

*SCHEDULE E
TO DECLARATION*

ST. ELMO CONDOMINIUM

BYLAWS

of

ST. ELMO CONDOMINIUM

LAW OFFICES OF GEORGE R. GRASSER

Attorneys for Sponsor
3350 Marine Midland Center
Buffalo, New York 14203

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ST. ELMO CONDOMINIUM

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*BYLAWS OF
ST. ELMO CONDOMINIUM*

*ARTICLE I
PLAN OF UNIT OWNERSHIP*

1.01. Unit Ownership. The land described in Schedule A of the Declaration recorded or to be recorded in the Office of the Clerk of the County of Chautauqua, New York, and the appurtenances thereof, including the building and other improvements constructed on said land (hereinafter collectively called the “*Property*”), have been, or prior to conveyance of the first “*Unit*” (see Section 1.02 below) shall be, submitted by St. Elmo Associates (hereinafter referred to as the “*Sponsor*”) to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration and shall be known as the “*St. Elmo Condominium*” (hereinafter called the “*Condominium*”).

1.02. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Condominium Property as described in the Declaration and to the use and occupancy thereof. The term “*Property*” as used herein shall include the land and all improvements thereon (including the residential dwelling units, hereinafter referred to as the “*Residential Units*,” the commercial units, hereinafter called the “*Commercial Units*,” which Residential Units and Commercial Units are together hereinafter referred to as the “*Units*” and the common elements), owned in fee simple absolute, and all easements, rights, and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The term “*Building*” as hereinafter used shall be defined as the exterior walls and roof of the single structure containing all the Units.

1.03. Personal Application. All present and future owners (hereinafter referred to as “*Unit Owners*”), mortgagees, lessees, and occupants of Units and their employees and any other persons who may use the facilities of the Property in any manner are subject to these Bylaws, the Declaration, and the Rules and Regulations.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these Bylaws, the Rules and Regulations, and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

*ARTICLE II
UNIT OWNER – VOTING RIGHT AND MEETINGS*

2.01. Voting. Except as set forth in Section 2.01, each Owner of a Unit (including the Board of Managers if the Board of Managers shall then own or hold title to one or more Units) shall be entitled to vote at all meetings of Unit Owners, but the Board of Managers shall not cast any of its votes for the election of any member to the Board. The Board of Managers shall by specific resolution adopted by the Board from time to time designate the officer who shall vote on behalf of the Board and what such vote shall be as to the matter(s) to be voted upon.

a. The vote of each Unit shall be weighted to correspond to the percentage interest in the common elements of the Unit owned.

b. If a Unit is owned by more than one person, as joint tenants, tenants by the entirety, or as tenants in common, the persons owning such Unit shall reach agreement as to the matter voted upon and designate which of such persons shall be the voting person with respect to such Unit.

c. A fiduciary or an officer, agent, or employee of the fiduciary shall be the voting person with respect to any Unit owned in a fiduciary capacity.

d. If a Unit is owned by a partnership, a partner or employee of the partnership shall be the voting person with respect to such Unit.

e. If a Unit is owned by a corporation, an officer, director, shareholder, employee, or agent of the corporation shall be the voting person with respect to such Unit.

f. Owners of Units in any of the ownership categories set forth above shall have the duty to inform the Secretary of the Board of Managers in writing of the name of the voting person with respect to each such Unit. If the Owner(s) of any such Unit fails to so notify the Secretary, the Board of Managers or the inspectors of election at any Annual or Special Meeting of Unit Owners shall determine who is the proper voting person for any such Unit. In making their decision, the Board of Managers or the inspectors of election shall use the best evidence available to them in order that the vote of a Unit is not excluded.

g. Notwithstanding anything to the contrary which may be contained in these Bylaws or in the Declaration, if an institutional first mortgage lender whose name appears on the records of the Condominium (i) holds a mortgage on a Unit which by its terms prohibits the mortgagor (Unit Owner) from voting contrary to the interest of the mortgagee, and (ii) notifies the Secretary of the Board of Managers prior to the date upon which vote of such Unit would be cast of the mortgagee's position on the matter to be voted upon, a vote of the Unit Owner contrary to the position of such institutional mortgage lender shall not be counted. "Institutional first mortgage lender" or "lending institution first mortgagee" as referred to in this Section and elsewhere in these Bylaws shall mean any bank, savings and loan association, life insurance company, credit union, or other institutional lender or true purchase money mortgagee who holds a first mortgage on the Unit.

2.02. Right to Vote. Except as otherwise set forth in the Declaration, at any meeting of the Unit Owners, the Owner of a Unit owned by one person, or the voting person designated for a Unit in accordance with the provisions of Section 2.01 hereof, shall be entitled to vote in person or by proxy, using a form of ballot or proxy approved by the Board of Managers. Such form of proxy shall always contain a blank space where the name of the proxy can be inserted. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

2.03. Proxies. All proxies shall be filed with the Secretary of the Board of Managers or the inspectors of election, if any, prior to the meeting at which the same are to be used. Any person designated as the proxy shall, in exact accordance with instructions contained on the proxy form, vote the percentage interests of the common elements of the Units for which such person has been so designated using a proxy ballot form approved by the Board of Managers. All proxies, ballots, and proxy ballots will be maintained in the records of the Board of Managers for a period of six (6) months next following each meeting where the same were used and will thereafter be destroyed.

2.04. **Annual Meetings.** The Annual Meeting of the Unit Owners shall be held on the next to last Saturday of June of each year commencing at 1:00 p.m. or on such other date and at such other time as shall be designated by the Board of Managers. At each Annual Meeting, nominees for election to the Board of Managers shall be elected by the Unit Owners in accordance with the provisions of Section 3.04 of these Bylaws. All members of the Board of Managers shall serve for the terms prescribed by Section 3.04 of these Bylaws. The Unit Owners may transact such other business at such Annual Meeting as may properly come before them.

2.05. **Place of Meeting.** Meetings of the Unit Owners shall be held at a suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

2.06. **Special Meetings.** It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by the Owners of not less than (i) fifteen (15) Units, or (ii) 25 percent of the Residential Units, or (iii) 33 percent of the Commercial Units. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.07. **Notice of Meetings.** It shall be the duty of the Secretary to provide notice in writing, mail, by first-class postage or by electronic communication, a notice of each annual or special meeting of the Unit Owners at least 10 but not more than 40 days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at such Unit Owner's permanent address as indicated on the records of the Condominium or to such other address as such Unit Owner shall have designated by notice in writing to the Secretary, and to all mortgagees of Units who have requested the same. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or these Bylaws, the notice of meeting shall be communicated in writing and mailed at least 30 days and not more than 50 days prior to such meeting. The written communication mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

2.08. **Waiver and Consent.** Whenever the vote of the Unit Owners at a meeting is required or permitted by any provision of the Declaration, statutes, or these Bylaws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held either (i) consent in writing to such action being taken, or (ii) attend the meeting without raising objection to a violation of failure to receive timely notice prior to a vote being taken on any amendment or other substantiated issue.

2.09. **Quorum.** Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners of 20 percent of the Units in number and common interest shall constitute a quorum at all meetings of the Unit Owners. If any meeting of Unit Owners cannot be held because a quorum has not attended, Unit Owners owning Units having a majority in common interest who are present at such meeting, either in person or by proxy, may, without notice other than announcement to those physically present, adjourn the meeting to a time not less than six (6) days from the time the original meeting was called, and from time to time thereafter, until a quorum shall be present or represented. The quorum required for any reconvened meeting shall be 15 percent of the Units in number and common interest.

2.10. **Majority Vote.** The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where in the Declaration or these Bylaws or by law a higher percentage vote is required. The term “majority of Unit Owners” shall mean those Unit Owners having more than 50 percent of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 2.01 of these Bylaws.

2.11. **Inspectors of Election.** The Board of Managers in advance of any meeting of Unit Owners may appoint two (2) or more persons, who need not be Unit Owners, to act as inspectors of election at such meeting or any adjournment thereof. If inspectors of election are not so appointed prior to the meeting, the person presiding at such meeting may, and on the request of any Unit Owner entitled to vote thereat shall, appoint two (2) or more inspectors of election. In case any person appointed fails to appear or act, the vacancy may be filled in advance of the meeting by the Board of Managers or at the meeting by the person presiding thereat.

