

Bylaws

Bylaws
HORIZONS CONDOMINIUM
OWNERS ASSOCIATION

BY-LAWS

ARTICLE I

Name and Location of the Corporation

The name of this corporation is Horizons Condominium Owners Association. Its principal office is located in the Town of Ogunquit, County of York and State of Maine.

ARTICLE II

Purposes

The purposes of this corporation are as follows:

Section 2.1. To establish an association of unit owners pursuant to the terms of Chapter 10 of Title 33 of the Maine Revised Statutes of 1964, as amended, which Chapter is known as the \"Unit Ownership Act\", for the operation and maintenance of Horizons Condominium located in the Town of Ogunquit, County of York and State of Maine;

Section 2.2. To establish and maintain a social, educational, recreational and area improvement program for the unit owners in said Horizons Condominium;

Section 2.3. To encourage and assist in the passing of laws, ordinances, rules and regulations which will promote the safety, welfare and improvement of said Horizons Condominium;

Section 2.4. In addition to all the powers, authority and responsibilities granted to or imposed upon this Association by the laws of the State of Maine, specifically including those set forth or referred to in the said Unit Ownership Act, all of which this Association shall have, this Association shall have the following specific powers to the extent permitted by law:

To levy and collect assessments and other charges against members as unit owners to operate said condominium; to purchase, maintain, repair, replace and restore real and personal property; to obtain insurance of all types for the protection of the unit owners and property of the Association; to pledge and mortgage property of the Association; to appoint agents, to hire employees, and to make contracts; to promulgate and enforce rules and regulations for the members of the Association; to operate the premises for the benefit of the unit owners; and generally to do any and all lawful acts necessary or convenient for the fulfillment of the foregoing purposes and to exercise all powers and purposes permitted under Title 13-B M.R.S.A.

Section 2.5. This corporation is not organized for profit and no property or profit thereof shall inure to the benefit of any person, partnership or corporation except in furtherance of the nonprofit-making purposes of the corporation.

ARTICLE III

Membership

Section 3.1. The Members shall consist of all the unit owners of that Property located in the Town of Ogunquit, County of York and State of Maine, known as Horizons Condominium as appears on a Survey and floor plans thereof duly recorded in the York County Registry of Deeds, in accordance with the provisions of the Declaration which is duly recorded in the York County Registry of Deeds by which the said Property has been submitted to the provisions of the said Unit Ownership Act of the State of Maine, to which Declaration these By-Laws have been annexed. For the purposes of these By-Laws the definition of all the words, terms and phrases which have been defined by the said Unit Ownership Act shall be controlled by the definitions set forth in the Declaration.

Section 3.2. Except as provided herein or in the Declaration, membership shall not be transferable. The membership of each unit owner shall terminate upon a sale, transfer or other disposition of the ownership interest of such unit owner in the property, accomplished in accordance with the provisions of the Declaration, and, thereupon, the membership and any interest in the reserve fund shall automatically transfer to, and be vested in, the next owner or owners succeeding to such ownership interest. The Association may, but shall not be required to, issue certificates or other evidence of membership therein.

ARTICLE IV

Meeting of Members

Section 4.1. Meetings of the membership shall be held at the Property or at such other place as may be specified in the Notice of the meeting.

Section 4.2. The annual meeting of the members shall be held on the last Saturday of the month of May on Memorial Day Weekend in each succeeding year, or such other date established by the Board of Trustees by written Notice to the membership at least thirty (30) days in advance thereof. At such meeting there shall be elected by ballot of the members a Board of Trustees in accordance with the provisions of Article V of these By-Laws. The members shall also transact such other business as may properly come before them.

Section 4.3. It shall be the duty of the President or in his absence or disability, the duty of the Secretary, to call a Special Meeting of the members as directed by resolution of the Board of Trustees or upon a Petition signed by the owners of fifty percent (50%) of the ownership interest in the common facilities or areas. The Notice of any Special Meeting shall state the time, place and purpose thereof. No business shall be transacted at a Special Meeting except as stated in the said Notice unless with the consent of four-fifths (4/5) of the members present, either in person or by proxy.

Section 4.4. It shall be the duty of the Secretary, or upon his failure or neglect then of any officer or member, to mail by United States mail, postage prepaid, a Notice of each Annual or Special Meeting stating the purpose, and the time and place thereof, to each member of record. With respect to any Special Meeting such Notice shall be so mailed at least seven (7) days prior to the date so set.

