

BYLAWS of Pepperidge Woods Cooperative, Inc.

1.1 The name of this Corporation shall be Pepperidge Woods Cooperative, Inc., herein after referred to as the “Cooperative”, located in Barrington, County of Strafford, and State of New Hampshire.

PURPOSE

2.1 The purpose for which this Corporation is formed is to own and operate a manufactured housing park, herein after referred to as the “Park”, as a cooperative (RSA 301-A) and be involved in other cooperative activities, on a not-for-profit basis for the benefit of the residents.

2.2 The broad purpose is to gain control of the rental costs, preserve the Park for the current residents, and to keep it affordable long term for low and moderate-income individuals and families. In accordance with the purpose stated in the Cooperative’s Articles of Incorporation, the Cooperative will conduct its business in a manner designed to preserve the affordability of the sites within the Park for low to moderate-income homeowners.

MEMBERSHIP

3.1 “Member” is defined as the adult (18 years or older) individual(s), without regard to their social, political, racial, religious, age, sex, sexual orientation, disability, or marital status who:

3.1.1 own(s) and reside(s) in a manufactured housing unit (herein after referred to as the “Home”) in the Cooperative, any spouse or partner in civil union entitled to a homestead interest, and the other adult members of their household, all of whom having signed an Occupancy Agreement being the “ultimate consumer(s)” of the housing opportunity provided by the Cooperative. The land upon which each Home is situated shall be known as a “Lot”. A person is seen as owning or co-owning a Home if he or she owns the Home directly or through his or her “Living” or Grantor” Trust. A “Grantor” or “Living” Trust is any trust that is established by an individual under such terms as: (1) appoint him or herself as the trustee during his or her lifetime (and or competency); (2) is revocable by him or her; and (3) designates him or herself as the beneficiary for his, her or their lifetime.

3.1.2. is/are in good standing with the Cooperative. A “Member in good standing” is a Member whose Lot rent and Membership fees are current or has signed an agreement satisfactory to the Board of Directors to bring these rents and fees current.

3.1.3 accepts Membership responsibilities, and elects to either participate in the governance of the cooperative and operation of the housing park, or to pay an additional monthly fee in lieu of such participation as described below:

3.1.3.1 ACTIVE MEMBER: An “Active Member” is defined as a member or household that earns six (6) voluntary credit hours every six (6) months, two (2) of which must be earned by attending Board or Committee Meetings within the defined six (6) month windows each fiscal year.

- o A “credit hour” is defined as one hour of time spent participating in a community sponsored activity, attending a community sponsored meeting,

- o completing tasks that are required for community business or upkeep, or donating \$10 worth of goods or materials towards a community event.
- o It will be the members' responsibility to track their voluntary credit hours during each six month window and to obtain sign off from two Board of Directors and/or Committee Chairs attesting to completed work or donated items. Volunteer Credit Hour sheets will be distributed and will be available from the Board of Directors.
- o The Board of Directors will be responsible for ensuring opportunities to earn volunteer credit hours are posted on a monthly basis and that there are sufficient opportunities for all interested members and their households. Opportunities will be posted on the common bulletin board.
- o The first six month period will run from 2/1 through 7/31 of each fiscal year. Completed Volunteer Credit Hour sheets are due to the Board of Directors no later than 8/7. If you do not qualify as an active member at the conclusion of the first six month period, you will receive a notice in writing of the change in your Membership Status and your lot rent will increase to the Non-Active Member rate (60 days' notice applies to increases in lot rent).
- o The second six month period will run from 8/1 through 1/31 each fiscal year. Completed Volunteer Credit Hour sheets are due to the Board of Directors no later than 2/7. If you do not qualify as an active member at the conclusion of the second six month period, you will receive a notice in writing of the change in your Membership Status and your lot rent will increase to the Non-Active Member rate (60 days' notice applies to increases in lot rent).

3.3.1.2 NON-ACTIVE MEMBER: A "Non-Active Member" is a member who does not complete the voluntary credit hours necessary to qualify as an Active Member. The lot rent for a Non-Active Member will be \$30 higher per month than the Active member rate. Any change in Membership Status will be communicated to you in writing; if as a result of this change your lot rent will increase you will be given 60 days of notice. All other rights and responsibilities of a Member still apply.