The inspectors of election shall (1) determine the Unit Owners entitled to vote at the meeting; (2) determine the existence of a quorum and the validity and effect of proxies; (3) receive ballots or determine votes or consents; (4) hear and determine any challenges or questions arising in connection with any Unit Owner’s right to vote; (5) count and tabulate all votes, ballots, or consents and determine the result thereof, and (6) do such other acts as may be proper to conduct an election or vote with fairness to all Unit Owners.

2.12. **Order of Business at Meetings.** The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meetings.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Managers.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Managers (when so required).
- (i) Unfinished business.
- (j) New business.

*ARTICLE III
BOARD OF MANAGERS*

3.01. **Number and Qualification.** The affairs of the Condominium shall be governed by a Board of Managers. The Board of Managers shall be composed of nine (9) persons, all of whom shall be Owners or spouses of Owners or mortgagees of Units or, in the case of partnership Owners or mortgagees, shall be members of such partnership, or in the case of corporate Owners or mortgagees, shall be officers, directors, or shareholders of such corporations or, in the case of fiduciary Owners or mortgagees, shall be the fiduciaries or officers or agents of such fiduciaries. Three (3) of such members shall be elected by the Owners of Commercial Units and six (6) of such members shall be elected by the Owners of Residential Units; provided, however, that (i) no more than one of the co-owners of a Unit and (ii) with respect to Units owned by partnerships, corporations, mortgagees, or fiduciaries, no more than one of the above designees of each such entity and (iii) no more than one member of the same

immediate family may serve at the same time on the Board of Managers. “*Immediate family*” shall mean spouse, children, grandchildren, brothers, sisters, and parents of an Owner or co-owner.

3.02. **Powers and Duties.** The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

a. Determination and levying of annual assessments (“*common charges*”) payable in quarterly (unless otherwise determined by the Board of Managers) installments to cover the cost of common expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property. The Board of Managers may increase the annual assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses, but said increases can only be assessed among the Unit Owners pro rata according to their respective common interests, except for specially allocated expenses pursuant to the Declaration or to Section 5.01 of these Bylaws.

b. Collection, use, and expending the assessments collected to maintain, care for, and preserve the Units, Building, and common elements.

c. Operation, care, upkeep, and maintenance of the common elements.

d. Making of repairs, additions, and improvements to or alterations of the Property and making of repairs to and restoration of the Property in accordance with the other provisions of these Bylaws after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

e. Entering into and upon the Units when necessary and with as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the Property.

f. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers.

g. Obtaining and maintaining insurance for the Property, including the Units, pursuant to the provisions of Section 8.01 hereof.

h. Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

i. Selling, leasing, mortgaging, repairing, maintaining, voting the votes appurtenant to (other than the election of members of the Board of Managers), or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

j. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

- k. Leasing of portions of the common elements and granting of licenses for vending machines.
- l. Bringing actions on behalf of two (2) or more Unit Owners with respect to any cause of action relating to the common elements on more than one Unit and bringing actions against and defending actions by one or more Owners involving matters pertinent to the Condominium Property or to the operation of the Condominium as provided for in Section 339-dd of the Real Property Law or in the Condominium Declaration.
- m. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the common elements, provided, however that (i) the consent of at least 67 percent in number and in common interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required for the borrowing of any sum in excess of 25 percent of the amount of the then current annual budget of the Condominium and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the common elements without the consent of the Unit Owner.

If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (m) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the common elements bears to the interest of all the Unit Owners in the common elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.
- n. Adoption and amendment of reasonable rules and regulations covering the details of operation and use of the Property. Such rules and regulations and amendments shall be binding upon the Unit Owner when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit Owner. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part of these Bylaws.
- o. Collection of delinquent assessments by suit or otherwise, abatement of nuisances, and the enjoinder and/or seeking of damages from the Unit Owners for violations of the rules and regulations referred to herein.
- p. Employing and terminating the employment of employees and independent contractors, purchasing supplies and equipment, entering into contracts, and generally having the powers of manager in connection with the matters hereinabove set forth.
- q. Establishing of reserves for the repair and replacement of the common elements. The amount of such reserves shall be as the Board of Managers deems to be appropriate, shall be adequate to fund the projected cost of such repairs and replacements, and shall be sufficient to meet the reasonable requirements of existing or proposed lenders, holders, and insurers of first mortgages on the Units.
- r. Complying with any change in New York law as it may affect the Condominium.
- s. Assigning, in its discretion, the use of mailboxes to the various Unit Owners.
- t. Reviewing and rendering decisions on applications submitted pursuant to these Bylaws or the Condominium Declaration for proposed alterations to the Unit or common elements.

u. Changing the allocation of charges among or between Units and the common elements in general for any commonly metered gas, electric, and water in accordance with the provisions of these Bylaws and the Declaration.

v. Improving Units in order to obtain a certificate of occupancy for the Building or Units and charging the cost of such improvements to the Unit Owner as is permitted by Section 7.02 of these Bylaws.

w. Unless prohibited by law at the time, granting, with or without consideration, easements, rights of way, or licenses for utilities or other services across the common elements.

x. Granting leases or licenses for the use of portions of the common element areas, including the use of vending machines.

y. Owning, leasing, operating, and maintaining any Unit subject to the consent, if any, as required by the Declaration.

3.03. Committees Acting on Behalf of Board of Managers. Except as limited by this Section 3.03, the Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committee to consist of at least three (3) Unit Owners, which to the extent provided in said resolution or resolutions shall have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. However, no such committee shall have or be given the power to (a) determine the common charges and expenses required for the affairs of the Condominium, (b) determine the common charges payable by the Unit Owners to meet the common charges and expenses of the Condominium, or (c) adopt or amend the rules and regulations covering the details of the operation and use of the Property. Such committee or committees shall have such name or names as may be determined from time to time by resolution of the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required. This Section shall be deemed to preclude any action or approvals granted or limited to a specific class of Unit Owners, *e.g.*, Commercial or Residential, by the Declaration.

3.04. Nomination, Election and Term of Office. Nominations for election to the Board of Managers shall be made by a Nominating Committee which shall be appointed by the Board of Managers and in accordance with the procedure set forth below.

a. The Nominating Committee shall consist of three (3) members, one of whom shall be a then member of the Board of Managers and the other two shall be persons who meet the conditions set forth in Section 3.01 hereof and who shall be appointed by resolutions of the Board of the Managers adopted and approved at a regular or special meeting of the Board of Managers held on or before May 10 of each calendar year. The Board shall designate one of such members to be the Chair of the Nominating Committee. At such meeting, the Board will also, by resolution, determine the number of persons to be elected in each class, Residential and Commercial, at the annual meeting of Unit Owners to be next held following said meeting of the Board, the term of office, as determined below, of each person to be elected, and the date on which nominations for election will close. The Board shall, by copy of minutes of such meeting sent to all Unit Owners, advise the Unit Owners of such actions. Unit Owner(s) who satisfy the definition of persons qualified to be elected to the Board of Managers in accordance with Section 3.01 of these Bylaws shall have the right to submit, in writing to the Nominating Committee, names of persons who also meet such definitions, as Nominees and the term of

office for which they are nominated; provided, however, that included with such writing shall be a written statement, signed by the Nominee, stating that he/she desires to be nominated and a completed and signed Nomination Request form containing biographical and other personal data applicable to the Nominee.

b. If the Nominating Committee determines that nominations have been properly made in accordance with the foregoing, all such Nominees shall be Nominees of the Nominating Committee for election to the terms of office determined by that Committee; provided, however, that if a sufficient number of Nominees has not been nominated for election in each class, Residential and/or Commercial, and in accordance with the procedure set forth in this Section 3.04, the Nominating Committee shall nominate a sufficient number of persons meeting the definition in Section 3.01 to equal the number of vacancies as are to be filled in each such class.

c. With the notice of each Annual Meeting of the Unit Owners, there shall be included therein and/or in a Proxy Statement and Proxy accompanying the said notice, a list of the nominees, the term of office for which they are nominated, and such biographical information as to each as the Nominating Committee shall determine.

d. The members of the Board shall have terms of office determined in accordance with the following: there shall be two (2) classes of Residential Unit Owner members, each class consisting of three (3) members. There shall be two (2) classes of Commercial Unit Owner members, one (1) class consisting of two (2) members and the other class consisting of one (1) member. The classes will be elected in alternate years. The Residential Unit Owners shall elect the Residential Unit member and the Commercial Unit Owners shall elect the Commercial Unit Owners members. At the Annual Meeting of Unit Owners held in 1995, the Residential Unit Owners shall elect three (3) Residential Unit nominees to the Board of Managers for two (2) year terms each and the Commercial Unit Owners shall elect two (2) Commercial Unit nominees for two (2) year terms, and such Owners shall also elect one (1) Commercial Unit nominee for a one (1) year term. Thereafter, ~~a~~All nominees to be elected by either the Residential or Commercial Unit Owners ~~at succeeding yearly Annual Meetings~~ shall be elected for two (2) year terms.

e. The members of the Board shall hold office until their respective successors shall have been elected by the Unit Owners.

