BYLAWS

OF

ORIGINAL PLUMTREE HEIGHTS OWNERS ASSOCIATION, INC.

SECTION 1.

IDENTITY

These are the Bylaws of Original Plumtree Heights Owners Association, Inc., herein called the "Association", a corporation not organized for profit and existing under the laws of the State of Connecticut. The Association is a merger and consolidation of the management of the affairs of Plumtree Heights Condominiums Nos. 1, 2, 3, and 4 pursuant to an Agreement of Merger recorded herewith. All references herein to the "Declaration" shall be to the collective Declarations of each Condominium.

The provisions of Sections 6, 7, 8, 9, 13, 14, 15 and 16 shall not be applicable to Units located in Plumtree Heights Condominium No. 4, as these provisions are contained in the amended and restated Declaration of Plumtree Heights Condominium No. 4.

SECTION 2.

OFFICE

The office of the Association and the Board of Directors shall be located within the Common Interest Community grounds or at such other place as may be designated by the Board of Directors.

SECTION 3.

BOARD OF DIRECTORS

Number and Qualification; Termination of Declarant (a) Control.

The affairs of the Common Interest Community and the (i) Association shall be governed by a Board of Directors which shall consist of nine (9) persons all of whom shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a Director and shall be deemed to be a Unit Owner for the purposes of the preceding sentence. Directors shall be elected by the Unit Owners. At any meeting at which Directors are

to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Connecticut.

- (ii) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Board of Directors setting terms.
- (iii) The Board of Directors shall elect the officers. The Directors and officers shall take office upon election.
- (b) <u>Powers and Duties</u>. The Board of Directors may act on behalf of the Association and shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts or things except as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the Unit Owners. Therefore the Board of Directors may:
 - (i) Adopt and amend Rules and Regulations;
 - (ii) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;
 - (iii) Hire and discharge managing agents and other employees, agents and independent contractors;
 - (iv) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Common Interest Community;
 - (v) Make contracts and incur liabilities;
 - (vi) Regulate the use, maintenance, repair, replacement and modification of Common Areas;
 - (vii) Cause additional improvements to be made as a part of the Common Areas;
 - (viii) Acquire, hold, encumber and convey in its own name any right, title or interest to real property, including but not limited to, units and the common elements appurtenant thereto, recreational facilities and personal property.
 - (ix) Grant and accept easements, leases, licenses and concessions through or over the Common Areas;
 - (x) Impose and receive any payments, fees or charges for the use, rental or operation of the Common Areas, other than

Limited Common Areas and for services provided to Unit Owners;

- (xi) Impose charges or interest or both for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, Rules and Regulations of the Association;
- (xii) Impose reasonable charges including reasonable attorneys' fees, if incurred, for the preparation and recording of amendments to the Declaration, resale certificates or statements of unpaid assessments;
- (xiii) Provide for the indemnification of Association officers and Board of Directors and maintain directors' and officers' liability insurance;
 - (xiv) Assign its right to future income, including the right to receive Common Expense assessments;
 - (xv) Exercise any other powers conferred by law, the Declaration or these Bylaws;
 - (xvi) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and
- (xvii) Purchase, lease or otherwise acquire, pursuant to Article 14 of the Declaration, Units offered for sale or lease or surrendered by their Owners to the Board of Directors and sell, lease, mortgage, vote the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise deal with the Unit so acquired.

In furtherance of the foregoing, such powers and duties of the Board of Directors shall also include but shall not be limited to the following:

- (xviii) Operation, care, upkeep and maintenance of the Common Areas.
 - (xix) Determination of the Common Expenses required for the affairs of the Association, including, without limitation, the operation and maintenance of the Property and for the establishment of reserves to provide for maintenance, improvements, replacements, working capital, bad debts, depreciation, obsolescence and similar purposes as are deemed desirable.
 - (xx) Collection of the Common Expenses from the Unit Owners.

- (xxi) Opening of bank accounts on behalf of the Association and designating the signatories required thereafter.
- (xxii) Selling, leasing, mortgaging (but not voting the votes appurtenant thereto) or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Directors or its designee, on behalf of all Unit Owners.
- (xxiii) Obtaining necessary insurance for the property, including the Units.
 - (xxiv) The Board of Directors shall have the power to enforce obligations of the Unit Owners, to allocate profits and expenses, and to do anything and everything else necessary and proper for the sound management of the Association.
 - (xxv) Make repairs, additions and improvements to or alterations of the property after damage or destruction by fire or other casualty, or after condemnation or eminent domain proceedings, in accordance with the provisions of the Unit Ownership Act, the Declaration or these Bylaws.
 - (xxvi) Entering as a tenant into a long or short term lease of recreational property and facilities.
- (xxvii) Purchase Units at foreclosure or other judicial sales in the name of the Association or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (xxviii) Organize corporations to act as designees of the Association in acquiring title to or leasing Units on behalf of all Unit Owners.
 - (xxiv) Exercise any other powers necessary and proper for the governance and operation of the Association.

Amendments to the Declaration required to be recorded by the Association shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the President of the Association.

The Board of Directors or its officers may delegate to other persons, or to a managing agent, all powers set forth above except for the following set forth in this subparagraph (b): i, ii, iii, iv, xi, xiv, xv, xvi, xvii, xxiv.

(c) Removal of Members of the Board of Directors. At any duly held regular or special meeting of the Unit Owners at which a quorum is present, any one or more of the members of the Board of

Directors may be removed with or without cause by a two-thirds vote of the Unit Owners present and voting, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed shall be given an opportunity to be heard at the meeting.