3.2 Upon continued payment of the Lot rent and compliance with the other terms of the Occupancy Agreement, the Bylaws of the Cooperative and the Community Rules established by the Members, all as they may be amended from time to time, the Member shall have a perpetual right to occupy said Lot provided that, if a Member is evicted from the Community or moves out of the Community, that Member will lose his or her right to occupy said Lot.

3.3 Only one Membership interest will be assigned to a Home, and only one vote may be exercised under a Membership interest.

3.4 Buyers or owners of Homes seeking to reside in a Home and lease a Lot in the Community must become Members of the Cooperative. Buyers and owners and all adult household members seeking Membership shall: (1) apply for Membership on a form prescribed by the Membership Committee; (2) be approved for Membership by a majority vote of the Board of Directors; (3) pay in full the Membership fee; (4) execute an Occupancy Agreement signed by each adult household member; (5) have a contract to buy and intent to occupy a Home in the Community; and (6) commit to the purposes and policies of the Cooperative including the Community Rules and these Bylaws. A person is considered a buyer or owner if he or she seeks to or does own or

co-own a Home directly or through his or her/their "Living" or "Grantor" Trust (as defined above) or becomes the subsequent beneficiary of a trust, previously existing as a Living Trust, upon death of the Grantor, or upon devise or distribution from a deceased Member's estate, or any other event. If an existing Member transfers title to a Home to his or her "Living" or "Grantor" Trust, the Trust will not be considered a new owner or buyer under this paragraph. Members transferring their Membership into a permissible "Living" or "Grantor" Trust must furnish the Cooperative with either a copy of said trust document or an opinion letter from an attorney stating that the trust to which the title has transferred is a revocable, "Grantor" Trust wherein the Member(s) is (are) the Trustee(s) during his or her/their lifetime, or competency, and with said Member(s) as the sole beneficiary during his or her/their lifetime.

3.5 The one-time Membership fee shall be Two Hundred Fifty Dollars (\$250.00). This is the par value per RSA 301-A:1, VI. There is no book value (Membership fees accumulate no interest).

3.6 A Certificate of Membership shall be issued to any Member, or to trustee of any Member's "Living" or "Grantor" Trust, who has fully paid their Membership fee. This certificate, or a fully executed and accepted Subscription Agreement, shall entitle the holder (or, in the case of a "Living" or "Grantor" trust, the trust grantor only) to occupancy of their Lot in accordance with the Occupancy Agreement, provided that the holder also abides by the Community Rules of the Cooperative and does not interfere with the effective operation of the Cooperative. The certificate is not transferable, except by will, or trust distribution by a permissible trust or the rules of law that apply if someone dies without a will, to someone that would otherwise be eligible for Membership. A Membership may not be transferred to someone or some trustee or beneficiary who does not plan to own the Home and reside in the Community nor shall a "Living" or "Grantor" Trust continue to hold a Membership interest beyond the usual and customary time required for a wind up of a probate estate, should title have passed by that means. During such periods, the certificates shall not extend to any other party not previously permitted Membership and occupancy.

3.7 The Board of Directors reserves the right to use all or part of a Member's Membership fee to pay any debt due to the Cooperative, or expenses incurred as a result of a Member's actions or omissions, in regards to the Cooperative; such debts and expenses being legally the responsibility of the Member. The Member shall replenish a capital balance decreased on such account in order to remain in "good standing".

3.8 All Members and non-Members are required to pay their Lot rent. This Lot rent, initially established by the Membership of the Cooperative, may be increased by a majority vote of the Cooperative Board of Directors or by a majority vote of the Membership, consistent with Article 5 of these Bylaws, with a sixty (60) day written notice to all Members and non-Members.

3.9 Any Member whose activity in the Cooperative is contrary to basic consumer cooperative principles as described in EXHIBIT A: International Cooperative Alliance Principles, attached hereto, or who endangers the effective operation of the Cooperative may be expelled from Membership in the Cooperative by the Board of Directors (RSA 301-A:20). Loss of Membership carries with it loss of all Membership privileges, including lower Lot rent. Written notice of the charges against each Member, and reasonable opportunity for a hearing before the Board of Directors, shall be provided before any such expulsion. A reasonable opportunity is defined as a fifteen (15) day notice. The Cooperative shall repurchase the Member's certificate or subscription for the amount paid by the expelled Member, less any debts owed and expenses incurred by the Cooperative on behalf of the expelled Member, if and when there are sufficient