3.05. Removal of Members of the Board of Managers. Subject to the limitations set forth below, at any regular or special meeting of Unit Owners, any one (1) or more of the members of the Board of Managers elected by a class of Unit Owners may be removed with cause by a majority of the Unit Owners of such class and without cause by 67 percent or more of the Unit Owners of such class and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. If a member of the Board of Managers ceases to be a Unit Owner or otherwise fails to meet the qualifications set forth in Section 3.01 hereof, such member shall be conclusively deemed to have resigned from the Board. Further, any member who fails to attend in person or by conference telephone call three (3) consecutive meetings of the Board shall be conclusively deemed to have resigned from this Board.

3.06. Resignation of Members of the Board of Managers. A member of the Board of Managers may resign at any time by giving written notice to the Board, or to the President or Secretary of the Condominium. Unless otherwise specified in the letter of resignation, the resignation shall take

effect immediately upon receipt thereof by the Board, President, or Secretary, as the case may be, and acceptance of the resignation shall not be necessary to make it effective.

3.07. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members elected by the same class of Unit Owners at a special meeting of the Board of Managers or of the members of the Board of Managers elected by such class 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, and each person so elected shall be a member of the Board of Managers for the unexpired term of the member whose vacancy was filled.

3.08. Meetings. Organizational, Regular, and Special Meetings of the Board of Managers shall be held as follows:

a. Organizational Meeting. The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter at such date, time, and place as may be practicable. At this Organizational Meeting, the Board shall elect (i) its officers and (ii) Chairs of Board committees under Section 3.03 hereof. Further, at such meeting, the Board will fix the dates and place of the Regular Meetings of the Board.

b. Regular Meetings. Regular Meetings of the Board of Managers 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 Managers, but at least four (4) such meetings shall be held during each fiscal year. Notice of and the then known agenda for the Regular Meetings of the Board of Managers shall be given to each member of the Board of Managers personally, by mail, telegram, or electronic communication at least two (2) days prior to the day set for such meeting.

c. Special Meetings. Special Meetings of the Board may be called by the President as far in advance as possible but at least on two (2) days notice to each member of the Board of Managers either personally, by mail, telegram, or electronic communication, which notice shall state the time, place, purpose, and agenda of the meeting. Special Meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least three (3) members of the Board of Managers.

d. Copies of Notices and Agenda for all meetings of the Board of Managers shall be mailed simultaneously to all Unit Owners.

e. One or more of the members of the Board of Managers may participate, at their sole expense, in a meeting of the Board of Managers by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

f. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by such member of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.09. **Quorum of Board of Managers.** At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business and, except as may be otherwise specifically provided by statute or by the Declaration or by these Bylaws, the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.10. **No Compensation.** No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

3.11. **Liability of the Board of Managers.** The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers 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 Bylaws. It is intended that the members of the Board of Managers 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 the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all the Unit Owners in the common elements. Every agreement made by the Board of Managers or by the managing agent or the manager, on behalf of the Condominium, shall provide that the members of the Board of Managers, or the managing agent or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interest of all Unit Owners in the common elements.

3.12. **Managing Agent and Manager.** The Board of Managers may employ for the Condominium a managing agent and/or a manager, at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including but not limited to the duties listed in subdivision (b), (c), (d), (e), (k), (p) of Section 3.02 of these Bylaws. The Board of Managers may delegate to the manager or managing agent all the powers granted to the Board of Managers by these Bylaws other than the powers set forth in subdivisions (a), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (q), (r), (s), (t), (u), (v), (w), and (x) of Section 3.02 of these Bylaws.

3.13 **Compensation of Board Members.** All members of the Board of Managers shall serve without compensation.

Any decision to discontinue such independent and professional management and establish self-management for those duties and services previously delegated to said managing agent and/or manager shall require the prior written consent of 67 percent of all Unit Owners voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be sent to all Unit Owners at least 40 days in advance and shall set forth the purpose of said meeting. No such decision shall be

made if lending institutions which together are first mortgagees of 51 percent or more of the Residential Units subject to mortgages advise the Condominium in writing prior to the date set for voting on the proposed change that they are opposed to such change, which opposition shall not be unreasonable. Written notice of any such proposed change to self-management shall be sent to all lending institution first mortgagees of Units whose names appear on the records of the Condominium at least 40 days prior to said meeting.

ARTICLE IV OFFICERS

4.01. Designation. The principal officers of the Condominium shall be the President, the Vice-President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an assistant treasurer, and assistant secretary, and such other officers as in its judgment may be necessary. The President, but no other officer, must be a member of the Board of Managers.

4.02. Election and Appointment of Officers. The elective officers of the Condominium shall be elected annually by the Board of Managers at the organizational meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers. Appointive officers shall be appointed at such time and shall hold their office for such terms as the Board of Managers shall determine from time to time.

4.03. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and a successor to such officer may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

4.04. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

4.05. Vice-President The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon such officer by the Board of Managers or by the President.

4.06. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; shall supervise the maintenance of records of votes and the minutes of all proceedings; shall record all votes and the minutes of all proceedings in a book to be kept for that purpose; shall have charge of such books and papers-records as the Board of Managers may direct; shall give or cause to be given notice of all meetings of Unit Owners and all meetings of the Board of Managers; and shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. Copies of all minutes shall be mailed-sent to all Unit Owners within fourteen (14) business days following the date of

each meeting.

4.07. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping or causing to be kept full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. The Treasurer shall be responsible to review the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers and shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.08. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Condominium shall be executed by any two officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

4.09. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

*ARTICLE V
COMMON CHARGES AND ASSESSMENTS –
DETERMINATION, PAYMENT AND COLLECTION*

5.01. Determination of Common Charges. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the proposed budget to all Unit Owners at least 15 days prior to the adoption thereof. The Board of Managers shall send a copy of the budget as adopted and any supplement thereto to every Unit Owner and such Unit mortgagees as shall have requested the same. The Board of Managers shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the common elements and other operating expenses, as well as charges to cover any deficits from prior years. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective common interests appurtenant to such Units, except that the Board of Managers shall allocate to the Residential Units as a class and to the Commercial Units as a class (i) to the extent permitted by law, (ii) as provided in the Condominium Declaration, (iii) based on the special or exclusive availability or use or the exclusive control by such class of Units or the Owners of such Units, the common elements to which such expenses have been or are to be applied. Examples of such expenses and the class of Units to which such expenses are to be allocated include:

Commercial Units:

- a. Electricity for heating, cooling, and lighting;
- b. Repairs and maintenance of electrical, heating, and plumbing systems in all common element areas and snow removal from walkways;
- c. Refuse removal;
- d. Reserves for replacement of floor tiles on concourse level;
- e. Painting and wallpapering of concourse wall areas;

f. Water/sewer charges for public restroom on concourse level.
Residential Units:

- a. Electricity for heating, cooling, lighting of all interior common element areas and floors 1-5;
- b. Refuse removal;
- c. Reserves for replacement of carpeting in lobby and hallways on floors 1-5;
- d. Maintenance of lobby wicker furniture;
- e. Repainting and rewallpapering hallway walls on floors 1-5.

Common charges or assessments shall be payable quarterly in advance unless the Board of Managers establishes other periods for payment. Special assessments, should such be required, shall be levied and paid in the same manner as hereinabove provided for regular common charges.