- (d) <u>Vacancies</u>. Vacancies in the Board of Directors caused by any reason other than removal of a member by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining members of the Board of Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member whose term he or she is filling and until his or her successor shall be elected.
- (e) <u>Compensation</u>. A Director may not receive a fee from the Association for acting as such however, he or she may receive reimbursement for necessary expenses actually incurred in connection with his or her duties.
- Meetings of the Board of Directors. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least two meetings shall be held each Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors by mail, hand delivery or telegraph at least three business days prior to the day of the meeting. Special meetings of the Board of Directors may be called by the President on three business days' notice to each member of the Board of Directors given by mail, hand delivery or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or the Secretary in like manner and on like notice on the written request of a majority of the members of the Board of Directors. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by members of the Board of Directors at any meeting of it shall constitute a waiver of notice by him of the time and place thereof.
- (g) Quorum of the Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Board of Directors present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which

may have been transacted at the original meeting may be transacted without further notice.

- (h) Consent to Corporate Action. If all the members of the Board of Directors or all members of a Committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the members of the Board of Directors or Committee constitutes a quorum for such action, such action shall be a valid corporate action as though it had been authorized at a meeting of the Board of Directors or the Committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Board of Directors.
- Liability of the Board of Directors. In the performance of their duties, the officers and members of the Board of Directors are required to exercise ordinary and reasonable care. The Unit Owners shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the Common Areas bears to the interest of all Unit Owners in the Common Areas.

All officers and members of the Board of Directors, having the responsibility for handling funds of the Association, are to be bonded. The premiums on such bonds shall constitute a common expense.

SECTION 4.

OFFICERS

(a) <u>Designation</u>. The principal officers of the Association shall consist of a President, Vice President, Secretary and Treasurer of the Association. The Secretary need not be a member of the Board of Directors, but may be appointed by the Board of Directors. Any two offices may be held by the same person, except the offices of President and Vice President and the offices of President and Secretary. The office of Vice President may be vacant. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment

in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

- (i) Removal of officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause and his or her successor may be elected at any regular meeting of the Board of Directors called for such purpose.
- (j) Resale Certificates and Statements of Unpaid Assessments. Any officer of or a manager employed by the Association may prepare, certify and execute resale certificates and statements of unpaid assessments. The Association may charge a reasonable fee for preparing resale certificates and statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Board of Directors and shall be in accordance with the provisions of the Connecticut General Statutes. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as Common Expenses against the Unit for which the certificate or statement is furnished.

SECTION 5.

UNIT OWNERS

- (a) <u>Membership</u>. Any person who acquires title to a Unit in Plumtree Heights Condominiums Nos. 1 through 4 shall be a member of the Association. Such membership shall be automatically transferred upon the conveyance of any such Unit.
- (b) <u>Annual Meetings</u>. Annual meetings of the Unit Owners shall be held during the month of June.
- (c) <u>Place of Meeting</u>. Meetings of the Unit Owners shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.
- (d) <u>Special Meetings</u>. Special meetings of the Association may be called by the President, a majority of the Board of Directors, or by Unit Owners having twenty-five (25%) percent of the votes in the Association. No business shall be transacted at a special meeting except as stated in the notice.
- (e) <u>Notice of Meetings</u>. Not less than ten (10) nor more than twenty (20) days in advance of any meeting, the Secretary or other officer specified by the President shall cause notice to be hand-delivered or sent postage prepaid by United States mail to the

mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove an officer or member of the Board of Directors. No action shall be adopted at a meeting except as stated in the notice.

- (f) Adjournment of Meeting. At any meeting of Unit Owners a majority of the Unit Owners who are present at the meeting, either in person or by proxy, may adjourn the meeting to another time.
- (g) <u>Order of Business</u>. The order of business at the annual meeting of the Unit Owners or at any special meeting as far as practicable shall be:
 - (i) Calling of the roll and certifying the proxies.
 - (ii) Proof of notice of meeting or waiver of notice.
 - (iii) Reading and disposal of any unapproved minutes.
 - (iv) Receiving reports of officers.
 - (v) Receiving reports of committees.
 - (vi) Election of inspector of election (when required).

 - (viii) Old business.
 - (ix) New business.
 - (x) Adjournment.

At all meetings of the Unit Owners or of the Board of Directors, Roberts' Rules of Order shall be followed.

- (h) <u>Majority of Votes</u>. A vote of the majority of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where a higher percentage vote is required by the Declaration, these Bylaws or by law.
 - (i) Method of Voting:
 - (i) Each Unit shall be allocated one equal vote.
 - (ii) If only one of several owners of the Unit is present at a meeting of the Association, that owner is entitled to

cast the vote allocated to that Unit. If more than one of the owners are present, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

- (iii) The vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the Board of Directors or Bylaws of the owning corporation or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
 - (iv) A vote allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner and filed with the Secretary at or before the time of each meeting. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given pursuant to this subparagraph only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date, unless it specifies a shorter term.
 - (v) No votes allocated to a Unit owned by the Association may be cast.
- (j) <u>Quorum</u>. Except as otherwise provided in these Bylaws or in the Declaration, the Unit Owners present in person or by proxy, at any meeting of Unit Owners, shall constitute a quorum at such meeting.

SECTION 6.

