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SUFFOLK REGISTRY OF DEEDS  
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DECLARATION OF TRUST  
OF THE *Paul P. Tierney*  
7 CEDAR STREET CONDOMINIUM TRUST  
REGISTER OF DEEDS

THIS DECLARATION OF TRUST made this 27th day of October, 1998, at Charlestown, County of Suffolk and Commonwealth of Massachusetts, by Robert S. Jenkins of Charlestown, Suffolk County, Massachusetts, (hereinafter called "Trustee or "Trustees", which term and any pronoun referring thereto shall be deemed to include their successors in trust hereunder and to mean the trustee or trustees for the time being, wherever the context so permits).

ARTICLE I

The Trust's Name, Purpose, and By-Laws

Section 1.1. Name of Trust. The Trust shall be known as the "7 CEDAR STREET CONDOMINIUM TRUST" and under that name, so far as legal, convenient and practicable, all business shall be carried on by the Trustees and all instruments shall be executed by the Trustees. The name and the word "Trust," whenever used in this Declaration of Trust, except where the context otherwise requires, shall refer to the Trustees in their capacity as Trustee, and not individually or personally, and shall not refer to the officers, agents or employees of the Trust or to the Unit Owners.

Section 1.2. Declaration of Trust and Purpose. The Trustees hereby declare that they hold all of the rights and powers in and with respect to the common areas and facilities (the "Common Elements") of the 7 CEDAR STREET CONDOMINIUM (the "Condominium") established by the Master Deed, of even date and filed herewith, which are by virtue of provisions of Chapter 183A of the Massachusetts General Laws, as amended, ("Chapter 183A") conferred upon or exercisable by the organization of Unit Owners of the Condominium, and all other property, real and personal, tangible and intangible, rights, interests, powers, duties and responsibilities conveyed to them as Trustees hereunder or under the Master Deed, as joint tenants with the right of survivorship, in trust to exercise, manage, administer and dispose of the same exclusive of the common areas and to receive the income thereof for the benefit of the owners of record from time to time of Units of the Condominium (said Units being hereinafter called the "Units" and said owners being hereinafter called the "Unit Owners"), according to the schedule of undivided beneficial interest in the Common Elements (hereinafter referred to as the "Beneficial Interests") as provided in Section 3.1 hereof and in accordance with the provisions of Chapter 183A, this trust being the organization of the Unit Owners established pursuant to the provisions of Section 10 of Chapter 183A for the purposes therein set forth.

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**Section 1.3. Trust Relationship.** It is hereby expressly declared that a trust (and not a partnership, corporation or joint venture) is hereby created. The Unit Owners are beneficiaries and not partners or associates or in any other relations whatever between and among themselves with respect to the Trust property, hold no relation to the Trustees other than that of beneficiaries of this Trust and have only those rights as are conferred upon them as beneficiaries hereunder and under and pursuant to the provisions of Chapter 183A.

**Section 1.4. By-Laws.** This Declaration of Trust, as from time to time amended, shall be and comprise the By-Laws of the Condominium and of the Trust.

## ARTICLE II

### Definitions

As used in this Declaration of Trust, the following terms shall have the following meanings unless the context hereof otherwise requires:

"Appurtenant Interests" shall have the meaning set forth in Section 6.1 hereof.

"Beneficial Interests" shall have the meaning set forth in Section 1.2 above and Section 3.1 hereof.

"Building" shall mean the building which contains the Units and which is more particularly described in the Master Deed.

"By-Laws" shall mean the provisions of this Trust, as the same may be amended from time to time.

"Chapter 183A" shall mean Chapter 183A of the General Laws of Massachusetts, as amended from time to time.

"Common Charges" shall mean all charges hereinafter made by this Trust to the Unit Owners.

"Common Elements" shall mean the common areas and facilities of the Condominium as described and designated in the Master Deed.