5.02. Collection of Common Charges and Assessments. The liability of a Unit Owner for common charges is set forth in Article VIII of the Declaration. The following is the procedure for collection of common charges and special assessments together with any late charges, interest, and costs related to such collection:

a. ~~Regular common charges shall, unless otherwise determined by the Board of Managers, be due and payable on the first day of July, October, January, and April and notices of the amount thereof Regular quarterly common charges shall be payable four times a year on the fifteenth day of January, April, July and October. Notice of the due date and the amount owed~~ shall be sent to each Unit Owner at least ten (10) business days prior to each such date.

b. Special assessments shall be due and payable as established by the Board of Managers.

c. The date of receipt of payment by a Unit Owner shall be determined (i) if mailed, by the postmark or (ii) if paid in person, by the date the payment is received at the place designated in the notice.

d. ~~When a payment from a Unit Owner is not received by the tenth (10th) calendar day following the due date, the Unit Owner shall be assessed a late charge of five percent (5%) of the amount due and a late notice shall be sent to the Unit Owner within five (5) calendar days following the date of such assessment. If payment is not received within 15 business days after the due date, the owner shall be promptly sent a certified delinquency letter outlining the actions mandated by these Bylaws. If payment is not received within 15 business days of owner receipt of the delinquency letter, the matter shall be turned over to an attorney to pursue filing of a lien with all expenses to be paid by the unit owner.~~

~~e. When a payment from a Unit Owner is not received within 15 business days of the due date, the Unit Owner shall be assessed a late charge of five per cent (5%) of the amount due, which will be added to the balance and a notice thereof mailed to the Unit Owner.~~

~~e. On the last day of each month that the account of a Unit Owner remains due and owing, there shall be added thereto interest at the rate of one and one-half percent (1½%) and a statement of~~

that account shall, within five (5) calendar days following the end of each month, be mailed to such Unit Owner.—

f. ~~At the end of each subsequent 30 day period that passes without payment, interest at the rate of one and one-half percent (1½%) of the current balance will be added to the balance and a notice thereof will be mailed to the Unit Owner. With such statement as set forth therein shall be a notice which states that legal action will be taken to collect the account if the entire amount due is not paid within ten (10) calendar days of the date of mailing of such statement.~~

fg. ~~When (i) any two payments of common charges and/or special assessments become overdue on a Unit or (ii) the total unpaid account balance reaches \$2,000, a lien shall be promptly placed against the Unit in accordance with the law of the State of New York. All costs incurred, including reasonable attorney's fees, in perfecting the lien, shall be added to the account balance due. When the account is paid in full, the Board of Managers will cause a lien release to be prepared and sent to the Unit Owner who will be responsible for filing the same.~~

gh. Whenever any two payments of common charges and/or special assessments become overdue on a Unit, foreclosure against the Unit shall be promptly initiated unless the Unit Owner and the Board Managers have agreed previously to a repayment schedule that incorporates all the penalties due before full payment is made. Any foreclosure will be taken in accordance with the law of the State of New York with all expenses to be paid by the Unit Owner.

i. Any repayment schedule shall require that full payment be made before a third common charge or special assessment payment is due. If full payment is not received by the due date for a third payment, foreclosure against the Unit shall be promptly taken in accordance with the law of the State of New York with all expenses to be paid by the Unit Owner.

hj. The Board of Managers shall have the right to change all or portions of the foregoing collection procedure so long as such changes would only be applicable to accounts of Units becoming unpaid on a date following the date of the meeting whereat such change(s) was/were approved. Provided, further, that the collection policy shall be applied automatically and uniformly to all Unit accounts.

5.03. Rights and Obligations Regarding Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers 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 such Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, 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 Unit. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

5.04. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying common charges or other default, may, at its option, or shall, at the request of the mortgagee, send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Managers. The mortgagee shall have the right to cure the Unit Owner's default with respect to the payment of common charges or other default of the Unit Owner which could result in a lien against the Unit of such Owner.

5.05. Statement of Common Charges. Upon the written request of a Unit Owner, lessee, or mortgagee with respect to the Unit owned by such Owner, leased by such lessee, or upon which such mortgagee holds a mortgage, or any prospective purchaser, lessee, mortgagee, or title insurer of such Unit, the Board of Managers, the Manager, or the managing agent shall promptly furnish a certificate in writing setting forth with respect to such Unit as of the date of such certificate (i) whether or not the common charges due have been paid, (ii) the amount of such common charges, including interest and costs, if any, due and payable, and (iii) whether any other amounts or charges are owing to the Condominium, e.g., for a special assessment for the cost of extinguishing a violation of the Declaration or rules and regulations. A reasonable charge, as determined by the Board of Managers, may be made for the issuance of this certificate. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Board of Managers and any bona fide purchaser or lessee of, or lender on, or title insurer of, the Unit with respect to which the request was made.

5.06 Unit Services and Utilities Funded Through Common Charges. Water, electricity, and gas for the common elements and trash removal for the Units shall be a common expense, except that the Board of Managers may, at its option, and in accordance with Section 5.01 above, allocate and apportion expenses among Unit Owners based on the special or exclusive availability of use of such services by one (1) or more Unit Owners.

5.07. Operating Account. There shall be established and maintained a cash deposit account to be known as the “*Operating Account*,” into which shall be deposited the operating portion of all common charges and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the operation, including, but not limited to, wages, repairs, betterments, maintenance, and other operating expenses of the common elements and for the purchase, lease, sale, or other expenses resulting from the purchase or lease of Units.

5.08. Capital Reserve Account. Any funds collected or designated by the Board of Managers as reserves for the replacement of capital items shall be segregated from all other funds of the Condominium in one or more separate accounts. This shall not preclude the Board of Managers from segregating other portions of the Condominium funds in separate accounts for a specific purpose (e.g., reserves for non-capital items) or otherwise.

5.09. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE VI RECORDS AND AUDIT

6.01. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of common charges against such Unit, the dates when installments are due, the amounts paid thereon, and the balance remaining unpaid.

6.02. Annual Report. Promptly after the end of each fiscal year, a full and correct statement of the financial affairs of the Condominium, including a balance sheet and a financial statement of operation for the preceding fiscal year prepared and signed by a public or certified public accountant to the effect that the financial statement presents fairly the financial position of the Condominium and the results of its operations in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period except as specified therein, shall be distributed to all Unit Owners and to all mortgagees of Units who have requested the same. Taking into consideration the cost of an audit vs. a review, the complexity and volume of the Condominium's financial affairs, and such other factors the Board of Managers deems relevant, the Board of Managers of the Condominium shall determine each year whether such statement shall be in the form of an audit or review, except that (i) an audit, at the expense of the Condominium, shall be required if authorized in writing by at least 67 percent of all Unit Owners independent of the Sponsor and (ii) any Unit Owner or mortgage holder shall be entitled to obtain an audited statement at such Unit Owner's or mortgagee's own expense. ~~Notwithstanding the above, so long as the Sponsor is in control of the Board of Managers, an audit shall be required unless 67 percent or more of the Unit Owners request or approve a review in lieu of an audit.~~

6.03. Inspection of Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board, but the Board may restrict such examination to not more often than once a month

6.04. Availability of Records and Legal Documents. The Board of Managers shall make available for inspection, upon reasonable notice and during normal business hours, to existing and prospective Owners, tenants, mortgagees, mortgage insurers, and mortgage guarantors of Units current copies of the Condominium's Declaration, Bylaws, rules and regulations, budget, schedule of assessments, and any other books, records, and financial statements of the Condominium. The Board may furnish copies of such documents to such parties and may charge a reasonable fee to cover the cost of furnishing such copies.