Section 4.5. The presence, either in person or by proxy, of the owners of at least fifty-five percent (55%) of the total number units shall be requisite for, and shall constitute a quorum for, the transaction of business at all meetings of members.

Section 4.6. If at any meeting of members a quorum shall not be in attendance, those members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time at which the original meeting was called.

Section 4.7. Each unit shall be entitled to one vote. If any unit owner consists of more than one (1) person, the voting rights for such unit owner shall not be divided but shall be exercised only jointly as a unit.

Unless by express provisions of the Unit Ownership Act or these By-Laws, or the Declaration, a different vote is required, each question presented at a meeting shall be determined by a majority vote of those present in person or by proxy.

Section 4.8. The vote of any corporate, partnership or trust member may be cast on its behalf by any officer, partner or beneficiary of such member and any such member may appoint, in writing, its officer, partner, beneficiary or any other member as its proxy. Any individual member may appoint, in writing, only his or her spouse or another member as a proxy. Each proxy must be filed with the Secretary prior to the commencement of a meeting, or at any subsequent time that delivery of proxies is required. A proxy shall be limited to voting on specific issues set forth in the Notice of such single meeting and said proxy shall be deemed to have terminated at the close of such meeting; provided, that a proxy shall not be voted upon an issue altered from the issue set forth in the Notice.

ARTICLE V

Board of Trustees

Section 5.1. The affairs of the Association shall be governed by a Board of Trustees. Such governing body shall constitute the governing body referred to in the Unit Ownership Act of the State of Maine as the "Board of Directors" and shall consist of seven (7) persons. Each Trustee shall be a unit owner; or if a unit owner shall be a corporation, partnership or trust, then an officer, partner or beneficiary of such unit owner.

Section 5.2. The Board of Trustees shall have the powers and duties necessary for the administration of the affairs of the corporation and shall have all powers and duties referred to in the Declaration and the statutes of the State of Maine pertaining to corporations without capital stock, as amended from time to time, and may do all such other acts and things provided from time to time by the Unit Ownership Act of the State of Maine to be done by a Board of Directors or by the unit owners collectively except such acts or things as are by law or by these By-Laws or by the Declaration directed to be exercised and done by the members individually. The powers of the Board of Trustees shall include but not be limited to the following:

- (a) To elect the officers of the Association;
- (b) To administer the affairs of the Association and the property;
- (c) To engage the services of a manager, management company and/or managing agent for the property and to fix the terms of such engagement and the compensation and authority of such manager, management company and/or managing agent.
- (d) To promulgate and enforce such rules and regulations concerning the operation and use of the property or of the common areas and facilities as may be consistent with the Declaration and these By-Laws and to amend the same from time to time;
- (e) To provide for the management, operation, maintenance, repair and replacement of the common areas and facilities; and to grant to non-members the use of common areas and facilities, the receipts of which shall be a credit to, and offset against, Common Expenses; and
- (f) To estimate and adopt an annual operating budget and to provide for the assessment and collection from the unit owners their respective shares of the estimated expenses as hereinafter provided.

Section 5.3. Each trustee shall be elected to serve a term of two (2) years. The Trustees shall hold office until their successors have been elected and qualified. The terms of the Trustees shall be fixed so that the terms of at least three Trustees should expire annually. Trustees serving at the time this amendment is ratified will have their terms adjusted to be in compliance with this amendment.

Section 5.4. Any vacancy occurring in the Board of Trustees caused by the resignation or removal of an

existing Trustee or the failure of a Trustee to continue to meet the qualifications of office shall be filled by vote of a majority of the remaining Trustees entitled to vote at a special meeting of the Board of Trustees held for that purpose promptly after the occurrence of any such vacancy, even though the Trustees present at such meeting constitute less than a quorum. A Trustee elected to fill a vacancy to replace an existing Trustee position shall be elected for the unexpired term of his predecessor in office.

Section 5.5. Annual Meetings of the Board of Trustees shall be held immediately following the Annual Meeting of the members and at the same place. Special meetings of the Board may be called by the President or a majority of the Board on (5) days notice to each Trustee by mail or telegram. Trustees may waive Notice of a meeting or consent to or take any action without a formal meeting.

Section 5.6. At all meetings of the Board of Trustees, five (5) Trustees shall constitute a quorum for the transaction of business and any action may be taken by said five (5) Trustees present.