reserve funds as determined by the Board of Directors. An eviction of the Member shall automatically terminate his or her Membership. The Member shall have the right to appeal the expulsion at the next membership meeting and will be given a reasonable opportunity to be heard, either in person or by their attorney. Members may request a Special Meeting of the Membership within a reasonable time period and such request will not be unreasonably denied. In the absence of a Board of Directors call for a Special Meeting, the Member may do so in accordance with Article 7.3 of these Bylaws. A Member need not be expelled before being evicted. Re-application for Membership will require Board of Directors review and Membership approval before re-issuance of Certificate of Membership. The reason for the expulsion shall be clearly stated, recorded, placed in the permanent files and a copy given to the Member. Expulsion is not required prior to any eviction under RSA 540.

3.10 Any Member who wishes to be represented by legal counsel as the result of a Cooperative action must notify the Board of Directors of this fact ten (10) days in advance of the meeting. The Member shall solely be responsible for the cost of his or her attorney. In no case should the Cooperative be responsible for the legal fees of the Member.

VOTING

4.1 One-third (1/3) of the current Membership shall constitute a quorum at a Membership meeting. There shall be no voting by proxy; nor shall a proxy be counted towards the establishment of a quorum. The existence of a quorum shall be established at the beginning of each meeting and shall remain valid until the meeting is adjourned. If a quorum has been achieved, any motions for consideration that are properly before the meeting shall be approved by a majority vote of Members present except for motions affecting the Bylaws and Community Rules, that will required a majority vote of the entire Membership, regardless of the number of members present at any meeting.

4.2 A ballot provided on a form approved by the Board of Directors shall be used for the election of Directors. It shall state the slate of nominees and be identifiable by either a Lot number or other means. The ballots shall be sealed and opened at the Membership meeting. The ballots shall be held by the Secretary. The Board of Directors may allow for an absentee ballot for the following reasons: hospitalization, shift work, infirmity, lack of childcare or being out of state. A request for an absentee ballot must be made in writing at least three (3) days before the meeting, if not the result of emergency circumstances. If the ballot is to be mailed, the Member must request it in ten (10) days before the meeting. Absentee ballots may not be counted toward a quorum.

4.3 Any business required or permitted to be taken at a Membership meeting may be taken without a meeting, by means of a ballot clearly stating a Board of Directors-approved motion. To be passed the motion must be approved by a majority of the entire Membership. A copy of the motion and vote must be kept on file with the Cooperative's Membership meeting minutes.

4.4 The Bylaws of the Cooperative and the Community Rules shall be adopted or repealed by a majority vote of the Membership.

4.5 The Bylaws and the Community Rules may be amended by a majority vote of the Membership provided that notice of the proposed amendment shall be given in writing to all Members not less than ten (10) days prior to such meetings. After the ten (10) day notice,

technical changes in wording or detail of the proposed amendment that do not alter the subject matter shall not require an additional notice.

4.6 Any decisions that may commit expenditures of two thousand dollars (\$2,000.00) or more of Cooperative resources per fiscal year that do not appear in the approved annual budget, shall be made by the Membership at an Annual, Special, or regular meeting of the Members. Capital improvement and replacement reserve expenditures that exceed three thousand dollars (\$3,000.00) per fiscal year require the approval of the Membership except in cases of emergency repairs. The Board of Directors shall notify the Membership of such an emergency action at the next regular or Special Meeting of the Membership.

FISCAL YEAR

5.1 The fiscal year of the Cooperative shall be the twelve (12) month period ending the last day of January of each year. The Cooperative shall cause its books to be examined within a reasonable time after the end of each fiscal year in accordance with the audit/review requirements of RSA 301-A:30.

ANNUAL AND SPECIAL MEETINGS

6.1 The Annual Meeting of the Members shall be held in the month of January each year in Barrington, NH or a place designated by the Board of Directors within ten (10) miles of the Park. An Annual Meeting of Members is to be held at least once a year (RSA 301-A:21).

6.2 Notice of the time and place of the Annual Meeting and the agenda items or subject matter to come before it, shall be given in writing to each Member at his or her address, and posted and maintained at a common area not less than ten (10) days prior to the date of the meeting (RSA 301-A:23). The Annual Report to the Secretary of State, the report of the examination of the prior year's finances, and the proposed annual budget of the Cooperative shall be made available to each Member no later than ten (10) days before the Annual Meeting for approval by the Membership at the Annual Meeting.