"Common Expenses" shall mean the expenses of administration, operation, maintenance, repair or replacement of the Condominium and the Common Elements, expenses declared Common Expenses herein or by Chapter 183A, and betterment and other assessments referred to in Chapter 183A which are assessed to the Trustees.

"Common Funds" shall mean all funds held by the Trustees other than those held by the Trustees pursuant to Section 5.18.

"Common Profits" shall mean the balance of all income, rents, profits and revenues from the Common Elements after the deduction of the Common Expenses .

"Condominium" shall mean the 7 CEDAR STREET CONDOMINIUM submitted by the Master Deed to the provisions of Chapter 183A.

"Declaration of Trust" shall mean this Declaration of Trust as the same may be amended, restated or modified from time to time. References in this Declaration of Trust to "hereof," "herein" and "hereunder" shall be deemed to refer to this Declaration of Trust and shall not be limited to the particular text, article or section in which such words appear.

"Master Deed" shall mean the Master Deed of the land and building known and numbered as 7 CEDAR STREET, Charlestown, Suffolk County, Massachusetts, of even date and recorded herewith, which subjects the Condominium to Chapter 183A, as such Master Deed may be amended, restated or modified from time to time.

"Municipality" shall mean the Town of Charlestown.

"Person" or "persons" shall mean any person or persons, whether acting in an individual, representative or fiduciary capacity, and any firm or firms, corporation or corporations, partnership or partnerships, and any legal entity or entities whatsoever, except as otherwise specifically provided.

"Property" shall mean the properties and assets subjected to Chapter 183A by the Master Deed and any addition or additions thereto and any and all property, whether real, personal or mixed, tangible or intangible, held by the Trustees under the terms and provisions of this Trust on behalf of the Trust.

"Registered Mortgagee" shall mean any holder of a mortgage on a Unit whose name and address have been furnished to the Trustees.

"Registry" shall mean the Suffolk County Registry of Deeds.

"Sponsor" shall mean Robert S. Jenkins of Charlestown, Massachusetts, and his successors and assigns, including without limitation successors in interest through mortgage foreclosure or deed in lieu thereof and Sponsor's nominee, if any, nominated as provided in Section 10.3 hereof.

"Superior Court" shall mean the Superior Court of Suffolk County.

"Trust" shall have the meaning set forth in Section 1.1 hereof.

"Trustees" shall have the meaning set forth at the beginning of this Declaration of Trust.

"Unit" shall mean any unit in the Condominium as described in the Master Deed and in Section 1.2 above.

"Unit Deed" shall mean the deed of a Unit to a Unit Owner.

"Unit Owner" shall have the meaning set forth in Section 1.2 hereof.

"Unit Representative" shall have the meaning set forth in Section 3.2 hereof.

ARTICLE III

Unit Owners

Section 3.1. Beneficial Interests. The beneficiaries of the Trust shall be the Unit Owners from time to time. The total Beneficial Interests in the Trust shall be divided among the Unit Owners in the percentage of their undivided interest in the Common Elements appertaining to the Units, as set forth in Schedule A attached hereto and incorporated herein by reference, as the same may be amended.

Section 3.2. Beneficial Interest Held by One Person. The Beneficial Interest of each Unit shall be held and exercised as a whole and shall not be divided among several owners of the Unit. To that end, whenever any Unit is owned of record by more than one person, the several owners of such Unit shall designate, by a notice in writing to the Trustees signed by all of the record owners of such Unit, one of the owners or occupants of the Unit to represent that Unit (hereinafter, the "Unit Representative"), and the Unit Representative shall be authorized and entitled to cast votes, execute instruments and otherwise exercise the rights hereunder appertaining to such Unit which are granted to the Unit Owner, all as if the Unit Representative were the sole Unit Owner. The designation shall take effect upon receipt by the Trustees of such notice of designation signed by all of the Unit's Owners, and the designation may from time to time be changed or revoked by written notice signed by any one or more of the Unit's Owners. In the absence of an effective Unit Representative designation, the Trustees may from time to time designate, by written notice to all owners of the Unit, any one of such Unit's owners for such purposes. Any notices which are given hereunder to Unit Owners shall be effective if properly given to the Unit Representative.