Section 5.7. Any Trustee may be removed from office by the vote of members owning at least three-fourths (3/4) of the ownership interest in the common areas and facilities.

Section 5.8. The Board of Trustees shall obtain adequate fidelity bonds for all officers and employees of the Association handling or responsible for funds of the Association. The premiums of such bonds shall constitute a common expense.

Section 5.9. The members of the Board of Trustees including all officers of the Association shall not be liable to the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless all officers and members of the Board of Trustees against all contractual liability to others arising out of contracts made by the Board of Trustees or officer on behalf of the condominium 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 officers and members of the Board of Trustees shall have no personal liability with respect to any contract made by them on behalf of the condominium. It is also intended that the liability of any unit owner arising out of any contract made by such officer or Board of Trustees shall be limited to such proportion of the total liability thereunder as such unit owner's interest in the common areas and facilities. Every agreement made by officers or the Board of Trustees on behalf of the condominium shall provide that the members of the Board of Trustees or officer as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as unit owners), and such proportion of the total liability thereunder as his interest in the common areas and facilities bears to the interest of all unit owners in the common areas and facilities.

Section 5.10. Directors shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the members.

ARTICLE VI

Officers

Section 6.1. The officers of the Association shall be a President, a Vice-President, a Secretary, a Treasurer, and such other officers as the Board of Trustees may deem appropriate, which officers shall be elected at each Annual Meeting of the Board of Trustees and shall hold office at the pleasure of the Board of Trustees.

Section 6.2. Any officer may be removed at any meeting by the affirmative vote of the majority of the members of the Board of Trustees, either with or without cause, and any vacancy in any office may be filled by the Board of Trustees at any meeting thereof.

Section 6.3. Each respective officer of the Association shall have such powers and duties as are usually

vested in such officer of a corporation without capital stock, including but not limited as follows:

(a) The President shall be a Trustee and shall be the Chief Executive Officer of the Association and shall preside at all meetings of the members and of the Board of Trustees;

(b) The Vice-President shall be a Trustee and shall have all of the powers of the President in the case of the absence, disability or unavailability of the President;

(c) The Secretary shall be a Trustee and shall keep minutes of all meetings of the members and of the Board of Trustees and shall have custody of the Association's seal and have charge of the membership transfer books and such other books, papers and documents as the Board of Trustees may prescribe;

(d) The Treasurer shall be a Trustee and shall be responsible for Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in Association books of account kept for such purpose;

(e) The same person may be elected and serve as Secretary and Treasurer.

Section 6.4. The officers shall receive no compensation for their services except as expressly provided by resolution duly adopted by the members.

ARTICLE VII

Operation of the Property

Section 7.1. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principles and practices. The Association shall furnish its members with a statement of the income and disbursements of the Association for the prior fiscal year within a reasonable time after the close of the same.

Section 7.2. The Board of Trustees shall from time to time, and at least annually -- no later than two (2) months prior to the commencement of the fiscal year, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the unit owners to meet the Common Expenses of the Condominium and, after crediting estimated revenues against the common Charges and deducting the dollar amounts of the estimated revenues from the Common Charges, allocate and assess the balance of the Common Charges among the unit owners in accordance with their respective interest in the common areas and facilities. Expenses shall include, but shall not be limited to, the costs of repairs and maintenance of the common areas and facilities and of the limited common areas and facilities, and the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Trustees pursuant to the provisions of Article VIII of these By-Laws and the fees and disbursements of the Insurance Trustee, utility charges (provided, however, that the owners of units in Cottages shall not be responsible for the payment of that part of the Common Charges that consist of costs for heating units in the Horizons building as set forth in Section 7.11; the cost of the same that would otherwise be allocable to Common Charges assessable to Cottage unit owners shall be assumed by the Horizons building unit owners in proportion to the percentage interests of their respective units in common areas and facilities), and telephone charges assessed hereunder as a Common Expense, office supplies, legal and audit fees, management fees, and administrative fees and other charges and assessments designated as Common Expenses in these By-Laws. The Common Expenses as defined by this Section 7.2 shall also include such amounts as the Board of Trustees may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital for the Condominium, for a general operating reserve, for a reserve fund described in Section 7.8, and to compensate for any deficit in the Common Expenses as defined by this Section 7.2 for any prior year. The Board of Trustees shall advise all unit owners promptly, in writing, of the amount of such annual Common charges, adjusted by said revenues as aforesaid, payable by each of them in

accordance with Section 7.3 and the date upon which each installment thereof is payable, respectively, as determined by the Board of Trustees as aforesaid, and shall furnish copies of each budget on which such Common Charges, adjusted by said revenues as aforesaid, is based, to all unit owners. The fiscal year of the Association shall begin on the first day of July of each year; provided, however, that the commencement date of the fiscal year herein established shall be subject to change by the Board of Trustees.