ARTICLE VII
THE CONDOMINIUM PROPERTY – USE, OPERATION,
PRESERVATION, MAINTENANCE AND REPAIR

7.01. Repairs and Maintenance Which Are the Responsibility of the Board of Managers. Unless (i) otherwise provided in the Condominium Declaration or these Bylaws, or (ii) performed by any governmental entity or independent authority, all maintenance, repairs, and replacement to the common elements of the Property, including, but not limited to, landscaped areas, parking areas, driveways, exterior walls, roof and roof members, common lobby, the common element portion of the concourse, elevators, trash depots, decks (except that each Unit Owner is responsible for keeping in a neat and clean condition the deck or porch balconies appurtenant to such Owner's Unit), stairways, exterior windows (including glass and excluding the interior surface painting thereof which are part of the common elements), walks, and fences, as well as all maintenance, repairs, and replacements to any ducts, pipes, wires, conduits, or other utility lines located outside a Unit or which serve two (2) or more Units, shall be made by the Board of Managers. The cost of all such maintenance, repairs, and replacements shall be a common expense unless occasioned by a negligent or willful act or omission as provided in Section 7.02 below, including, as set forth in Section 10.07 of the Declaration, the failure to maintain sufficient utility service in a Unit. Such costs shall be added to the common charges of the Unit Owners failing to maintain such utility service and, as part of those common charges, shall constitute a lien on each of such Units to secure payment of the proportionate share thereof.

7.02. Repairs, Maintenance and Completion Which Are the Responsibility of the Unit Owners. All maintenance (including painting and decorating of the interior of the Units), repairs, and replacements to the Units, including windows (including all glass breakage), doors (except painting of the exterior surface of windows and doors which open from a Unit, which painting is the responsibility of the Board of Managers), and maintenance and repairs to pipes, wires, and conduits which service only one (1) Unit and which are located in the Unit of such Owner, shall be made by the respective Unit Owners at their own expense. Additionally, each Unit Owner is responsible for keeping in a neat and clean condition the deck appurtenant to such Owner's Unit. In addition the Sponsor shall be responsible for completion of such improvements to Units as are necessary to enable a permanent certificate of occupancy to be issued for the entire Building.

Any maintenance, repair, or replacement necessary to preserve the appearance and value of the Property made pursuant to Section 7.01 above but which is occasioned by a negligent or willful act or omission of a Unit Owner (including any family member, or tenant, or employee of such Unit Owner, or any guest or invitee of such Unit Owner, member of such Unit Owner's family or tenant of such Unit Owner) shall be made at the cost and expense of such Unit Owner. If such maintenance, repair, or replacement is the responsibility of the Board of Managers, it shall not be regarded as a common expense but shall rather be considered a special expense allocable to the specific Unit and such cost shall be added to that Unit Owner's common charges and, as part of those common charges, shall constitute a lien on the Unit to secure the payment thereof. The above provisions for liability for the cost of maintenance, repair, or replacement are subject to modification from time to time by the rules and regulations of the Condominium, which shall control in any conflict with the provisions of this Section.

In the event that a Unit Owner fails to make any maintenance, repair, or improvement, which maintenance, repair, or improvement, pursuant to this Section 7.02 the Owner is required to make, the Board of Managers shall have the right to make such maintenance, repair, or improvement (after the failure of the Unit Owner to do so, weather permitting, after 10 days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs, maintenance, or improvement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance, or improvements to such Unit Owner's Unit or for repairs to any common element which the Unit Owner is obligated to maintain pursuant to these Bylaws or the Declaration or Rules and Regulations, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon, and, in such event, the Unit Owners shall be liable for the reasonable attorney's fees and costs of such suit or proceeding together with interest on all sums due.

7.03. Quality of Maintenance and Repairs. All repairs, painting, and maintenance, whether made by the Unit Owner or by the Board of Managers, to the doors, windows, decks, or the exterior surface of any Building, including roofs, or to any generally visible portion of the common elements shall be carried out in such manner so as to conform to the materials, style, and color as initially constructed, unless the Board of Managers authorizes a variance from such standard.

7.04. Right of Access. The Board of Managers, its agents, contractors, and employees shall have such rights of access to the Units and common elements as are set forth in Section 6.02 of the Declaration.

7.05. Restrictions on Use of Units and Common Elements. In order to provide for 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 provisions of the Declaration. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interfere with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, 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. Violations of laws, ordinances, 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 Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

7.06. No Obstruction of Common Elements and Facilities. A Unit Owner shall not obstruct, litter, or deface the common elements. The common elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. The common hallways and stairways of the Building shall be used for no purpose other than for normal transit through them or such other purpose permitted by the Board of Managers. The common element areas shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of the Units.

7.07. Use of Property Subject to Covenants, Conditions, Rules and Regulations of Chautauqua Institution. In addition to the restrictions set forth in the Declaration and in these Bylaws, the use of the Property must be in compliance with the then current enforceable covenants, restrictions, rules, and regulations of Chautauqua Institution. The rules and regulations of the Condominium and/or these Bylaws may be amended from time to time, as necessary, to assure compliance with the then enforceable covenants, restrictions, rules, and regulations of Chautauqua Institution.

7.08. Additions, Alterations or Improvements.

a. By Board of Managers. Whenever in the judgment of the Board of Managers the common elements shall require additions, alterations, or improvements costing in excess of 10 percent of the Condominium's then current estimated annual budget (including reserves) and the making of such additions, alterations, or improvements shall have been approved by 67 percent or more in number and common interest of the Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these Bylaws, the Board of Managers 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 10 percent of the Condominium's current estimated annual budget (including reserves) may be made by the Board of Managers without approval of the Unit Owners, and the cost thereof shall constitute part of the common expenses.

b. By Unit Owners. No Unit Owner shall install any major appliance (e.g., washing machine, clothes dryer) which because of its weight, noise, size, or consumption of any common utility service may be deemed to unreasonably, materially, adversely affect the Property or other Unit Owners or occupants or make any structural addition, alteration, or improvement in or to his Unit or make any changes in or to the common elements without the prior written consent thereto by the Board of Managers, which consent may not be unreasonably withheld. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed installation or structural addition, alteration, or improvement.

Any application to any governmental authority for a permit to make an installation, addition, alteration, or improvement to or in any Unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, materialman, architect, or engineer on account of such installation, addition, alteration, or improvement or to any person having any claim for injury to person or damage to property arising therefrom. The Owner of the Unit shall agree to indemnify and hold the Board of Managers and each of its members harmless for any liability or expense, including attorney's fees incurred by the Board or any member of the Board in connection with any such installation, addition, alteration, or improvement.

In connection with any installation or work done by a Unit Owner, the Board of Managers may require that the Unit Owner obtain such insurance coverages, and in such amounts, as the Board of Managers deems proper.

7.09. Rules of Conduct. Rules and regulations concerning the use of the Units and the common elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part hereof as Schedule A to these Bylaws.

7.10. Abatement and Enforcement of Violations. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any Bylaws contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers (and each aggrieved Unit Owner with respect to any violation or breach by any other Unit Owner or by the Board of Managers) the right, in addition to any other rights set forth in these Bylaws: (a) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity and at the expense of the defaulting party, the continuance of any such breach; or (b) to establish a penalty in accordance with Section 7.12 below. Prior to exercising such right, the Board of Managers or Unit Owner or Owners, as the case may be, shall, if reasonably possible, notify the Owner and mortgagee (if known) of the Unit or Units involved and provide a reasonable amount of time for the cure of such violation or breach. In any case of flagrant or repeated violation by a Unit Owner (or one for whom such Unit Owner is responsible), such Owner may be required by the Board of Managers to give sufficient surety for future compliance with the Declaration, Bylaws, rules and regulations, or decisions of the Board of Managers.

All rights, remedies, and privileges granted to the Board of Managers and to aggrieved Unit Owners herein shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising such right or rights from exercising such other and additional rights, remedies, or privileges as may be granted by the Condominium Declaration, these Bylaws, or the Rules and Regulations at law or in equity.

7.11. Obligation and Lien for Cost of Enforcement. If an action is successfully brought to extinguish a violation of any rule or regulation adopted by the Board of Managers or to successfully enforce the provisions of the Declaration or these Bylaws, the cost of such action, including legal fees, shall become a binding personal obligation of the violator. If such violator is (1) the Unit Owner, or (2) any family member, tenant, or guest or invitee of such Unit Owner, or (3) a family member, guest, or invitee of a tenant of such Unit Owner, or (4) a guest or invitee of (i) any member of such Unit Owner's family or (ii) any family member of the tenant of such Unit Owner, such cost shall also be a lien upon the Unit or Units of such Unit Owner.