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

- (a) Assessment of Common Expenses.
- (i) The Board of Directors shall, from time to time, and at

least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the common expenses of Owners to meet the Condominium, and allocate and assess such common charges among the Unit Owners according to their percentage of undivided interest, as established by the Declaration. The Board of Directors shall advise all Unit Owners promptly, in writing, of the amount of common charges payable by each of them, respectively, as determined by the Board of Directors, as aforesaid, and shall furnish copies of each budget on which such common charges are based to all Unit Owners and to their mortgagees upon request. The Common Expenses shall include, among other things:

- (A) The cost of repairs and maintenance of the Common Areas and of the Limited Common Areas;
- (B) All insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors, and the fees and expenses of the Trustee;
- (C) Such amounts as the Board of Directors may deem proper for the operation of the Condominium including, without limitation, an amount for its working capital, a general operating reserve, a reserve fund for replacements, and sums necessary to make up an deficit in the Common Expenses for any prior year;
- (D) Expenses incurred in leasing or otherwise acquiring the right to use either exclusively or in common with others, recreational or other facilities for the benefit of Unit Owners;
- (E) Such amounts as may be required for the purchase or lease by the Board of Directors, or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit, or of any Unit to be acquired by foreclosure proceedings or proceedings in lieu of foreclosure or which is to be sold at a judicial sale.
- (ii) Assessments to pay a judgment against the Association may be made only against the Units in the Common Interest Community at the time the judgment was rendered, in proportion to the Common Expense liabilities.
- (iii) If any Common Expense is caused by the misconduct of any Unit Owner, the Association, after Notice and Hearing may

assess that Expense exclusively against his Unit, and any insurance premium increase attributable to a particular Unit by virtue of activities shall be assessed against that Unit.

- (iv) Fees, charges, late charges, fines and interest charged against a Unit Owner, pursuant to the Documents and the Act are enforceable as Common Expense assessments.
 - (v) If Common Expense liabilities are reallocated, Common Expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.
- (vi) All Unit Owners shall be obligated to pay the common charges and Common Expenses assessed by the Association monthly on the first day of each month or at such time or times as the Board of Directors shall determine.
 - (b) Collection of Common Expenses.
 - (i) Any past due common expenses, assessment or installment thereof bears interest at the rate established by the Association, not exceeding eighteen (18%) percent per year. The use of recreational facilities by any Unit Owner entitled to such use may be suspended by action of the Board of Directors during the period when Common Charges remain in default.
- (ii) The Association has a statutory lien on a Unit for any assessment levied against that Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes due. Fees, charges, late charges, fines and interest charged are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.
- A lien under this Section is prior to all other liens and (iii) encumbrances on a Unit except (A) liens and encumbrances recorded before the recordation of the Declaration; (B) a first or second security interest on the Unit recorded before the date on which the assessment sought to be enforced became delinquent, and (C) liens for real property taxes and other governmental assessments or charges against the Unit. The lien is also prior to all security interests described in subdivision (B) of this of the Common Expense subsection to the extent assessments based on the periodic budget adopted by the Association pursuant to the Declaration or the Bylaws which would have become due in the absence of acceleration during the six months immediately preceding

institution of an action to enforce the lien or for such greater period of time as provided in Section 47-258 of the Connecticut General Statutes, together with costs of suit and attorney's fees. This subsection does not affect the priority of mechanic's, or materialmen's liens, or the priority of liens for other assessments made by the Association.

- (iii) Recording of the Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.
- (iv) A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within two years after the full amount of the assessments become due; provided, that if an owner of a Unit subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty days after the automatic stay of proceedings under section 362 of the Bankruptcy Code is lifted.
 - (v) This Section does not prohibit actions to recover sums for which subsection (a) of this Section creates a lien (which actions shall not be deemed to constitute a waiver of such lien or the right to foreclose it) or prohibit the Association from taking a deed in lieu of foreclosure.
- (vi) A judgment or decree in any action brought under this Section by the Association shall include costs and reasonable attorney's fees.
- (vii) The Association on written request shall furnish to a Unit Owner a statement in recordable form setting forth the amount of unpaid assessments against the Unit. The statement shall be furnished within ten business days after receipt of the request and is binding on the Association, the Board of Directors and every Unit Owner.
- (viii) The Association's lien may be foreclosed in like manner as a mortgage on real property.
 - (ix) No Unit Owner may exempt himself from liability for payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or by abandonment of the Unit against which the assessments are made.
 - (x) In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court

may appoint a receiver of the Unit Owner pursuant to Section 52-204 of the Connecticut General Statutes to collect all sums alleged to be due from the Unit Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Common Expense assessments based on a periodic budget adopted by the Association.

- (xi) If a holder of a first or second security interest in a Unit forecloses that security interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that security interest as set forth in subsection (b) (iii) hereof. Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.
- (xii) The owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.

SECTION 7.

MAINTENANCE, REPAIR AND REPLACEMENT

- (a) <u>Common Area and Facilities</u>. The Association shall maintain, repair and replace all of the Common Areas and facilities, and in the event that such maintenance, repair or replacement was caused by the negligence or misuse of a Unit Owner, such expense will be charged to such Unit Owner.
- (b) <u>Units</u>. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit, except the portions thereof to be maintained, repaired or replaced by the Association. Each Unit Owner shall be responsible for damages to any other Unit or to the Common Areas caused intentionally, negligently, or by his or failure to properly maintain, repair or make replacements to his or her Unit.

SECTION 8.

ADDITIONS, ALTERATIONS AND IMPROVEMENTS BY UNIT OWNERS

No Unit Owner may make any structural additions, alterations or improvements in or to any building without the prior written consent of the Association and no Unit Owner may make any addition, alteration, or improvement in or to the Condominium without the prior written consent thereto of the Board of Directors. The Board of Directors shall answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement after notice and hearing, within sixty (60) days after such request, but failure to do so within such time shall not constitute consent to such request by the Association.

(a) Any improvements or alterations contemplated pursuant to this Section are also subject to the provisions of any law, ordinance and the like and to the rules and regulations of any federal, state or local agency having jurisdiction over the work. No approval hereunder shall excuse full and complete compliance with the foregoing, including application for permits and approvals to such agencies and the payment by the Unit Owner of any fees required by them.