Section 7.3. On or before the first day of the first month of each quarter of the fiscal year covered by such estimated annual budget, each member shall pay as his respective quarterly assessment and as his Common Charge, adjusted as aforesaid, one-fourth (1/4) of his proportionate share of the amount designated in the estimated annual budget as membership assessments, adjusted as aforesaid. Each member's proportionate share of such Common Charge, adjusted as aforesaid, shall be the same as his respective percentage ownership in the common facilities or areas. Until the annual budget for a fiscal year is sent to each member by the Board of Trustees, the member shall continue to pay that adjusted amount which has been established on the basis of the previous estimated annual budget. If at any time during the course of any fiscal year the Board of Trustees shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimate of either expenses or other income including Net Service Revenue, the Board of Trustees shall prepare and cause to be delivered to the members a revised estimated annual budget for the balance of such fiscal year and thereafter quarterly assessments shall be determined and paid on the basis of such revision.

Section 7.4. Each unit owner shall promptly pay when due the common charges assessed by the Board of Trustees pursuant to Section 7.3. Payments received or postmarked more than 45 days after the due date or the date of the mailed invoice, whichever is later, will be subject to a late fee of \$100.00 per month until payment of such common charges is received.

Section 7.5. In the event of default by any unit owner in paying to the Board of Trustees the common charges as determined and adjusted by the Board of Trustees, as aforesaid, such unit owner shall be obligated to pay said sum of such common charges together with all late fees and expenses, including attorney's fees, incurred by the Board of Trustees in any proceeding brought to collect such unpaid common charges with interest at the legal rate from the due date thereof, and the amount of all of the foregoing shall constitute a lien on the interest of such member on his/her unit(s) and interest(s) in the common areas and facilities. The Board of Trustees shall have the right and duty to attempt to recover such common charges, together with late fees and interest as aforesaid, and the expenses of the proceeding, including attorney's fees, in an action to recover the same against such unit owner, or by foreclosure of the lien on such unit granted by the provisions of the Unit Ownership Act of the State of Maine.

Section 7.6. In any action brought by the Board of Trustees to foreclose a lien on a unit because of unpaid Common Charges, the unit owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Trustees, acting on behalf of all unit owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7.7. No unit owner shall be liable for the Common Charges assessed against his unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of these By-Laws) of such unit, together with the appurtenant interest thereof in common areas and facilities. In addition, any unit owner may, subject to the terms and conditions specified in these By-Laws, provided that his unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for unpaid Common Charges, convey his unit to the Board of Trustees, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from Common Charges thereafter assessed.

Section 7.8. The Association shall establish and maintain a reserve fund for replacements by the allocation

and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Trustees. Such funds shall be conclusively deemed to be common funds. Such funds shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America. The reserve fund for replacements may be expended only for the purpose of effecting the replacement of common areas and facilities or limited common areas and facilities of the Condominium, for replacement of furniture and equipment, and for operating contingencies of a non-recurring nature and this provision shall not be construed as imposing upon the Board of Trustees the obligation of so expending the reserve fund but the Board of Trustees may in its sole discretion elect not to expend the reserve fund; provided, however, that the Board of Trustees may in its discretion waive the requirement of establishing and/or maintaining the reserve fund.

Section 7.9. Water shall be supplied to all of the units and the common areas and facilities through one or more building meters and the Board of Trustees shall pay or cause to be paid, as a Common Expense, all charges for water consumed on the Property promptly after the bills therefore are rendered. Sewer services provided to the common areas shall be paid as a Common Expense by the Board of Trustees. Sewer services provided to or for the benefit of individual units shall be paid for by the unit owner benefited.

Section 7.10. Electricity shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each unit owner shall be required to pay the bills for electricity consumed or used in his unit. The electricity serving the common areas and facilities shall be separately metered, and the Board of Trustees shall pay all bills for electricity consumed in such portions of the common areas as a Common Expense.