6.3 Special Meetings of the Membership may be called by the Board of Directors or by petition of at least one-tenth (1/10) of the Members. Such member petition may be delivered to any Board Member. The Board of Directors shall set the date, place and time of the Special Meeting, to be held within thirty (30) days after receipt of such demand. The Secretary of the Cooperative shall deliver or mail written notice stating the place, day, hour and purpose of the Special Meeting to each Member and post the notice in a common area not less than ten (10) days in advance of the meeting date (RSA 301-A:22).

6.4 In the case of any question not covered in these Bylaws, RSA 301-A, or adopted Board of Director's policies, the guidelines in "Parliamentary Procedure for Resident Owned Communities" as published by the ROC-NH in *A Management Guide for Resident Owned Communities* or the foundation document, *The Standard Code of Parliamentary Procedure*, Fourth Edition, by Alice Sturgis, 2001, shall prevail.

BOARD OF DIRECTORS

7.1 The Board of Directors shall consist of five (5) Members or subscribers who are residents and owners of a manufactured housing unit in the Community and are Members in good standing with the Cooperative. The Board of Directors shall be elected by the Membership at an Annual or Special Meeting of the Cooperative, or at a Special Meeting held in place thereof. All newly

elected Directors will take office thirty (30) days after elections or at the next Board of Directors meeting, whichever is first.

7.2 At each election for Directors, every Membership interest shall have the right to vote for as many persons as there are Directors to be elected.

7.3 All Directors shall serve for a term of two (2) years, except at the first election when the President and Operations Manager will be elected for one (1) year terms. No Director may serve for more than three (3) consecutive two (2) year terms, or until their successors are duly chosen.

7.4 Vacancies that result from resignation or other means may be filled by a majority vote of the Directors present at any regular or Special Meeting of the Board of Directors. The Director so appointed shall serve the remainder of the unexpired term, which shall not be counted as a consecutive term for the purposes of Article 7.3 of these Bylaws.

7.5 Signatures of two (2) Directors are required on checks over Two Thousand-Five Hundred Dollars (\$2,500.00) within a thirty (30) day time period. Signatures of two (2) Directors are required on all legal documents. No more than one (1) individual from each Member household may have signing authority.

7.6 The Board of Directors shall be responsible for the day-to-day management and control of the Cooperative operations. The Board of Directors may from time to time set up committees and/or ad-hoc groups to work on specific responsibilities, with the committee Members serving at the pleasure of the Board of Directors. These committees will report to the Board of Directors and operate with only as much authority as granted by the Board of Directors. Further explanation of these committees may be found in the policies of the Board of Directors.

7.7 Regular meetings of the Directors shall be held monthly. Notice of the time and place together with the agenda of the Board of Directors' meeting shall be posted in a public place in the Community. The Board of Directors shall have the sole discretion to establish the agenda for all regular meetings.

7.8 Special meetings of the Directors may be held at the call of the President or any two (2) Directors. Written notice stating the place, day, and hour of any Special Meeting shall be posted in a common area and communicated personally to each Board Member not less than three (3) days before the date of the meeting. In an emergency, a shorter notice may be given, provided that the agenda for that meeting is limited to dealing with the emergency at hand and that all actions taken are ratified at a subsequent properly noticed meeting.

7.9 Regular and Special Meetings of the Board of Directors shall be open to the Membership except when the Board of Directors moves to an executive session. Executive sessions are used only for purposes of protecting a person's reputation and confidentiality, or to receive or discuss advice from legal counsel. No decisions may be made in executive session; decisions must be made in the form of a motion at a public meeting.

7.10 At any meeting of the Board of Directors, a simple majority of the number of Directors then in office shall constitute a quorum for the transaction of business. Once a quorum has been established, a majority of those present must vote in the affirmative to pass a motion.

7.11 Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the written motion is approved and signed by all Board Members. Authority for such action commences when the last Director signs. A copy of the written motion, with all signatures, must be kept with the Board of Directors minutes.

7.12 Directors shall serve without compensation but shall be entitled to reasonable compensation for expenses paid while conducting legitimate Cooperative business. Any expenses incurred must have prior approval by the Board of Directors. Receipts must accompany all requests for reimbursement. Directors may receive compensation for their freely executed contracts approved by the Board or Membership as the case may require, so long as the contract does not create a conflict of interest.

