, by deleting the text thereof and substituting the following therefore: 10. Each developed lot included in this conveyance shall be subject to an annual charge of nine hundred dollars (\$ 900.00) beginning on April 1, 2010. Thereafter future increases may be implemented as the Declaration of Protective Covenants allows, and the grantee or grantees, his, her, their, or its heirs, executors, administrators, successors and assigns, hereby agree: IN WITNESS whereof, the undersigned have executed this certificate.

ISSUE #1

Section 3: [Section 10(B) (Certificate of Amendment dated April 5, 2008, Recorded Book 262, Page 148)] Disenfranchis

Only an owner in good standing and in compliance with the Declaration, the bylaws of the Association and applicable rules of the Association shall have the right to vote at any meeting of the Association.

Section 4: [Section 2] Warrantless Entry Onto Fee-Simple Lots and Summary Destruction of Real Estate Signs

2. No 'For Rent', 'For Sale' or other signs or notices, except signs identifying the land and/or the owner thereof, shall be allowed on the land conveyed hereby without prior written consent of the grantor, its successors and assigns which consent will not be arbitrarily withheld; and upon any violation of this provision the grantor, its successors and assigns, shall have the right to enter upon the land and to remove such sign or notice and to destroy it.

Section 5: [Section 3] Standardless Architectural Veto ("Exclusive Opinion") Over Any Structure or Installation on Fee-

3. No building, fence, wall, sewage, system, well, or other structure or installation shall be erected, placed, constructed, altered, or maintained on the land conveyed hereby until and unless its plans, specifications, and a map showing its location on the land have been filed with and approved in writing by the grantor, its successors or assigns, who shall have the right to refuse to approve any such plans, specifications, and locations which are not suitable or desirable in the exclusive opinion of the grantor, its successors or assigns.

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. Section 10(B) (Certificate of Amendment dated April 5, 2008, Recorded Book 262, Page 148) (p. 1): Voting rights suspension clause lacks Vermont statutory notice, hearing due process, or delinquency safeguards (27A V.S.A. § 3-102(a)(11) & § 3-124).

Statutory / Legal Reference: 27A V.S.A. § 3-102(a)(11) & § 3-124; 27A V.S.A. §§ 1-101 to 4-120 (Vermont Common Interest Ownership Act - VCIOA); 11B V.S.A. §§ 1.01 - 17.05 (Vermont Nonprofit Corporation Act)

Statutory Comparison: Under Vermont community association and nonprofit corporation statutes (27A V.S.A. § 3-102(a)(11) & § 3-124; 11B V.S.A. §§ 1.01 - 17.05 (Vermont Nonprofit Corporation Act)), member voting rights are a fundamental corporate governance right and may not be summarily suspended without strict compliance with statutory delinquency thresholds, prior written notice, and an opportunity to be heard.

CURRENT WORDING IN DOCUMENT:

[Section 10(B) (Certificate of Amendment dated April 5, 2008, Recorded Book 262, Page 148)] Disenfranchisement of Lot Owners for Any Alleged Violation of Rules or Bylaws - Only an owner in good standing and in compliance with the Declaration, the bylaws of the Association and applicable rules of the Association shall have the right to vote at any meeting of the Association.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Provided that any suspension of voting or membership privileges (to the extent permitted by Vermont law) shall require prior written notice to the Owner, a reasonable opportunity to be heard, and strict compliance with 27A V.S.A. § 3-102(a)(11) & § 3-124 and 11B V.S.A. §§ 1.01 - 17.05 (Vermont Nonprofit Corporation Act).