Section 7.11. Heat of at least 55°F shall be supplied directly to each unit (other than units contained in the Cottages) and heat of a temperature deemed reasonable by the Board of Trustees shall be furnished to the common areas and facilities and the Board of Trustees shall pay all such bills or such heating used or consumed in said units and common areas and facilities as a Common Expense. Units contained in the Cottages are responsible for their own heat. Cottage owners shall be reimbursed proportionately for common expenses attributable to heating the main building's units.

Section 7.12. The unit(s) may be leased by the unit owner(s), or by the Board of Trustees for the benefit of respective unit(s) on behalf of the owner(s) thereof upon delivery by the owner(s) to the Board of Trustees a written authorization to so lease the unit(s) on behalf of the owner(s).

Section 7.13. The violation of any Rule or Regulation adopted by the Board of Trustees, or the breach of any By-Laws contained herein, or the breach of any provision of the Declaration, shall give the Board of Trustees the right, in addition to any other rights set forth in the Declaration or these By-Laws: (a) 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, condition or person that may exist therein contrary to the Rules and Regulations promulgated by the Board of Trustees and the Board of Trustees shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) in appropriate instances, and for nonpayment of Common Charges, to suspend the rights of a violating unit owner to use his unit and the common areas and facilities.

Section 7.14. All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary, (other than maintenance of and repairs to any common areas and facilities contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any and all other units and/or to the common areas and facilities, that his failure so to do may engender. All maintenance, repairs and replacements to the common areas and facilities, limited common areas and facilities whether located inside or outside of the units, (unless necessitated by the negligence, misuse or neglect of a unit owner), shall be made by the Board of Trustees and be charged to all the unit owners as a Common Expense.

ARTICLE VIII

Insurance Premiums

Section 8.1. The Board of Trustees shall obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the entire Property and furniture in common areas and facilities together with service machinery contained therein and covering the interest of the Association, the Board of Trustees and all unit owners and their mortgagees, as their interests may appear, in such an amount as the Board of Trustees may deem appropriate; each of said policies shall contain a Maine Standard Mortgagee Clause in said policies in favor of each mortgagee of a unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee to the extent of its insurable interest, subject to the provisions of Section 8.5 hereof relating to the use of insurance proceeds for reconstruction unless seventy-five percent (75%) or more of the unit owners vote not to proceed with repair or restoration; (2) such other insurance as the Board of Trustees may determine. All such policies shall provide that adjustment of loss shall be made with the Board of Trustees.

Section 8.2. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled, or substantially modified without at least ten (10) days' prior written notice to all of the insureds. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Trustees shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings and without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Article.

Section 8.3. The board of Trustees shall also be required to obtain and maintain, to the extent required by law, flood hazard insurance, and, to the extent obtainable, public liability insurance in such limits as the Board of Trustees may from time to time determine, covering each member of the Board of Trustees, the Manager and each unit owner. Such public liability coverage shall also cover cross-liability claims of one insured against another. The Board of Trustees shall review such limits once each year.

Section 8.4. Unit owners shall not be prohibited from carrying other insurance for their own benefit provided that all such insurance policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Trustees shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

Section 8.5. In the event of damage to or destruction of the Property as a result of fire or other casualty (unless there is substantially total destruction of the Property and seventy-five percent (75%) or more of the unit owners in common interest duly and promptly resolve not to proceed with repair or restoration), the Board of Trustees shall, to the extent that insurance proceeds shall be available, arrange for the prompt repair and restoration of the Property (including any damaged units but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by unit owners in the units), and the Board of Trustees or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Trustees may assess all the unit owners for such deficit as part of the common charges. If there is substantially total destruction of the Property and seventy-five percent (75%) or more of the unit owners in common interest vote not to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any unit owner or lienor as if owned in common, in which event the net proceeds of sale together with the net proceeds of insurance policies (or if there shall have been repair or restoration pursuant to Section 8.1, then the amount of insurance proceeds shall have exceeded the cost of such repair) shall be divided by the Board of Trustees or the Insurance Trustee, as the case may be, among all the unit owners in proportion to their respective common interests, after first paying

out of the share of each unit owner the amount of any unpaid liens on his unit, in the order of the priority of such lien.