Section 3.3. Annual Meeting. The first annual meeting of the Unit Owners shall be held within sixty (60) days after that date on which Sponsor ceases to own any portion of the Beneficial Interest or three (3) years from the date of the recording of the Master Deed, whichever shall first occur, and thereafter annual meetings shall be held on the anniversary of such date in each succeeding year. If that day is not a business day in Massachusetts, the meeting shall be held on the next succeeding business day. The purposes for which an annual meeting is to be held, additional to those prescribed by law or by this Declaration of Trust, may (but, except as otherwise specifically provided, need not) be specified by the Trustees.

**Section 3.4. Special Meeting in Place of Annual Meeting.** If no annual meeting has been held in accordance with the foregoing provisions, a special meeting of the Unit Owners may be held in place thereof, and any action taken at such special meeting shall have the same force and effect as if taken at the annual meeting, and in such case all references herein to the annual meeting of the Unit Owners shall be deemed to refer to such special meeting. Any such special meeting shall be called as provided in Section 3.5 hereof.

**Section 3.5. Special Meeting.** A special meeting of the Unit Owners may be called at any time by the Trustees. Upon written application of Unit Owners holding at least thirty-three percent (33%) in interest of the Beneficial Interest, the Trustees shall call a special meeting. Each call of a special meeting (including a special meeting in place of an annual meeting) shall state the place, date, hour and purposes of the meeting.

**Section 3.6. Place of Meeting.** All meetings of the Unit Owners shall be held at any place in the Municipality as the Trustees may designate by written notice to all Unit Owners and each Registered Mortgagee. Any adjourned session of any meeting of the Unit Owners shall be held at the same location as the initial session or at such other location as is consistent with the foregoing and as may be designated in the vote of adjournment.

**Section 3.7. Notice of Meetings.** A written notice of each meeting of the Unit Owners, stating the place, date and hour and the purposes (except as otherwise provided herein) of the meeting, shall be given at least ten (10) days before the meeting to each Unit Owner, by leaving such notice with him or her at his residence or usual place of business, or by mailing it, postage prepaid, addressed to such Unit Owner at his address as it appears in the records of the Trust, and to each Registered Mortgagee, by mailing it, postage prepaid, to such mortgagee at its usual or last known address. Such notice shall be given by the Trustees. No notice of any meeting of Unit Owners need be given to a Unit Owner or mortgagee if a written waiver or notice, executed before or after the meeting by such Unit Owner or mortgagee, as the case may be, or his or its attorney thereunto duly authorized, is filed with the records of the meeting.

**Section 3.8. Quorum of Unit Owners.** At any meeting of the Unit Owners, a quorum shall consist of at least a 85% interest in the Beneficial Interest hereunder, except when a larger quorum is required by law or by this Declaration of Trust. Any meeting may be adjourned from time to time by a majority in interest of the Beneficial Interest voting upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

**Section 3.9. Action By Vote.** Except when a larger vote is required by law, by this Declaration of Trust or by the Master Deed, at any meeting at which a quorum is present, the Unit Owners may act on a question or fill an office by vote of a majority in interest of the Beneficial Interest voting.

Section 3.10. Action by Writing and by Proxy. Any action to be taken by the Unit Owners may be taken without a meeting if all Unit Owners entitled to vote on the matter consent to the action by writings filed with the records of the meetings of the Unit Owners. Such consent shall be treated for all purposes as a vote at a meeting. Unit Owners entitled to vote may vote either in person or by proxy in writing.

ARTICLE IV

Trustees and Officers

Section 4.1. Trustees.

Subsection 4.1.1. Number of Trustees. The number of Trustees hereunder shall at all times be two (2). The Trustees shall be natural persons, and except for the initial Trustees and those subsequently designated by Sponsor as herein provided, all Trustees shall be Unit Owners. Trustees designated by Sponsor need not be Unit Owners.