7.13 Any Director may be removed for cause (including, but not limited to misappropriation of funds and absence at two consecutive board meetings) by a majority vote of the Members present at any regularly scheduled or Special Meeting of the Membership where a quorum is present, provided that a ten (10) day notice of the impending vote has been given to the Director who may be removed. Said notice of a vote to remove shall only be made after a majority vote of the Board of Directors or after the Board of Directors receives a written petition requesting the proposed removal, signed by at least ten percent (10%) of the Membership. Said resolution shall clearly state that once a quorum is established, a majority vote of the Members present will be needed to remove the Director. The notice shall state the date, time and place of the meeting where said vote will be taken. Vacancies on the Board of Directors, which result from a removal vote of the Membership, shall be filled in accordance with Article 7.4 of these Bylaws. This section does not restrict any Directors' voluntary resignation from the Board of Directors or from office.

7.14 The Membership of the Cooperative shall adopt a Conflict of Interest Policy.

OFFICERS

8.1 The Officers of the Cooperative shall consist of a President, Vice President, Secretary, Treasurer, Operations Manager, and any other designated position as decided by the Membership. All Officers are Directors of the Cooperative and must meet the requirements for being a Director set forth in Article 7.1 of these Bylaws. No more than one person in any given house-hold may serve on the Board of Directors at any given time.

8.2 Officers shall be elected by the Membership. In the case of a resignation or if the Director is no longer able to act as an officer, the office shall be filled by the Board of Directors pursuant to section 7.4 of these bylaws.

8.3 The **President** shall serve as chair and preside at all meetings of the Board of Directors and Membership. He or she shall be responsible for general administration according to the guidelines established by the Board of Directors and the Membership. The President shall perform such duties prescribed by the Board of Directors or as necessary to accomplish the objectives of the Cooperative.

8.4 The **Vice President** shall preside at all meetings in the absence of the President and shall perform such duties delegated to him or her by either the Board of Directors or the President. He or she shall report on the activities of the President to the Board of Directors in the absence of the President.

8.5 The **Secretary** shall keep the records of the Cooperative and these Bylaws. Amendments to these Bylaws shall be typed, noted, dated, and maintained with these Bylaws, and copies distributed to the Membership. He or she shall keep a true record of the proceedings of all meetings of the Directors and Members. If the Secretary is absent from any such meetings, the chair may request that some person act as a recording secretary to take the minutes. The Secretary shall also be responsible for posting meeting notices, typing correspondence and

maintaining and updating Membership and resident lists. The signature of the Secretary or acting Secretary, on minutes and actions of the Board of Directors, shall serve as evidence of their authenticity.

8.6 The **Treasurer** shall have charge of all the funds of the Cooperative and shall be responsible for all disbursements and collections. The Treasurer shall be responsible for maintaining all financial records of the cooperative including previous fiscal years financial reports, bank statements and returned checks, invoices, records and any and all other financial records. The Treasurer will see that all checks drawn on Cooperative accounts shall bear the signature of at least two (2) of the five (5) Officers of the Cooperative. As a standard fiscal control, a Member of the Cooperative other than the Treasurer shall reconcile the Cooperative accounts each month. The Treasurer shall be responsible for having the books prepared for examination. The Treasurer may delegate any task to any Member of the Finance Committee or a contracted bookkeeping service.

8.7 The **Operations Manager** sits on the Maintenance Committee and is responsible for the effective upkeep of grounds and systems, developing services and standards, emergency and general repair procedures, maintaining a list of qualified trades people, obtaining bids, maximizing volunteer contributions, submitting a capital improvement plan, and an annual projected maintenance budgets.

8.8 All Officers of the Cooperative shall, subject to these Bylaws and to any vote of the Directors, have such powers and duties as the Directors shall from time to time designate, in addition to the specific powers and duties set forth above.

8.9 Each office, Director, employee and agent handling funds or securities amounting to One Thousand Dollars (\$1,000.00) or more in any one (1) year shall be covered by adequate bond(s) in accordance with RSA 301-A:29.

INDEMNITY

9.1 The Directors, Officers, and Members shall not be personally liable for the debts, liabilities or other obligations of the Cooperative.

9.2 Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director or Officer of the Cooperative, in any proceedings arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Cooperative, indemnity for his or her reasonable expenses, including attorneys' fees incurred in the defense of the proceeding, may be assessed against the Cooperative, its receiver, or its trustee, by the court in the same or a separate proceeding if: (1) the person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court; and (2) the court finds that his or her conduct fairly merits such indemnity. The amount of such indemnity shall be so much of the attorney's fees incurred and other expenses as the court finds to be reasonable.