ARTICLE IX

Declaration of Restrictions and Protective Covenants

Section 9.1. As provided in Section 4 of the Declaration, units shall be used for such purposes as are consistent with a resort condominium. No unit shall be used for any other purpose by a member, guest of a member or, subject to the provisions of Section 11.4 of the By-Laws, by a person to whom the member has rented or leased his unit. No member, guest of a member or lessee of a member shall permit or suffer anything to be done or kept upon the Property which will increase the rate of insurance on the Property or on the contents thereof, or which will obstruct or interfere with the rights of other occupants or annoy them by unreasonable noises or otherwise, nor will he commit or permit any nuisance or commit or suffer any immoral or illegal act to be committed anywhere in or upon the Property, and no member shall permit or allow his guest or lessee to do any act which would violate the terms of these By-Laws and the member shall, pursuant to Section 7.14 of the By-Laws, be responsible for the violations of his guests or lessees.

Section 9.2. Only a whole unit may be rented or leased as hereinabove provided. Further, any provisions of these By-Laws to the contrary notwithstanding, the Board of Trustees may prohibit the leasing of any unit not being maintained or offered for rent in accordance with the requirements and terms of the Declaration and these By-Laws or with applicable law, provided, however, that three (3) days prior written notice of such prohibition and the reasons therefore shall be furnished to the unit owner.

Section 9.3. Each unit owner shall maintain his own unit in good condition, order and repair at his own expense. No unit owner shall display, hang, store or use any signs or articles whatsoever in, on, against, from or at any of the common areas and facilities or on the outside of his unit nor in any window or doorway other than such draperies, curtains or shades as may be permitted in accordance with the rules and regulations established by the Board of Trustees. No member may paint, decorate or otherwise alter or modify in any way the outside of his unit, or install outside of his unit any canopy, awning, covering, or structure or addition of any kind whatsoever without the prior written consent of the Board of Trustees. No linen, clothes, cloths, curtains, rugs or mops shall be shaken or hung from any windows or doors. No clothes lines or similar devices shall be placed or hung on terraces or balconies unless the same is suspended at least six (6) inches below the inside uppermost horizontal railing of such terraces or balconies. All draperies and curtains in units must be consistent in color, and all umbrellas in limited common areas and facilities must be consistent in color and size with all the draperies and curtains in all units, and all such umbrellas must be approved by the Board of Trustees prior to installation and use.

Section 9.4. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in rules and regulations established by the Board of Trustees. No articles of personal property belonging to any unit owners shall be stored in any portion of the common areas or facilities except in the storage area specifically designated for the respective unit owner by the Board of Trustees.

Section 9.5. No member shall overload the electrical wiring in the building or operate any machinery, appliances, accessories or equipment in such a manner as to cause, in the judgment of the Board of Trustees, any unreasonable disturbance, or make any alterations to or connections with the heating or plumbing systems without the prior written consent of the Board of Trustees.

Section 9.6. Except for resort condominium rental, no unit owner shall conduct or cause to be conducted any business on the Property.

Section 9.7. No unit shall be occupied overnight by more than one (1) person for each single bed and two (2)

persons for each double bed and/or double convertible sofa in such unit. No unit shall be re-furnished to increase the number of occupants originally allowable by this Section 9.7.

Section 9.8. No pets or animals shall be allowed on the Property.

Section 9.9. Whenever in the judgment of the Board of Trustees the common areas and facilities shall require additions, alterations or improvement costing in excess of \$10,000.00, and the making of such additions, alterations or improvements shall have been approved by seventy-five percent (75%) of the unit owners either in person or by Proxy, the Board of Trustees 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 \$10,000.00 or less may be made by the Board of Trustees without approval of the unit owners and the costs thereof shall constitute part of the Common Expenses.

Section 9.10. No unit owner or tenant, guest or invitee shall make any structural addition, alteration or improvement in or to his unit without prior written consent thereto of the Board of Trustees.

Section 9.11. No unit owner or tenant, guest or invitee shall play or permit to be played any musical instrument or operate or permit to be operated a phonograph, radio or television set, in his unit at any time such playing or operation shall unreasonably disturb or annoy lawful occupants of any other unit. No unit owner shall erect or maintain an outside television or radio antenna or satellite dish.

Section 9.12. A unit owner shall grant a right of access of his unit to any person authorized by the Board of Trustees, for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or a common area or facility, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common areas and facilities in his unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the unit owner. To effectuate the foregoing, the Board of Trustees may retain a pass-key to each unit.