SECTION 9.

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY BOARD OF DIRECTORS

Whenever, in the judgment of the Board of Directors, the Common Areas shall require additions, alterations or improvements costing more than ten (10%) percent of the operating budget for the year in which the expenditure is proposed, which are not to be at the expense of an individual Unit Owner for his or her own benefit, and the making of such additions, alterations or improvements shall have been approved at an annual or special meeting of the Unit Owners and by the holders of first mortgages encumbering ten (10%) percent of the undivided interest in the Common Areas subject to mortgages, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations or improvements costing less than ten (10%) percent of the operating budget or less may be made by the Board of Directors without further approval of the Unit Owners or any mortgagees of the Units, and the cost thereof will constitute part of the Common Expenses.

SECTION 10.

SEWER, WATER AND ELECTRICITY CHARGES

Each Unit Owner shall be required to pay the sewer and water charge pertaining to his unit as billed by the Town of Bethel and for electricity as billed by the public utility company servicing the area. Sewer and water services and electricity supplied to the Common Areas shall be billed separately, and the Association shall pay such bills as a Common Expense.

SECTION 11.

RIGHT OF ACCESS

Each Unit Owner shall grant a right of access to his or her Unit to the manager, or any other person authorized by the Association or the manager for the purpose of making of inspections or for the purpose of correcting any condition originating in his or her Unit and threatening another Unit or the Common Areas, or for the purpose of performing installations, alteration or repairs to the mechanical or electrical services or other Common Areas in his or her Unit, provided that requests for entry are made in advance and that any such entry be at a time reasonably convenient to the Unit Owners. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

SECTION 12.

USE OF PROPERTY

- (a) Restrictions on the use of Units: In order to provide for the congenial occupancy of the Property and for the protection of the values of the Units, the use of the property shall be restricted to, and shall be in accordance with the following provisions:
 - (i) The residential units shall be used for residential purposes only.
 - (ii) Garage Units shall be used for the storage of motor vehicles and other miscellaneous storage purposes. Such use shall be in a neat and clean manner consistent with their purpose as residential garages accessory to home ownership.
 - (iii) No nuisances shall be allowed in the Property, nor any use or practice which is a source of annoyance to residents or which interferes with the peaceful

possession and proper use of the property by its residents.

- (iv) No immoral, improper or offensive or unlawful use shall be made of the property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Provisions of the laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the property shall be complied with, by and at the sole expense of the Unit Owners or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property.
 - (v) A portion less than a whole Unit shall not be rented, and no transient tenants may be accommodated.
- (b) <u>Restrictions on the Use of Common Areas and Community Areas</u>:
 - (i) Use of the community area or other recreational Common Areas shall be limited to that of the owners of residential units and their guests.
 - (ii) For any period during which any assessed common charge remains unpaid, or for any period not to exceed thirty (30) days, for any infraction of its published rules and regulations, the Board of Directors may suspend the right to use the recreational Common Areas, and other Common Areas not necessary to give access to the highway.
 - (iii) The Common Areas shall be used only for the purposes for which they are intended.
 - (iv) The Association may charge reasonable admission fees or other use charges for any use of Common Areas which places additional burdens on the facilities or staff beyond that necessary for normal day to day activities, or which offer a unique facility limited to fewer than all Unit Owners.
 - (v) Individual Unit Owners and staff of the Association may have the exclusive use of parking spaces and loading areas as provided in the rules and regulations.
- (c) <u>Rules and Regulations</u>. Rules and regulations concerning the use of the Units and the Common Areas may be made and amended from time to time by the Board of Directors. Copies of such rules and regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time the same shall become effective. Current rules and regulations are on file with the Association.

- (d) Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any obligation contained in the Bylaws or in the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws:
 - (i) To enter the Unit in which or as to which such violation or breach exists and to summarily abate and remove at the expense of the defaulting Unit Owner any structure, thing or condition that exists therein, contrary to the intent and meaning of the provisions thereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or
 - (ii) To enjoin, abate or remedy the continuance of any such breach by appropriate equitable proceedings including mandatory injunction, there being no appropriate legal remedy, at the cost of the Unit Owner, including reasonable attorney's fees.
 - (iii) To levy summary charges against a Unit Owner for such violation, in addition to such damages, provided that no summary charges may be levied for more than \$5.00 for any one violation; but for each day a violation continues after notice, it shall be considered a separate violation. Collection of charges for damages or summary charges may be enforced against the Unit Owners involved as if the charge were a common charge owed by the particular Unit Owner or Owners.

SECTION 13.

MORTGAGES

- (a) Notice to Association. A Unit Owner who mortgages his or her unit or the mortgagee shall notify the Association of the name and address of the mortgagee and shall file a conformed copy of the mortgage with the Association. The Association shall maintain such information in a book entitled "Mortgages of Units".
- (b) <u>Statement of Common Charges</u>. The Association, whenever so requested in writing by a mortgagee or by a prospective mortgagee of a unit, shall promptly report any then unpaid common charges due from, or any other default by, the owner of the mortgaged unit.
- (c) Notice of Default. The Association, when giving notice to a Unit Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit if the name and address of such

mortgagee has previously been furnished to the Association.

- (d) <u>Examination of Books</u>. Each mortgagee of a Unit shall be permitted to examine the books of account of the Association at a reasonable time, on business days.
- (e) Appointment of Trustee. In the event of damage or destruction under Section 16 or condemnation of all or a portion of the condominium, any mortgagee may require that such proceeds be payable to a trustee established pursuant to Section 15(b)(iii)(J). Such trustee may be required to be a corporate trustee licensed by the State of Connecticut. Proceeds will thereafter be distributed pursuant to Section 16 or pursuant to a condemnation award. Unless otherwise required, the members of the Board of Directors acting by a majority vote through the President may act as trustee.