9.3 Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director, Officer, or employee of the Cooperative, in any proceedings other than an action by the Cooperative, indemnity for his or her reasonable expenses including attorney fees incurred in the defense of the proceeding may be paid by the Cooperative if the person acted in good faith and manner he or she reasonably believed to be in or not opposed to, the best interest of the Cooperative. Any such indemnity shall be made as authorized by majority vote of the Membership.

HOME SALES AND RENTALS OF UNITS

10.1 Any Member or non-Member who plans to sell or move their Home out of the Community or demolish the Home on site shall give written notice thirty (30) days in advance to the Board of Directors. Failure to give notice can result in thirty (30) days additional Lot rent.

10.2 Notice to the Board of Directors stating the intention to sell a Home in place shall contain the estimated date of sale, and the name, address and telephone number of the selling agent, if any. It is the responsibility of the seller to supply potential buyers with information regarding the requirement that all buyers become Members of the Cooperative. The seller shall supply the Cooperative with the names and telephone numbers of any buyers who have signed a Purchase and Sales Agreement. Certain trust transfers contained in paragraph 3.1 of these Bylaws are accepted from this provision.

10.3 For a period of thirty (30) days following the delivery of the notice to the Board of Directors, the Member may sell only to a lower-income family or individual. During this 30-day period, if the Member receives more than one offer for the same price upon the same terms and conditions, and one of said offers is from a lower-income family or individual, the Member shall accept the offer from the lower-income family or individual. The Board of Directors may authorize the sale to someone other than a lower-income family or individual at the request of the selling Member in the case of a sale to a family Member or where the delay in selling would pose an unreasonable hardship for the selling Member.

The following shall apply in all situations where Fannie Mae holds an Eligible Loan on a Home in this Cooperative.

Notwithstanding any other Bylaw provision, the purchaser of a manufactured Home who acquired title at foreclosure sale conducted by the holder of an Eligible Loan (as defined by RSA 205-A:4-a), or directly from the holder of an Eligible Loan, shall be exempt from any low-income requirement.

10.4 A lower-income family or individual shall be defined as a family or individual whose total income does not exceed 80% of the median income in the county as determined by the U.S. Department of Housing and Urban Development and published in the *Federal Register*.

10.5 Any Lot in the Community that becomes vacant (other than a temporary vacancy when a Member of the Cooperative replaces his or her existing manufactured Home with a new or different one), shall be leased by the Board of Directors to a lower-income household approved for Cooperative Membership; provided, however, that if after advertising the Lot for thirty (30) days, the Board of Directors does not receive an offer to lease from a lower-income household reasonably capable of affording the Home and living in the Community, the Board of Directors may lease the Lot to any suitable household. The Board of Directors will keep a waiting list for these purposes.

10.6 If the Cooperative is owed money by the Member or the Member is in breach of any other obligation to the Cooperative, the Board of Directors will sign a deed, as requested by that Member for the sale of his or her/their Home to a new buyer, but may insist that the deed be transmitted directly to the escrow or closing agent with a Notice of Lien on the Member's Home for those amounts due and owing the Cooperative See RSA 477:44 and 205-A:4-a. The deed shall only be recorded upon payment to the Cooperative of all outstanding balances due to the Cooperative. The following shall apply in all situations where Fannie Mae holds an Eligible Loan on a Home in this Cooperative.

Notwithstanding rights of the Cooperative under RSA 205-A:4-a or other law, any holder of an Eligible Loan which is actively pursuing the right to foreclose or which has acquired title to the manufactured Home by purchase itself at a foreclosure sale or by deed in lieu of foreclosure, and which has paid or is paying the Cooperative rent and other charges owing by a Member under an Occupancy Agreement, shall not be required to advance more than six (6) months of rent and other charges, and the Cooperative's lien rights, as to amounts owing to it by the Member under the Occupancy Agreement or otherwise, shall be subordinate to the rights of the holder of an Eligible Loan, and amounts owing to the Cooperative shall only be paid out of the excess proceeds, if any, available after transfer of the manufactured Home to a third party, and after all amounts outstanding under the Eligible Loan, including repayment of advances of monthly rent and other charges, have been paid in full.