Section 9.13. Rules and Regulations concerning the use of the units and of the common areas and facilities by unit owners, guests of unit owners, and other persons with license to use the pool may be promulgated and amended by the Board of Trustees. Copies of such Rules and Regulations shall be furnished by the Board of Trustees to each unit owner prior to the time when the same become effective. The Rules and Regulations, which shall be effective until amended by the Board of Trustees, shall be filed with the Secretary, together with any subsequent amendments thereto. The Rules and Regulations may provide for measures by which they, the Declaration and the By-Laws, may be enforced including, in appropriate instances, fines and/or the suspension of the rights of a violating unit owner to use his unit and the common areas and facilities.

ARTICLE X

Mortgages

Section 10.1. The Board of Trustees, whenever so requested in writing by a 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.

ARTICLE XI

Sale, Lease, Rental or other Transfer of a Unit

Section 11.1. All subsequent sales, leases or other transfers of a unit by a unit owner shall be subject in all respects to the Declaration, By-Laws and Rules and Regulations of the Condominium.

Section 11.2. In a voluntary transfer of a unit, the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid management fees, common charges, assessments and special assessments by the Board of Trustees against the latter up to the time of the grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore and until such unpaid management fees, common charges, assessments and special assessments have been paid, the grantee of the unit may not become a member of the Association. However, any such grantee shall be entitled to a statement from the Board of Trustees as hereinbefore provided and including the information contained in 33 M.R.S.A. sec.1604-108 [a \"resale certificate\"] for a reasonable fee to be charged to the Grantor, and the Grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any management fees, common charges, service charges, assessments or unpaid special assessments made by the Board of Trustees against the grantor in excess of the amount therein set forth. A voluntary transfer for the purpose of this paragraph shall be considered any sale, lease, gift, testate or intestate distribution, or the transfer of ownership of a corporation owning a unit.

Section 11.3. No unit owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his unit without including therein the interests in common areas and facilities appurtenant thereto, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the said appurtenant interests of any unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all units.

Section 11.4. Any conveyance by any means shall be of the whole unit only, and no conveyance shall be made of any partial, sectional, \"time share\" or other divisible interest in any unit.

ARTICLE XII

General Administration

Section 12.1. The Association is authorized and empowered to grant such licenses, easements and rights-of-way for sewer lines, water lines, electrical cables, television cable lines, telephone cables, gas lines, storm drains, underground conduits and such other purposes related to the provision of public utilities to the Condominium as may be considered desirable, necessary or appropriate by the Board of Trustees for the orderly maintenance, preservation and enjoyment of the common areas and facilities or for the preservation of the health, safety, convenience and welfare of the owners of the individual units.

Section 12.2. The Association and the Board of Trustees shall not be liable for the failure of water supply or other services to be obtained by the Association or paid for out of the common expense funds, or for injury or damages to persons or property caused by the elements or by the owner of any unit, or any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the common areas and facilities or limited common areas and facilities or from any wire, pipe, drain, conduit, appliance or equipment. The Association and the Board of Trustees shall not be liable to the owner of any unit for loss or damage, by theft, or otherwise, of articles which may be stored upon or in any individual unit or in any of the common areas or facilities. No diminution or abatement of assessments for common expenses, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common areas or facilities, or to any unit for from any action taken by the Association to comply with any law, ordinance, or with the order or directive of any municipal or other governmental authority.

ARTICLE XIII

Amendment

Section 13.1. These By-Laws may be amended or modified at any time, or from time to time, by the action or approval of two-thirds (2/3) of the unit owners, except that no such amendment or modification shall be contrary to the requirements of the Maine Unit Ownership Act.

ARTICLE XIV

Miscellaneous

Section 14.1. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 14.2. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 14.3. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 14.4. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 14.5. Where the context so requires to insure the observance of Rules and Regulations by unit owners, their guests, lessees, and licensees, and to maintain a congenial and non-disturbing ambiance at the premises, and in particular but not limited to Section 7.13 and Section 9.13, the term \"unit owner\" shall be deemed to include unit owner's guests, lessees and licensees, provided that this Section shall not be deemed to impose upon such persons the obligation of paying Common Charges.

Section 14.6. The approval by the Unit Owners and the filing in the York County Registry of Deeds of these amended By-Laws serve to repeal and vacate any and all other prior By-Laws, whether recorded or not.