7.12. **Penalties and Fines.** In addition or as an alternative to an action at law or suit in equity, the Board of Managers may, with respect to any violation of the Declaration or of these Bylaws or of any rules and regulations of the Condominium or of any committee of the Condominium, and after affording the alleged violator a reasonable opportunity to appear and be heard, establish monetary and non-monetary penalties, the amount and severity of which shall be reasonably related to the violation and to the aim of deterring similar future violations by the same or any other person. Monetary penalties imposed against a Unit Owner or occupant shall be deemed an assessment against the Unit of such Owner and, as such, shall be a charge and continuing lien upon such Unit, shall constitute a personal obligation of the Unit Owner, and shall be collectible in the same manner as common charges and special assessments under these Bylaws and the Declaration.

7.13. **Owner Responsible for Tenants.** Any lease of a Unit shall provide for full compliance by the tenant with the Declaration, Bylaws, and Rules and Regulations of the Condominium and the covenants, restrictions, rules, and regulations enforceable by Chautauqua Institution. Should a tenant be in violation thereof at any time, the Board of Managers of the Condominium may send the Owner of the Unit which said tenant occupies written notice of such violation by certified or registered mail, return receipt requested. If the violation is not cured or eviction proceedings commenced against the tenant within seven (7) days after the Owner has received notice of such violation, or if the eviction proceedings are not reasonably diligently pursued thereafter, the Board of Managers may pursue any remedies which it may have under this Article VII.

ARTICLE VIII INSURANCE AND INSURANCE TRUSTEE

8.01. **Insurance.** The Board of Managers shall obtain and maintain: (1) fire and casualty insurance, (2) liability insurance, (3) directors' and officers' liability insurance, (4) a fidelity bond, and (5) workers' compensation insurance.

The Board of Managers may also obtain such other insurance as it shall deem necessary or desirable from time to time including "umbrella" catastrophe coverage.

Subject to the foregoing, coverages shall be as follows:

1. **Fire and Casualty.** The policies shall cover the interests of the Condominium, the Board of Managers, and all Unit Owners and mortgagees as their interests may appear. Coverage shall be for the full replacement value of the Units and other improvements (without deduction for depreciation) under the "single entity" concept, i.e., covering the Units as initially sold and including all machinery servicing the Units and common facilities, and the wall to wall carpeting, lighting fixtures, bathroom fixtures, kitchen appliances, wall coverings (including paint) in the Unit as initially sold, excluding the land, foundations, and the personal property of Unit Owners and occupants in the Unit. At the option of the Board of Managers such insurance coverage shall also include any improvements or alterations (including upgrading of appliances, kitchen cabinets, carpeting, or lighting fixtures, built-ins, and wall coverings) made by present or prior Unit Owners or occupants.

The policy shall have the following provisions, endorsements, and coverages: (i) extended coverage, including sprinkler leakage (if applicable), debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage, (ii) "agreed amount" (unless not obtainable) and inflation guard, (iii) coverage for loss of common charges from Unit Owners forced to vacate because of fire or other insured against casualty, (iv) waiver of any right to claim by way of subrogation against

individual Unit Owners and the members of their households and families, the Condominium, the members of the Board of Managers, the officers of the Condominium, and the managing agent, if any, for the Condominium, and waiver of any defenses based on co-insurance or any invalidity based on acts of the insured, (v) an exclusion from the “no other insurance” clause of individual Unit Owners’ policies, so that the insurance purchased by the Board of Managers on behalf of the Condominium shall be deemed primary coverage and any policy obtained by the individual Unit Owners or mortgagees shall be deemed excess coverage and that the insurance obtained by the Board of Managers on behalf of the Condominium shall in no event be brought into “contribution” with insurance purchased by individual Unit Owners or mortgagees, (vi) a provision that the policy cannot be cancelled, invalidated, or suspended because of the conduct or neglect of someone over whom the Condominium Board of Managers has no control or because of any failure to comply with any warranty or condition in the policy regarding any portion of the premises over which the Board of Managers has no control, (vii) cross-liability giving the Unit Owners the right to sue the Board of Managers and vice-versa with the insuring company agreeing to defend the defendant, (viii) a provision that the policy may not be cancelled (including cancellation for nonpayment of premium) or substantially modified without at least thirty days prior written notice to all the insured, including all known mortgagees of Units, (ix) a provision requiring periodic review at least every two (2) years to assure the sufficiency of coverage, and (x) a provision that adjustment of loss shall be made by the Board of Managers. Any deductible provision shall apply only to each occurrence rather than to each item of damage.

Prior to obtaining any new fire and casualty insurance policy, the Board of Managers shall obtain an appraisal from an insurance company or from such other source as the Board of Managers shall determine to be acceptable as to the full replacement value (exclusive of land, foundations, and improvements made by present or prior Unit Owners or occupants) for the purpose of determining the amount of fire and casualty insurance to be effected pursuant to this Section.

The proceeds of all policies of physical damage insurance, including flood insurance, shall be payable to the Board of Managers if they are \$50,000 or less and, if in excess of \$50,000, to the Insurance Trustee selected by the Board of Managers, to be applied for the purpose of repairing, restoring, or rebuilding unless otherwise determined by the Unit Owners as hereinafter set forth. (This \$50,000 limit shall automatically be increased each calendar year by 5 percent over the limit of the previous year.) The policy must provide that any right of the insurer to elect to restore damage in lieu of cash settlement may not be exercised without the consent of the Insurance Trustee. The policy shall contain the standard mortgagee clause in favor of each mortgagee (or the servicer of the mortgage and “its successors and assigns”) of a Unit which shall provide that any loss shall be payable to the mortgagee as its interest shall appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as set forth below. The obligation to restore or reconstruct after damage due to fire or other casualty supersedes the customary right of a mortgagee to have the proceeds of insurance coverage applied to the mortgage indebtedness.

Each Unit Owner and such Unit Owner’s known mortgagee shall be a named insured on the policy and shall receive, at the time of purchase and at the time a new policy is obtained or an existing policy renewed, a certificate evidencing proof of insurance coverage.

Duplicate originals of the policy and of all renewals of the policy, together with proof of payment of premiums, shall be furnished to all known institutional mortgagees of Units requesting the same.

2. Liability. The liability insurance shall cover the Board of Managers, the officers of the Condominium, the managing agent, if any, and all Unit Owners, but not the liability of Unit Owners

arising from occurrences within such Owner's Unit or within any common elements exclusive to such Owner's Unit. The policy shall include the following endorsements: (i) comprehensive general liability (including libel, slander, false arrest, and invasion of privacy), (ii) personal injury, (iii) medical payments, (iv) cross liability under which the right of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured, (v) "severability of interest" precluding the insurer from denying coverage to a Unit Owner because of negligent acts of the Condominium Board of Managers or any other Unit Owner, (vi) contractual liability, (vii) water damage liability, (viii) hired and non-owned vehicle coverage, (ix) liability for the property of others, (x) host liquor liability coverage with respect to events sponsored by the Condominium, and (xi) deletion of the normal products exclusion with respect to events sponsored by the Condominium.

Coverage may not be cancelled or suspended (including cancellation for nonpayment of premium) or substantially modified without at least 30 days prior written notice to the insured, including all known mortgagees of Units as shown on the records of the Condominium. Any deductible provision shall apply only to each occurrence rather than to each item of damage.

The Board of Managers shall review such coverage at least once each year. This public liability insurance shall not be in a combined single limit of less than \$1,000,000 covering all claims for bodily injury and property damage arising out of a single occurrence.

3. Directors' and Officers' Liability. The directors' and officers' liability insurance shall cover the "wrongful" acts of a member of the Board of Managers or officer of the Condominium. The policy shall be on a "claims made" basis so as to cover all prior officers and members of the Board of Managers, and any deductible provision shall apply only to each occurrence rather than to each item of damage. The policy shall provide for "participation" by the Condominium or by the members of the Board of Managers or officers of the Condominium only to the minimum extent permitted by law or applicable governmental regulations.

The directors' and officers' liability coverage shall not be in the amount of less than \$1,000,000.