10.8 The Board of Directors shall purchase the Membership interest from said Member household by paying them the interest's par sum, equal to the Member's total payment toward the Membership fee, without interest, less any debt owed by the Member to the Cooperative, within sixty (60) days of the removal or sale of the Home, or at such later date when the purchase can be made without jeopardizing the solvency of the Cooperation.

10.9 All Homes within the Community must be owner-occupied. Failure to comply with this article shall result in an eviction from the Community in accordance with RSA 205-A.

10.10 Rental or leasing of manufactured housing units in the Park shall not be allowed unless approved by the Board of Directors. The Board of Directors shall not approve a rental or lease agreement unless (1) a written request is submitted by the Member alleging hardship; and (2) the Board of Directors determines that a hardship exists. If an approval is granted, the decision shall specify the hardship circumstance(s) and the condition(s) of approval. The vote of the Board of Directors shall be maintained in the official records of the Cooperative.

RECORDS

12.1 The records of the Cooperative shall be kept by the Directors then in office and transferred to newly elected Directors upon change over. Records of the Cooperative shall be kept for the periods indicated in **Exhibit B: Record Retentions Chart**.

12.2 Records of the Cooperative shall be open to the inspection of an Members at a reasonable time and place within seventy-two (72) hours of Member's request, limited to those items not protected for reasonable privacy concerns of Members, including but not limited to financial applications, credit reports, hardship applications, material discussed in executive session and individual collection matters.

DISSOLUTION

13.1 Dissolution of the cooperative shall be as outlined in RSA 301-A:33. In the event of dissolution of the Cooperative, the assets, after payment of the cooperative's debts and expenses, shall be distributed in the following manner:

I. The par value or book value, whichever is lower, of the Membership certificates or shares shall be returned to the Members. Amounts paid on subscriptions shall be returned to subscribers. The amounts allocated in distribution of net savings under RSA 301-A:28 shall be returned to those Members entitled to them.

II. Any surplus remaining after the distributions in paragraph I may be distributed as a contribution to any cooperative association or other nonprofit association to which contributions are deductible form income tax under current internal revenue service regulations.

END

RSA's available upon request.

PEPPERIDGE WOODS COOPERATIVE BYLAWS

The foregoing is a true and accurate account.

Attested by: _____

Secretary

EXHIBIT A: International Cooperative Alliance Principles

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of co-operation.

6th Principle: Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

These principles can be found on the International Cooperative Alliance website at <http://www.ica.coop/al-ica>.

Description	Retention Time	EXHIBIT B: Records Retention Chart
Co-op and Board	Articles of Incorporation	Life of corporation + seven years
	Bylaws and amendments, all versions	Life of corporation + seven years
	Board meeting minutes	Life of corporation + seven years
	Membership Meeting minutes	Life of corporation + seven years
	Community Rules and amendments, all versions	Life of corporation + seven years
	Copy of loans and mortgages	Until discharge is recorded
	Copy of the deed	Until property is sold
	Correspondence	Two years
	Grant Applications	Two years after completion of project
	Insurance Policies and Certificates	Two years after expiration
Financial Records	Construction documents	20 years after completion
	Invoices and Receipts	Three years
	Bank Statements	Three years
	Financial Reports	Three years
	Audit records	Three years
	Tax Returns	Three years
	Budget reports	Three years
Employment Records	Applications and References	One year
	Advertisement for Employment	One year
Applicant Records	Records of injuries	Three years
	Application- NOT admitted, including authorization to pull credit report, Notice of Adverse Action, etc.	Two years past denial
Resident Records	Application and all supporting documents: Notices to and from a lender, Acknowledgment Forms, Documentation sheets, Volunteer letter and log, Occupancy Agreement, correspondence	Two years beyond termination of residency
	Membership Certificate	Life of co-op, plus 7 years
Credit Reports	For all applicants, residents, members	24 months, or longer as directed by Credit Reporting Agency

According to the co-op's bylaws, co-op records shall be:

- Kept by the directors then in office, whether in their homes, or in a central location
- Transferred over to new directors, when elected or appointed
- Kept according to the Records Retention Schedule (above)
- Additionally, records of the co-op are open for inspection by any member in good standing at a reasonable time and place, within 48-72 hours of the member's request, depending on the co-op's bylaws. This inspection shall exclude those documents that are protected by a resident's right to privacy, such as credit reports, criminal background information and matters pertaining to rent collection or eviction.