SECTION 14.

RESTRICTIONS UPON SALES, LEASES OF UNITS AND OTHER TRANSFERS

- (a) <u>Sales and Leases</u>. No Unit Owner may sell or lease his or her unit or any interest therein except by complying with the provisions of this Section.
- (b) Notice by Unit Owner: Any Unit Owner who receives a bona fide offer for the purchase of his or her Unit together with the Appurtenant Interest; or any Unit Owner who receives a bona fide offer for lease of his Unit, (either of which offers are hereinafter called "outside offer") which he or she intends to accept, shall give written notice to the Association of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Association may reasonably require.
- (c) Offer to Association: The Unit Owner shall thereupon offer to sell such Unit together with the Appurtenant Interest, or to lease such Unit to the Association or its designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such outside offer, however if the terms and conditions provide for a mortgage at the time of transfer, the Association may, at its option, pay for the Unit in cash. The time for closing by the Association may be extended to up to fifteen (15) days beyond the election of the Association to so purchase the Unit.
- (d) Representation by Unit Owner: The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Association on behalf of the other Unit Owners, that such Unit Owner believes the outside offer to be bona fide in all respects and that he or she intends to

accept it.

- (e) <u>Election by Board of Directors</u>: Within forty (40) days after receipt of such notice, the Board of Directors may elect, by notice to such Unit Owner, to purchase such Unit, together with the Appurtenant Interest, or to lease such Unit as the case may be, or to cause the same to be purchased or leased by its designee (corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the outside offer subject to the modifications thereof outlined in subsection (c) hereof and as stated in the notice from the offering Unit Owner.
- (f) <u>Closing of Title</u>: In the event the Board of Directors shall elect to have the Association purchase such Unit, together with the Appurtenant Interest, or to lease such Unit, or to cause the same to be purchased or leased by its designee, (corporate or otherwise), the transfer shall take place at the office of the Association or its attorney.
- (g) <u>Lease</u>: In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Association or to its designee a lease between the offering Unit Owner as landlord and the Association or its designee, (corporate or otherwise), as tenant, covering such Unit, on the terms and conditions contained in such outside offer.
- (h) Failure to Accept Offer: In the event the Board of Directors shall fail to accept such offer within forty (40) days as aforesaid, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interest, or to lease such Unit as the case may be, within sixty (60) days after the expiration of the period in which the Board of Directors or its designee might have accepted such offer, to the outside offeror, on the terms and conditions set forth in the notice of such outside offer.
- (i) Failure to Consummate Outside Sale or Lease: In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit, together with the Appurtenant Interest, or to lease such Unit, as the case may be, to the outside offeror, on the terms and conditions in the outside offer, or if the Unit Owner shall so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interest, or to lease such Unit, as the case may be, to the same or another outside offeror, on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section.

- (j) Options: In the event an option is granted by a Unit Owner to sell or lease his Unit, at the time the option is exercised it shall be subject to the provisions of this Section as if it were an offer by the optionee to purchase or lease the Unit.
- (k) Provisions in Lease: Any such lease shall be consistent with these Bylaws and shall provide that it may not be modified, amended, extended or assigned without the prior written consent of the Board of Directors, that the tenant shall not sublet the demised premises, or any part thereof, without the prior written consent of the Board of Directors, and that the Association shall have the power to terminate such lease, and bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of said lease, or failure by the tenant to perform an obligation in the Declaration, Bylaws or Rules and Regulations.
- (1) <u>Violation</u>: Any purported sale or lease of a Unit in violation of this Section shall be voidable within five (5) years from date of recording the document evidencing such sale or lease at the election of the Board of Directors, and the Association may take such other action against the parties to such transaction as permitted by law.
- (m) Consent of Unit Owners to Purchase or Lease of Units by Board of Directors: The Board of Directors shall not exercise any rights herein above set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners given at a regular or special meeting of the Unit Owners.
- (n) Release by Board of Directors of Right of Refusal: The right of first refusal contained in this Section may be waived by the Board of Directors with respect to a particular sale or lease, in which event the Unit, together with the Appurtenant Interest may be sold, conveyed or leased, or a previous sale, conveyance or lease may be confirmed to be free and clear of the provisions of this Section.
- (o) Financing of Purchase of Units by Association: Acquisition of Units by the Association or its designee on behalf of all Unit Owners may be made from the working capital and Common Charges in the hands of the Association or, if such funds are insufficient, the Association may levy an assessment against each Unit Owner in proportion to his ownership in the Common Areas, as a Common Charge, or the Association, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any interest other than the Unit, together with the Appurtenant Interest, so to be acquired by the Association.
- (p) <u>Exceptions</u>: The provisions of this Section shall not apply with respect to any sale or lease by a Unit Owner of his or

her Unit to his or her spouse or to any of his or her children, or to his or her parents or brothers or sisters or any one of them or to the acquisition or sale of a Unit by a mortgagee herein authorized, who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure, or the acquisition of a Unit by a purchaser at any judicial sale.

- (q) <u>Gifts and Devise</u>: Any Unit Owner shall be free to convey or transfer his Unit by gift, or to devise his Unit by will, or to pass the same by intestacy, without compliance with any of the provisions of this Section.
- (r) Certificate of Termination of Right of First Refusal: A certificate executed and acknowledged by the president, secretary or treasurer of the Association, on behalf of the Association, stating that the provisions of this Section have been met by a Unit Owner, have been duly waived by the Board of Directors, or that the transfer is exempt from this Section, shall be conclusive upon the Association and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of this Section.
- (s) Waiver of Right to Partition with Respect to Such Units as are Acquired by the Association or its Designee: In the event that a Unit shall be acquired by the Association or its designee on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

SECTION 15.