4. Fidelity Bond. The fidelity bond shall name the Condominium as obligee and shall cover all members of the Board of Managers, officers, and employees of the Condominium and of the Condominium's managing agent, if any, who handle Condominium funds. The bond shall be in an amount not less than the estimated maximum amount of funds, including reserves, in the custody of the Condominium or managing agent at any given time, but in no event less than a sum equal to three months aggregate common charges on all Units, plus reserves. It shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression and shall provide that the bond shall not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 30 days prior written notice to the Board of Managers, Insurance Trustee, if any, and all institutional first mortgagees of Units as listed on the books and records of the Condominium.

The coverage shall be at least \$50,000 for dishonest acts and \$50,000 for forgery. Notwithstanding the limitation set forth herein, the Board of Managers shall, upon the request of any Unit Owner, Unit mortgagee, or prospective Unit Owner or mortgagee increase the amount of such bond to meet the reasonable requirements of any existing or proposed purchaser or insurer of any mortgage made or to be made on any Unit.

5. Workers' Compensation Insurance. Such insurance shall cover any employees of the Condominium, as well as any other person performing work on behalf of the Condominium.

No Liability for Failure to Obtain Above Coverages. The Board of Managers shall not be liable for failure to obtain any of the coverages required by this Section or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at demonstrably unreasonable cost.

Deductible Amounts. The deductible amount, if any, on any insurance policy purchased by the Board of Managers shall be a common expense, provided, however, that the Board of Managers may assess any deductible amount necessitated by the gross negligence or wantonly malicious act of a Unit Owner against such Unit Owner. The Condominium may pay the deductible portion for which a Unit Owner is responsible, and the amount so paid, together with interest and costs of collection (including attorney's fees) shall be a charge and continuing lien upon the Unit involved, shall constitute a personal obligation of the Unit Owner, and shall be collectible in the same manner as common charges and assessments under the Declaration and these Bylaws.

Unit Owners' Insurance. Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

8.02. Insurance Trustee. The Insurance Trustee shall be any law firm, bank, or trust company located in the State of New York designated by the Board of Managers. All fees and disbursements of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a common expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a law firm, bank, or trust company located in the State of New York.

8.03. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Buildings or common elements as a result of fire or other casualty (unless 75 percent or more of the Units are destroyed or substantially damaged and 75 percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair and restoration), the insurance proceeds, if any, shall be payable to the Board of Managers if they do not exceed the limit established pursuant to Section 8.01 hereof; and if in excess of such limit, then to the Insurance Trustee as the Board of Managers shall select, subject to the reasonable approval of the mortgagee's representative, if any. The Board of Managers shall notify all mortgagees of such Unit or Units as indicated on the records of the Condominium and shall arrange for the prompt repair and restoration of the Buildings or common elements (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, but excluding, unless covered by the insurance obtained by the Board of Managers, any wall, ceiling, or floor decorations or coverings or other furniture, furnishings, fixtures, appliances, or equipment installed by present or prior occupants or Owners of the Units), and the Board of Managers 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 Managers shall assess all the Unit Owners for such deficit and for a completion bond for such deficit as part of the common charges.

In the event of any damage or destruction as hereinabove described, the Board of Managers shall promptly send written notification of the casualty to all institutional first mortgagees of Units as they

appear on the books and records of the Condominium.

If there shall have been a repair or restoration pursuant to the first paragraph of this Section, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners, subject to the rights of holders of mortgages encumbering such Units, in proportion to their respective common interests after first paying out of the share due each Unit Owner such amounts as may be required to reduce unpaid liens on such Unit in the order of priority of such liens.

If 75 percent or more of the Units are destroyed or substantially damaged as determined by the Board of Managers and 75 percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair and restoration, the Property shall be subject to an action for partition upon 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, shall be held in escrow by the Board of Managers or the Insurance Trustee, as the case may be, to be divided among all Unit Owners, subject to the rights of holders of mortgages encumbering such Units, in proportion to their respective common interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit, in the order of the priority of such liens.

Any repair or restoration as hereinabove described shall be in substantial accordance with the plans and specifications of the damaged improvements as originally built. Any proposed substantial deviation therefrom shall require the written consent of institutional first mortgagees holding mortgages on Units which have at least 51 percent of the votes of all Units affected which are subject to institutional first mortgages as indicated on the records of the Condominium.

The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and the same shall constitute a common expense of the Condominium.

8.04. Actions Which May Increase Insurance Rates Prohibited. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in such Unit Owner's Unit which will increase the insurance rates on such Unit or on any other Unit or on the common elements.

ARTICLE IX AMENDMENT

9.01. Amendments to Bylaws. These Bylaws may be modified, altered, amended, or added to at any duly called meeting of Unit Owners in accordance with the following procedure:

a. Unit Owners who own at least ten percent (10%) of the common elements shall submit, in writing, to the Secretary of the Condominium a Petition signed by such Unit Owners, setting forth therein the Section or Sections of the Bylaws requested to be modified, altered, amended, or added to as well as the language of such modification, alteration, amendment, or addition, together with a statement as to the reason or reasons why such Unit Owners request the same; and

b. The Secretary shall promptly forward a copy of the Petition to the President of the Condominium who shall promptly call a Special Meeting of the Board of Managers on ten (10) days

notice to each member of the Board of Managers, either personally or by mail, fax, telegram, or other communication medium. At such Special Meeting, the Board of Managers shall pass a resolution directing the President to call a Special Meeting of the Unit Owners; and

c. A Notice of the Special Meeting of the Unit Owners, containing a full statement of the proposed modification, alteration, amendment, or addition and the date, time, and place of the meeting, shall be sent to all Unit Owners and first mortgagees of Units as listed in the books and records of the Condominium at least 30 and not more than 50 days prior to the date set for such meeting; and

d. At such Special Meeting, 67 percent or more in number and common interest of all Unit Owners must approve the change; and

e. The Board of Managers does not, prior to the date established for voting on the proposed change, receive written notification of opposition to the change from first mortgagees of 51 percent or more in number and in common interest of all Units subject to mortgages as listed on the books and records of the Condominium, which opposition must not be unreasonable; and

f. An instrument evidencing the change is duly recorded in the office of the Chautauqua County Clerk. Such instrument need not contain the written consent of the required number of Unit Owners but shall contain a certification by the Board of Managers of the Condominium that the consents required are filed with the Board of Managers; and

g. Each proposed modification, alteration, amendment, or addition to a section or subsection of the Bylaws shall, for purposes of submittal to the Unit Owners with respect to the holding of such Special Meeting, be deemed to be a separate proposal to be set forth in the proxy and to be voted upon at the Special Meeting; provided, however, that the Petition described in Section 9.01a hereof may, at the election of the Unit Owners who sign the same, group or combine some or all of such proposed modifications, alterations, amendments, or additions into one or more proposals for submission to the Unit Owners in the proxy and for voting purposes at the Special Meeting and the same will be submitted to the Special Meeting in the form set forth in the Petition; and

h. A copy of the instrument filed in the office of the Chautauqua County Clerk shall be promptly sent by the Secretary of the Condominium to each Unit Owner.

ARTICLE X MISCELLANEOUS

10.01. Notices. All notices hereunder shall be in writing and sent by [electronic communications, if approved by the Board of Managers and the individual owner, or by](#) mail by depositing same in a post office or letter box in a postpaid sealed wrapper, addressed, if to go to the Board of Managers, at the office of the Board of Managers [or management company](#), and if to go to a Unit Owner or Unit Mortgagee, to the address of such Unit Owner or mortgagee at such address as appears on the books of the Condominium. All notices shall be deemed to have been given when [emailed or](#) mailed, except notices of change of address, which shall be deemed to have been given when received. Whenever any notice is required to be given under the provisions of the Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

10.02. Conflicts; Compliance with Article 9-B. These Bylaws are set forth to comply with

the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these Bylaws conflict with the provisions of said statute or of the Declaration, as the same may be amended from time to time, the provisions of the statute or of the Declaration, whichever the case may be, shall control.

10.03. No Waiver for Failure to Enforce. No restriction, condition, obligation, or provision contained in these Bylaws 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.

10.04. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the masculine, feminine, or neuter, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

10.05. Captions. 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 Bylaws or the intent of any provision thereof.

10.06. Severability. Should any part of these Bylaws be deemed void or become unenforceable at law or in equity, the validity, enforceability, or effect of the balance of these Bylaws shall not be impaired or affected in any manner.