Until the occurrence of the "Takeover Event," as hereinafter defined, Sponsor shall have the right to designate and remove, at his sole discretion, all Trustees hereunder. The initial Trustees so chosen by Sponsor is Robert S. Jenkins. The Sponsor may so designate any successor Trustees provided, however, that by or within one hundred and twenty (120) days after eighty (80%) percent of the Units have been conveyed, or three (3) years from the date of the recording of the first Unit Deed, whichever shall first occur (the "Takeover Event"), Sponsor's right to designate all Trustees shall expire and the offices of the Trustees so chosen by the Sponsor shall be deemed vacant so as to permit them to be filled by the Unit Owners as set forth in Section 4.4. Notwithstanding the foregoing, Sponsor's rights to so designate Trustees shall not, in any way, diminish or limit the number of Trustees which Sponsor may be able to elect through the exercise of the Sponsor's voting rights as a Unit Owner.

Subsection 4.1.2. Acceptance of Trust. Each person hereafter elected or appointed as a Trustee shall sign and acknowledge in the manner required in Massachusetts for the acknowledgment of deeds, an acceptance of such election or appointment which shall be filed in the Registry. The failure to record such acceptance in the Registry shall in no way affect the validity of such Trustee's election or appointment, except as provided in Section 7.1.

Subsection 4.1.3. Tenure. Except as otherwise provided by law or by this Declaration of Trust, the Trustees shall hold office until the next annual meeting of the Unit Owners and until their successors, if any, are elected or appointed and have accepted such election or appointment or until a Trustee sooner dies, resigns, is removed or becomes disqualified.

Subsection 4.1.4. Powers and Duties. The Trustees shall have the powers and duties necessary for the administration of the affairs of the Trust and Condominium and may perform all acts

except those which, by law, by the Master Deed or by this Declaration of Trust may not be delegated to the Trustees and shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the Common Elements;
- (b) Preparation of the budget of the Condominium and determination of the Common Elements;
- (c) Collection of the Common Expenses from the Unit Owners;
- (d) Employment, appointment and dismissal of employees and agents of the Trust, including without limitation, managing agent, managers, superintendents, brokers, engineers, architects, accountants, and legal counsel, as necessary or advisable; provided, however, that the Trustees shall not enter into any management agreement or other contract unless it complies with the requirements of Section 5.15;
- (e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Common Elements;
- (f) Opening of bank accounts on behalf of the Trust and designating the signatory or signatories required therefor;
- (g) Leasing, managing and otherwise dealing with the Common Elements;
- (h) Owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to the Trust or purchased by it as the result of enforcement of the lien for Common Expenses, or otherwise;
- (i) Obtaining insurance pursuant to the provisions of Section 5.7 hereof;
- (j) Making repairs, additions and improvements to, or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of this Declaration of Trust;
- (k) Enforcing obligations of the Unit Owners, allocating income and expenses, levying reasonable fines against the Unit Owners for violations of the provisions of Article V hereof, and in the case of persistent violation of the Rules and Regulations or of the provisions of Article V hereof by a Unit Owner, requiring such Unit Owner to post a bond to secure adherence thereto. Collection of fines may be enforced against the Unit Owner or Unit Owners involved as if the fines were Common Charges owed by the particular Unit Owner or Unit Owners;
- (l) Maintaining books, accounts and records of the Condominium; and

(m) Conducting litigation and being the subject to suit as to any course of action involving the common areas and facilities or arising out of the enforcement of the by-laws, administrative rules or restrictions in the master deed.

(n) Doing anything and everything else necessary and proper for the sound management of the Condominium.

**Subsection 4.1.4. Meetings of Trustees.** The Trustees shall meet annually immediately after the annual meeting of the Unit Owners. Special meetings of the Trustees may be called by any Trustee, provided that written notice of each meeting stating the date, hour and place thereof shall be given to each Trustee by the Trustee calling the meeting.