INSURANCE

- (a) <u>Coverage</u>. To the extent available, the Association shall obtain and maintain insurance coverage as set forth in subsections (b), (c) and (d) hereof. If such insurance is not reasonably available, and the Board of Directors determines that any insurance is not reasonably available or that any insurance described herein will not be maintained, the Board of Directors will cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Unit Owners and to the holders of mortgages covering units if the name and address of such mortgagee has been previously furnished to the Association. All insurance affecting the property shall be governed by the provisions of this Section.
- (b) <u>Property Insurance</u>. All buildings and improvements (as defined in subsection (v) hereof), and all of the personal property owned by the Association, shall be insured, for the benefit of the Association, the Unit Owners and mortgagees of Units, against risks

of physical damage as follows:

(i) Amounts: As to real property, for an amount equal to not less than ninety (90%) percent of its replacement costs; as to personal property, for an amount equal to its actual cash value.

The Board of Directors is authorized to obtain appraisals periodically for the purpose of establishing the replacement cost of the project facilities and the actual cash value of the personal property. The cost of such appraisal will be a common expense.

- (ii) <u>Risks Insured Against</u>: The insurance shall afford protection against loss or damage by reason of:
 - (A) Fire and other perils normally covered by extended coverage;
 - (B) Vandalism and malicious mischief;
 - (C) Such other risk of physical damage as from time to time may be customarily covered with respect to buildings and improvements similar in construction, location and use as those on the property, including, without limitation, builder's risk coverage for improvements under construction; and
 - (D) Such other risks of physical damage as the Board of Directors may from time to time deem appropriate.
- (iii) Other Provisions. The insurance shall include, without limitation, the following provisions:
 - (A) Waivers by the insurer of rights of subrogation, other than those based on fraud or criminal acts, against the Association and the Unit Owners;
 - (B) The insurance shall not be affected or diminished by reasons of any other insurance carried by any Unit Owner or mortgagee of a Unit;
 - (C) The insurance shall not be affected or diminished by any act or neglect of any Unit Owner or any occupants or owners of any improvements when such act or neglect is not within the control of the Association;
 - (D) The insurance shall not be affected or diminished by failure of any Unit Owner or any occupants or owners of any improvements to comply with any warranty or condition when such failure to comply

is not within the control of the Association;

- (E) Such deductible as to loss, but not coinsurance features, as the Board of Directors in its sole judgment deems prudent and economical;
- (F) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Unit Owner any holder of a mortgage to whom a certificate or memorandum of insurance has been issued at their respective last known addresses;
- (G) Provisions for identification of mortgagees of Units and for the allocation of their several interests to specific Units;
- (H) The standard mortgagee clause, except that any loss otherwise payable to named mortgagees shall be payable in the manner set forth in subsection (J) hereof;
- (I) Adjustment of loss shall be made with the Board of Directors of the Association;
- (J) Insurance proceeds will be paid to any insurance trustee designated in the policy for that purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee; and
- (K) The named insured shall be the Association.
- (iv) Evidence of Insurance. Certificates of insurance signed by an agent of the insurer together with copies of all endorsements thereto and proof of payment of premiums, shall be delivered to all mortgagees who have notified the Association of their existence of Units at the times such policies are issued, and at least ten (10) days prior to the expiration of any then current policies.
 - (v) <u>Definition</u>. As used in this Section, the term "all buildings and improvements" shall include, without limitation, all Units and the standard unit partition walls, fixtures and installations initially installed by the Declarant, as shown on the copy of the engineering and architectural plans and specification on file in the office of the Building Inspector of the Town of Bethel, as from time to time may be amended, and replacements

thereof, and shall exclude fixtures, alterations, installations or additions situated within a portion of the property used exclusively by an individual Unit Owner and made or acquired at the expense of an individual Unit Owner of that portion of the property.

- (c) <u>Liability Insurance</u>. The Board of Directors shall obtain and maintain public liability insurance for bodily injury and property damage in such limits as the Board of Directors may from time to time determine, insuring the Association, the Board of Directors, the Manager (at the discretion of the Board of Directors), and each Unit Owner with respect to his or her liability arising from ownership, maintenance or repair of the Common Areas, including, without limitation, liability arising from construction operations. Such liability insurance shall also cover cross-liability claims among Unit Owners and the Association. The Board of Directors shall review such limits at least annually. The insurance provided under this Section shall include, without limitation, the following provisions:
 - (i) The insurance shall not be affected or diminished by any act or neglect of any Unit Owner or any occupants or owners of any improvements when such act or neglect is not within the control of the Association;
 - (ii) The insurance shall not be affected or diminished by the failure of any Unit Owner or any occupants or owners of any improvements to comply with any warranty or conditions when such failure to comply is not within the control of the Association; and
 - (iii) Waivers by the insurer of rights of subrogation, other than those based on fraud or criminal acts, against the Association and the Unit Owners.
 - (iv) Each Unit Owner is an insured person under the policy with respect to liability arising out of his or her interest in the Common Elements or membership in the Association.
 - (v) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Unit Owner and each holder of a mortgage to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.
- (d) <u>Workers' Compensation Insurance</u>. The Board of Directors shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Connecticut.

(e) Other Insurance. The Board of Directors is authorized to obtain and maintain such other insurance as it may from time to time deem appropriate.

SECTION 16.