SCHEDULE A TO BYLAWS

RULES AND REGULATIONS

ST. ELMO CONDOMINIUM

The following rules and regulations, together with such additional rules and regulations as may hereafter be adopted by the Board of Managers, shall govern the use of the property comprising the Condominium and the conduct of all residents and occupants thereof.

1) PETS. A Unit Owner shall be permitted to have one (1) dog and one (1) cat in each Unit, subject to the establishment by the Board of Managers, in its sole discretion, of standards with respect to the number, size, weight, and kind of pets permitted. Tenants shall not be permitted to have pets. The Board of Managers shall have the right to require the disposition of any pet, if, in the opinion of the Board, acting in its sole discretion, such pet is creating a nuisance because, e.g., the Owner or other Unit occupant does not clean up after the pet, the pet is too noisy, or the pet is not properly controlled.

2) NO HANGING OR SHAKING OF CLOTHING, ETC. No lines, cloths, clothing, curtains, rugs, or mops shall be hung or shaken from the doors, windows, balconies, porches, walls, or fences or placed upon walls, windows, sills, or fences.

3) SHADES, VENETIAN BLINDS, ETC. No shades, Venetian blinds, awnings, or window guards shall be used in or about any Unit except such as shall have been approved in writing by the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

4) SCREENS, STORM DOORS, AERIALS, SIGNS, ETC. No screen, storm door, awning, or radio or television aerial shall be attached to or hung from the exterior of any Building, and no sign, notice, advertisement, or illumination shall be inscribed in or exposed on or at any window or other part of any Building except such as shall have been approved in writing by the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers, nor shall anything be projected from any window of any Building without similar approval.

5) NO OBSTRUCTION OR MISUSE OF COMMON ELEMENTS. The common elements shall not be obstructed, littered, defaced, or misused in any manner.

6) USE OF UNITS. All Residential Units shall be used for single family residence purposes only as such term is defined in the Declaration and, if resided in by three or more persons, such persons shall be members of the "same family" as such term is defined in the Declaration and/or Bylaws.

7) NO ILLEGAL OR DISTURBING USE OF UNITS. Unit Owners, members of their families, their employees, guests, lessees, and their pets shall not use or permit the use of the Premises or common areas in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

8) UNIT OWNER RESPONSIBLE FOR DAMAGE TO CONDOMINIUM PROPERTY. Every Unit Owner shall be liable for any and all damage to the common elements and the Property of the Condominium which shall be caused by (1) the Unit Owner, or (2) any family member, tenant, guest, or invitee of such Unit Owner, or (3) a family member, guest, or invitee of the tenant of such Unit Owner, or (4) a guest or invitee of (i) any member of such Unit Owner's family, or (ii) any family member of the tenant of such Unit Owner.

9) UNITS TO BE PROMPTLY REPAIRED AND MAINTAINED. Every Unit Owner must perform promptly all maintenance and repair work to his own Unit which, if omitted, would affect the Building of which such Unit Owner's Unit forms a part, such Unit Owner being expressly responsible for the damage and liabilities that the failure to promptly perform may engender.

10) REPAIRS TO UNIT AT UNIT OWNER'S EXPENSE. All the repairs to internal installations of a Unit located in and servicing only that Unit, such as gas and electric power, telephones and sanitary installations, shall be at the Unit Owner's expense.

11) LANDSCAPING OR GARDENING BY UNIT OWNERS. Except for plantings approved by the Board of Managers, no Unit Owner shall move, remove, add, or otherwise change the landscaping of the Property in any way.

12) NO EXTERIOR PAINTING OR STAINING BY UNIT OWNERS. No Unit Owner shall paint or stain the exterior surfaces of the windows, walls, or doors opening out of such Unit Owner's Unit.

13) PARKING OF VEHICLES. No vehicle belonging to a Unit Owner or to a member of the family, guest, tenant, or employee of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from a parking spot by another vehicle.

14) NO COMMERCIAL VEHICLES. Unless used in connection with the maintenance of the Property, or unless garaged, no commercial vehicles of a weight of two (2) tons or more or any unlicensed motor vehicle of any type shall be permitted on the Property.

15) NO BOATS, CAMPERS, SNOWMOBILES OR MINIBIKES WITHOUT CONSENT OF BOARD OF MANAGERS. No boats, campers, snowmobiles, minibikes, or similar vehicles shall be operated on or stored on any portion of the Property except with the consent of the Board of Managers.

16) NO EXTENSIVE OUTDOOR WORK ON MOTOR VEHICLES, BOATS OR MACHINES WITHOUT CONSENT OF BOARD OF MANAGERS. No extensive work on any motor vehicles, boats, or machines of any kind shall be permitted outdoors on the Property except with the consent of the Board of Managers.

17) RADIOS, TELEVISIONS AND OTHER ELECTRICAL EQUIPMENT. All radio, television, or other electrical equipment or appurtenances thereto of any kind or nature installed or used in any Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment located in such Unit Owner's Unit. The volume of sound of any electrical equipment shall be such as not to be heard outside the Unit.

18) OUTDOOR STORAGE OF GARBAGE OR TRASH. Garbage or trash shall not be kept, stored, or allowed to accumulate outdoors on any portion of the Property.

19) USE OF WATER CLOSETS AND OTHER WATER APPARATUS. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags, or any other article be thrown into the same. Any damage resulting from the misuse, negligent use, or failure to repair of any water closet or other water apparatus or appliance (e.g., sink, bathtub, shower, washing machine) in a Unit shall be repaired and paid for by the Owner of such Unit, if it can be determined by the Board of Managers that such Unit Owner caused the resulting damage or that the misuse, negligence, or failure to repair which resulted in the damage initiated in such Owner's Unit.

20) APPLIANCES WHICH PROTRUDE FROM WINDOWS. Each Unit Owner shall keep any such approved appliance which protrudes from the window of the Unit in good appearance and mechanical repair. No Unit Owner shall permit any such approved appliance to leak condensation or to make any noise which may unreasonably disturb or interfere with the rights, comforts, or conveniences of any other occupant of the Property. If any approved appliance which protrudes from the window of the Units shall become rusty or discolored, the Unit Owner shall have it painted in a good and workmanlike manner in the standard color selected by the Board of Managers for the Building in which the Unit is located, and if the Unit Owner shall fail to keep such approved appliance in good order and repair and properly painted, the Board of Managers or the managing agent or the manager, in their discretion, may remove such appliance from the window, charging the cost for removal to the Unit Owner, and the appliance shall not be replaced until it has been put in proper condition and only with the further written consent of the Board of Managers. This rule shall not require the Board of Managers to consent to any appliance which protrudes from a window.

21) BOARD OF MANAGERS TO RETAIN PASSKEYS TO UNITS. The Board of Managers or the managing agent or the manager may retain a passkey to each Unit. The Unit Owner shall not alter any lock or install a new lock on any door leading to his Unit without the written consent of the Board of Managers or the managing agent or the manager. If such consent is given, the Board of Managers or the managing agent or the manager shall be provided with a key.

22) KEYS ENTRUSTED TO THE EMPLOYEES OF BOARD OF MANAGERS OR MANAGING AGENT. Except as given in accordance with Section 21 above, if any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, licensee, or visitor to an employee of the Board of Managers or of the managing agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the managing agent nor the manager shall be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly, resulting therefrom or connected therewith.

23) PORCHES, BALCONIES AND PATIO AREA CANNOT BE USED FOR STORAGE; NO GRILLS WITHOUT PERMISSION OF BOARD OF MANAGERS. Porches, balconies, and the common patio area cannot be used for storage (e.g., no bicycles, boxes, lumber, or supplies may be left on patios or decks). The only items permitted on porches, balconies, patios, and decks are outdoor furniture and, with the permission of the Board of Managers, grills for cooking.

24) FURNISHINGS ON PORCHES, BALCONIES AND PATIO AREAS. Furniture placed on porches, balconies, and patio areas must be compatible with the Victorian style of the Building but need not be in a Victorian style. The furnishings may be of any material appropriate for exterior furniture and shall be of good quality and maintained in good condition. The color of such furniture must be compatible with the colors on the exterior of the Building and shall not be loud or garish colors. Cooking grills and awnings are not permitted, but table umbrellas are permitted.