**Subsection 4.1.5. Notice to Trustees.** It shall be sufficient notice to a Trustee to send notice by mail at least seven (7) days or by a telegram at least forty-eight (48) hours before the meeting addressed to him at his usual or last known business or residence address or to give notice to him in person or by telephone at least twenty-four (24) hours before the date fixed for the meeting or the event as to which the notice is given. Notice of a meeting need not be given (i) to any Trustee if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting or (ii) to any Trustee who attends the meeting without protesting the lack of notice prior to the meeting or at its commencement. Neither notice of a meeting nor a waiver of a notice need specify the purposes of this meeting.

**Subsection 4.1.6. Quorum.** At any meeting of the Trustees, a majority of the Trustees then in office shall constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

**Subsection 4.1.7. Trustees' Action.** Except when a larger vote is required by law or by this Declaration of Trust, the Trustees may act in any matters relating to the administration of the Trust hereunder and the exercise of the powers hereby conferred by a majority vote at any meeting at which a quorum is present. Any action required or permitted to be taken at any meeting of the Trustees may be taken without a meeting if written consents to such action are signed by all of the Trustees and such written consents are filed with the records of the meetings of the Trustees. Such consents shall be treated for all purposes as a vote at a meeting.

Whenever Trustee consent or approval is sought hereunder or under the Master Deed for some action planned to be taken only by one Unit Owner, if such Unit Owner is a Trustee, his vote shall not be counted as it relates to such action.

Section 4.2. Officers and Agents.

Subsection 4.2.1. Enumeration and Qualification. The officers of the Trust shall be such officers, if any, as the Trustees from time to time, may in their discretion elect or appoint. The Trust may also have such agents, if any, as the Trustees may from time to time, in their discretion, appoint. Any officer may be, but none need be, a Trustee or a Unit Owner. Any two or more offices may be held by the same person. Any officer may be required by the Trustees to give bond for the faithful performance of his duties to the Trust in such amount and with such sureties as the Trustees may determine. The cost of any such bond shall be charged as a Common Expense.

Subsection 4.2.2. Powers. Subject to law and to the provisions of this Declaration of Trust, each officer shall have those duties and powers as the Trustees may from time to time designate.

Section 4.3. Resignation, Removals and Compensation. Any Trustee or officer of the Trust may resign at any time by an instrument in writing, executed, acknowledged, and recorded at the Suffolk County Registry of Deeds. The instrument of resignation shall take effect upon the recording thereof. A Trustee (including persons elected by Trustees to fill vacancies but not including any of the original Trustees named at the beginning of this Declaration of Trust and not including any successor Trustees designated by the Sponsor pursuant to Subsection 4.1.1) may be removed from office with or without cause by the vote of Unit Owners, entitled to at least eighty (80%) of the beneficial interest hereunder, such removal to take effect upon the recording of an instrument in writing, signed and acknowledged by said Unit Owners, at the Registry of Deeds. Notwithstanding anything to the contrary contained herein, Sponsor may remove, with or without cause, notice, or a hearing, any Trustee designated by Sponsor, by instrument in writing signed and acknowledged by Sponsor and recorded in said Registry of Deeds.

The Trustees and any officers of the Trust shall be entitled to be reimbursed for their reasonable expenses. The Trustees and officers shall not receive compensation for services rendered as Trustee or officer, but this shall not preclude any such person from performing any other service for the Trust, legal or otherwise, and receiving compensation therefor.

Section 4.4. Vacancies. Any vacancy in the office of Trustee may be filled by the Unit Owners entitled to at least eighty (80%) of the beneficial interest hereunder or, in the absence of Unit Owner action for a period of thirty (30) days, by the Trustees by vote of a majority of the Trustees then in office, subject to the right of the Sponsor to fill any vacancy in the office of Trustee so long as Sponsor is entitled to designate a Trustee to fill such office, as provided in Subsection 4.1.1. The Trustees shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