DAMAGE TO OR DESTRUCTION OF PROPERTY

- (a) <u>Duty to Repair or Restore</u>. Property damaged or destroyed shall be repaired or restored promptly by the Association, except as provided in subsections (e)(ii) and (f)(v) of this Section.
- (b) Estimate of Cost. Promptly after damage to or destruction of the property, and thereafter as it deems advisable, the Board of Directors shall obtain reliable and detailed estimates of the cost of repair or restoration. If such cost in the opinion of the Board of Directors may exceed \$5,000.00, the Board of Directors may retain the services of an architect to assist in the determination of such estimates and in the supervision of repair and restoration.
- (c) <u>Collection of Construction Funds</u>. Construction funds may consist of insurance proceeds, condemnation awards, proceeds of assessments against Unit Owners, payments by Unit Owners for damage to or destruction of Units, and other funds received on account of or arising out of injury or damage to the property.
 - (i) <u>Insurance Proceeds</u>: The Board of Directors shall adjust losses under physical damage insurance policies of the Association. Such losses shall be payable in accordance with Section 15(b)(iii)(J).
 - (ii) <u>Condemnation Awards</u>: Condemnation awards shall be payable in accordance with Article 17 of the Declaration.
 - (iii) Assessments Against Unit Owners: If the insurance proceeds and condemnation awards are insufficient to effect the necessary repair or restoration of Common Areas, such deficiency shall be charged against all Unit Owners as a Common Expense. The proceeds of assessments for such Common Expense shall be paid by the Board of Directors to the Trustee, if any.
 - (iv) Payment by Unit Owners: Payments received from Unit Owners pursuant to subsection (e)(ii)(B) of this Section shall be paid by the Board of Directors to the Trustee, if any.
 - (v) <u>Payments by Others</u>: Any other funds received on account of or arising out of injury or damage to the property

shall be paid by the Board of Directors to the Trustee, if any.

- (d) <u>Plans</u>. The property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Board of Directors, a majority of the Unit Owners and fifty-one (51%) percent of the holders of first mortgages encumbering units in the collective condominiums.
- (e) <u>Units</u>. Damage to or destruction of improvements situated within a <u>Unit shall</u> be repaired or restored (except after a determination not to repair or restore pursuant to Section (f) (v) of this Section) as follows:

(i) <u>Construction Funds</u>:

- (A) To the extent that such damage or destruction is covered by insurance of the Association or by a condemnation award not specifically allocated to the Unit Owner, the proceeds of such insurance or award shall be made available for the repair or restoration of the Unit.
- (B) To the extent that such damage or destruction is not covered by insurance of the Association or by a condemnation award not specifically allocated to the Unit Owner, such Unit Owner shall be responsible for the cost of repair and restoration.

(ii) Performance of Work and Payment:

- (A) If there is no damage to or destruction of Common Areas, or if the combined damage to or destruction of all affected Units and the Common Areas does not exceed \$5,000.00 the repair or restoration of the Unit shall be effected by the Unit Owner.
- (B) If there is damage to or destruction of Common Areas and the combined damage to or destruction of all affected Units and the Common Areas exceeds \$5,000.00, the repair or restoration of the Unit shall be effected by the Association, to the extent that construction funds as described in Subsection (e)(i)(A) of this Section are available and to the extent that the Unit Owner makes payment as hereafter provided. Each Unit Owner shall pay to the Board of Directors such sum as is necessary, according to the estimate of cost described in subjection (b) of this Section, to cover any part of the cost of repair or restoration which is not covered by insurance of the Association or by a

condemnation award not specifically allocated to the Unit Owner.

- (f) <u>Disbursement of Construction Funds</u>. The Trustee, if any shall deduct from the construction funds its actual costs, expenses and a reasonable fee for the performance of its duties. The Trustee, or if there is no insurance Trustee, then the Board of Directors shall disburse the balance of construction funds in the following manner:
 - (i) Damage or Destruction Not Exceeding \$5,000.00: If there is an insurance Trustee, in the event of damage or destruction of the property not exceeding \$5,000.00, and upon receipt of proper certification of such fact from the Board of Directors, the Trustee shall deliver such balance to the Board of Directors, and the Board of Directors shall thereupon administer said balance in the same manner as required of the Trustee by this Section.
 - (ii) Payment of Repair or Restoration: The Trustee, if any, or the Board of Directors shall apply such balance to pay directly, or to reimburse the Association for the payment for, the costs of repair or restoration of the property including the cost of temporary repairs for the protection of the property pending the completion of permanent repairs and restoration, upon written request of the Association in accordance with subsection (g) of this Section, and upon an architect's certificate stating that the work represented by such payment has been completed satisfactorily.
 - (iii) Contributions by Unit Owners: The Association shall maintain a separate account as to each Unit with respect to payments by a Unit Owner pursuant to subjection (e)(ii)(B) of this Section, and expenditures of such payments. General expenses of administration, such as deductions by the Trustee, if any for its costs, expenses and fees, shall be charged against the Association's construction fund and against Unit Owners payments pursuant to subsection (e)(ii)(B) of this Section, in proportion to the amounts of each. All portions of such payments by Unit Owners not expended as herein provided shall be refunded to the Unit Owners, and the mortgagees of their Units as their interests may appear.
 - (iv) <u>Surplus Funds</u>: If, after payment of all repairs and restoration, and the refund of any excess payments by Unit Owners pursuant to subsection (f)(iii) of this Section, there remain any surplus funds, such fund shall be paid to Unit Owners in proportion to their contributions resulting from assessments levied against them pursuant to subsection (c)(iii) of this Section;

provided, however, that no Unit Owner shall receive a sum greater than that actually contributed by him or her. Any surplus remaining after such payments shall be paid to the Association if held by an insurance Trustee and shall be part of its general income; except that to the extent such surplus consists of condemnation awards for the taking of Units described in Article 17, Section 2, of the Declaration, it shall be paid to the Unit Owners in the proportion in which such awards were originally made.

- (v) <u>Determination Not to Repair or Restore:</u> If there is substantially total destruction of all improvements on the Property, and three-fourths (3/4) of the Unit Owners vote not to proceed with repair or restoration, the Condominium shall be deemed terminated and any balance of construction funds, after the refund of any payments by Unit Owners pursuant to Subsections (f) (iii) and (f) (iv) of this Section, shall be disbursed in accordance with Section 47-84 of the Unit Ownership In the event of dispute as to the fact substantial total destruction, that issue shall be submitted to arbitration in accordance with the Rules of the American Arbitration Association.
- (g) <u>Certificates</u>. A Trustee, if one is appointed under the provisions of Section 15(b)(iii)(J) may rely on the following written certifications by the Board of Directors:
 - (i) Whether or not damaged or destroyed property is to be repaired or restored.
 - (ii) Whether or not, in the opinion of the Board of Directors, the cost of repair or restoration may exceed \$5,000.00.
 - (iii) The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.
 - (iv) In the event payments are to be made to a Unit Owner or Mortgagee, the name of the Unit Owner, the Mortgagee and the percentage of undivided interest of the Unit in the Common Areas.

SECTION 17.

TORT LIABILITY

Each Unit Owner shall be deemed to have released and exonerated each other Unit Owner and the Association, and the

Association shall be deemed to have released and exonerated each Unit Owner from any tort liability other than that based on fraud or criminal acts to the extent to which such liability is satisfied by the proceeds of liability insurance carried by a Unit Owner or by the Association.

SECTION 18.

RECORDS

- (a) The Association shall maintain accounting records according to generally accepted accounting principles. Such records shall include: (i) a record of all receipts and expenditures; (ii) an account for each Unit which shall designate the name and address of each Unit Owner, the amount of each assessment, the dates on which the assessment comes due, the amounts paid on the account, and the balance due; (iii) a record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Areas; (iv) an accurate account of the current balance in the reserve for replacement and for emergency repairs; (v) such other records as shall enable the Association to prepare resale certificates as required by Section 47-270 of the Connecticut General Statutes with respect to the following:
 - (i) An account for each Unit showing the amounts of monthly Common Expense assessments currently due and payable from each Unit Owner.
 - (ii) An account for each Unit Owner showing any other fees payable by each Unit Owner.
 - (iii) A record of any capital expenditures in excess of \$1,000.00 approved by the Board of Directors for the current and next succeeding fiscal year.
 - (iv) A record of the amount of any reserves for capital expenditures.
 - (v) The current operating budget.
 - (vi) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- (b) The Association shall keep detailed records of the actions of the Board of Directors and the Manager, Minutes of the Meetings of the Board of Directors, Minutes of the Meetings of the Unit Owners, names of the Unit Owners and mortgagees and a copy of

architectural and engineering plans and specifications as on file with the Building Inspect of the Town of Bethel. Unless the Unit Owner notifies the Association of change in ownership, the Association may rely on the names of the Unit Owners appearing on the municipal tax assessor's list as of the last municipal assessment date.

(c) Records maintained by the Association or by the Manager shall be available for examination and copying by any Unit Owner, his or her duly authorized agents or attorneys, at the expense of the Unit Owner, during normal business hours and after reasonable notice. Records maintained by the Association or by the Manager, including monthly financial records and year end balance sheets.

SECTION 19.

MISCELLANEOUS

- (a) Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Directors in care of the President of the Association and/or to the managing agent if there be a managing agent. All notices to any Unit Owner shall be mailed or delivered to the building in which the Unit is situated, or to such other address as may have been designated by him or her from time to time in writing to the Board of Directors. All notices to mortgagees of Units shall be sent by mail to their respective addresses as designated by them from time to time in writing to the Board of Directors. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.
- (b) <u>Invalidity</u>. The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability or effect of the balance of these Bylaws.
- (c) <u>Captions</u>. The captions inserted herein are inserted only as a matter of convenience and for reference and do not define, limit or describe the scope of these Bylaws or the intent of any provision thereof.
- (d) <u>Waiver</u>. No restriction, condition, obligation or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

SECTION 20.

MODIFICATION OR AMENDMENT OF BYLAWS

- (a) These Bylaws may be amended either:
- (1) by a majority vote of Unit Owners attending in person or by proxy at a meeting of Unit Owners duly called and held for such purpose or
- (2) a majority of Unit Owner's returning their ballots via U.S. Mail within twenty (20) postal days after such ballots are mailed to the Unit Owners by the Board of Directors together with stamped, self-addressed return envelopes.
- (b) Provided, however, that in order for such a vote to be binding at least twenty-five (25%) percent of Unit Owners must attend such meeting or, the Board of Directors must receive the ballots of at least twenty-five (25%) percent of Unit Owners.
- (c) Provided further however, that if such amendment directly or indirectly changes the boundaries of any Unit, the undivided interest in the Common Areas appertaining thereto, the liability for Common Areas appertaining thereto, mortgage rights, the liability for Common Expenses or rights to common profits appertaining thereto, or the number of votes in the Association appertaining thereto, such amendment shall require the affirmative vote of seventy-five (75%) percent of the Unit Owners and shall, in addition, require the consent of the mortgages of at least seventy-five (75%) percent of the Units subject to mortgage.
- (d) In the event that a meeting of Unit Owners has been called for the purpose of modifying or amending the Bylaws, ballots may be submitted either in person or by proxy.
- (e) Any such amendment shall be fully set forth in a duly recorded Amendment to Declaration.

Certified to be the Bylaws adopted by consent of the Unit Owners and the Board of Directors of Original Plumtree Heights Owners Association, Inc., dated 1996.

PLUMTREE HEIGHTS OWNERS

ASSOCIATION, INC.

President