Section 4.5. Indemnification. Each of the Trustees and any officers of the Trust shall be indemnified, both out of the Property and by the Unit Owners, to the extent legally permissible, against any liability and expense, incurred by them or any of them while in office or thereafter, by reason of his being or having been a Trustee or officer (while in office or thereafter), including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by the Trustee or officer in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, except with respect to any matter as to which he shall have been adjudicated in any proceeding to have acted in bad faith or with willful misconduct or reckless disregard of his duties or not to have acted in good faith in the reasonable belief that his action was in the best interests of the Trust. The right of indemnification hereby provided shall not be exclusive of or affect any other rights to which any Trustee or officer may be entitled by contract or otherwise under law. As used in this Section, the terms "Trustee" and "officer" include their respective heirs, executors and administrators. Nothing contained in this Section shall affect any rights to indemnification to which personnel, other than Trustees and officers, may be entitled by contract or otherwise under law.

Section 4.6. Self-Dealing and Trustees' Bonds and Liability. No Trustee or officer of the Trust shall be (i) disqualified by his office from contracting or dealing with the Trustees or with one or more Unit Owners (whether directly or indirectly because of his interest individually or the Trustees' or officer's interest or any Unit Owner's interest in any corporation, firm, trust or other organization connected with such contracting or dealing or because of any other reason), as vendor, purchaser, manager or otherwise, or (ii) disqualified from voting or liable to account for any profit realized due to any such contracting or dealing or due to his fiduciary relationship hereby established; provided that the Trustee or officer, as the case may be, shall act in good faith and shall have disclosed to all of the Trustees the nature of his interest before the dealing or contract is entered into.

No Trustee shall under any circumstances be held personally liable or accountable for any action taken, suffered or omitted in good faith, for more money or other property than he actually receives, for allowing one or more of the other Trustees to have possession of the Trust books or Property, for honest errors of judgment or mistakes of fact or law, by reason of the existence of any personal interest or gain which has been disclosed to the Trustees or by reason of anything except his own personal and willful malfeasance and default.

No Trustee shall be obligated to give any bond or surety or other security for the performance of any of his duties hereunder, provided, however, that Unit Owners entitled to a majority of the Beneficial Interest may at any time, by instrument in writing signed by them and delivered to the Trustee or Trustees affected, require that any one or more of the Trustees shall give a bond in an amount and with those sureties as shall be specified in the instrument. All expenses incident to any such bond shall be charged as a Common Expense.

ARTICLE V

By-Laws

The provisions of this Article V shall constitute the By-Laws of this Trust and the organization of Unit Owners established hereby, to wit:

Section 5.1. Powers and Duties of Trustees.

The Board of Trustees 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 Master Deed or by this Trust may not be delegated to the Board of Trustees by the Unit Owners. Such powers and duties of the Board of Trustees shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the Common Elements.
- (b) Determination of the common expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Condominium.
- (c) Collection of the common charges from the Unit Owners.
- (d) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements.
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the Condominium.
- (f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (g) Leasing, managing and otherwise dealing with such community facilities as may be provided for in the Master Deed as being common areas and facilities ("Common Elements").
- (h) Owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to it or purchased by it as the result of enforcement of the lien for common expenses, or otherwise.
- (i) Obtaining of insurance for the Condominium, including the Units, pursuant to the provisions hereof.

(j) Making of repairs, additions and improvements to, or alterations of, the Condominium, and repairs to and restoration of the Condominium in accordance with the other provisions of this Trust.

(k) The Board of Trustees shall have the power to enforce obligations of Unit Owners; to enforce the rules and regulations of the Condominium; to allocate income and expenses; and to do anything and everything else necessary and proper for the sound management of the Condominium. In case of persistent violation of the rules and regulations by a Unit Owner, the Board of Trustees shall have the power to require such Unit Owner to post a bond to secure adherence to the rules.

(l) Purchase or lease a Unit for use by a resident manager.

(m) Grant or relocate easements.

(n) Enter into management contracts for the management of the Common Elements.

(o) Where two or more adjacent Units located on the same floor are owned by the same Unit Owner, the Board of Trustees shall have the power to authorize the said Unit Owner, at his own cost and expense and at his own risk, to: (1) construct doors, doorways and entrances in walls which are part of the Common Elements between said adjacent Units; and (2) remove all or portions of walls which are part of the Common Elements between said adjacent Units; provided that such work does not structurally weaken the Building or interfere with pipes, wires, ducts, or conduits located with said walls.

Section 5.2. Rules and Regulations.

The Board of Trustees may adopt administrative rules and regulations governing the use and operation of condominium property not in conflict with the declaration of trust of these By-Laws and amendments thereto by a vote of the majority of the Trustees. Such administrative rules and regulations shall be recorded with the secretary and shall be sent to each Unit Owner by registered mail prior to the effective date of their application. Such rules and regulations may be amended from time to time by a majority vote of the members of the Board of Trustees.

Section 5.3. Meetings.

A. The Board of Trustees shall meet annually on the date of (and immediately following) the annual meeting of the Unit Owners, and at such meeting shall elect the Chairman, Treasurer, and Secretary hereinbefore provided for. Other meetings may be called by the Chairman and in such other manner as the Trustees may establish, provided, however, that written notice of each meeting, stating the place, day and hour thereof, shall be given at least four (4) days before such meeting to each member of the Board of Trustees. 85 % of the beneficial interest in the

Condominium shall constitute a quorum at all meetings, and such meetings shall be conducted in accordance with such rules as the Board of Trustees may adopt.

B. Commencing with the calendar year 1998 there shall be an annual meeting of the Unit Owners on the last Thursday of June in each year, at 7:30 p.m., at the Condominium premises or at such other reasonable place and time as may be designated by the Board of Trustees by written notice given to the Unit Owners at least fourteen (14) days prior to the date so designated. Special meetings of the Unit Owners may be called by The Board of Trustees or by the Unit Owners upon the written request of Unit Owners entitled to more than forty-four per cent (44%) of the beneficial interest hereunder. Written notice of any such meeting designating the place, day and hour thereof shall be given by the Board of Trustees to the Unit Owners at least fourteen (14) days prior to the date so designated. At the annual meeting of the Unit Owners, the Board of Trustees shall submit reports of the management and finances of the Condominium. Whenever at any meeting the Board of Trustees proposes to submit to the Unit Owners any matter with respect to which approval of or action by the Unit Owners is necessary or appropriate, the notice of such meeting shall so state and reasonably specify such matter. A quorum of Unit Owners shall consist of the holders of at least fifty per cent (50%) of the beneficial interest hereunder.

#### Section 5.4. Checks, Notes, Drafts, and Other Instruments.

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the names of the Trustees or of the Trust may be signed by any two (2) Trustees, or by any one (1) Trustee and another person to whom such power from time to time may be so designated by a majority of the Trustees.

#### Section 5.5. Common Profit, Determination of Common Expenses, and Fixing of Common Charges

The Unit Owners shall be liable for Common Expenses and entitled to Common Profits in proportion to their respective Beneficial Interests. The Trustees may, at any time, distribute the Common Profits among the Unit Owners in such proportions. The Trustees shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses expected to be incurred during the year, after taking into account any undistributed Common Profits from prior years, and shall allocate and assess such Common Charges among the Unit Owners according to their respective Beneficial Interests. The Common Expenses shall include any amounts which the Trustees deem proper for the operation and maintenance of the Property, including, without limitation, amounts required to indemnify the Trustees and/or officers under Section 4.5, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Trustees pursuant to the provisions of Section 5.7, utility charges pursuant to Section 5.14 and amounts for working capital of the Condominium, for general operating reserves, for a reserve for maintenance, repairs and replacements for those portions of the Common Elements

which must be replaced on a periodic basis and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include any amounts which may be required for the purchase or lease of any Unit by the Trustees, with the consent of the Unit Owners, on behalf of all Unit Owners, pursuant to the provisions hereof, or to pay any other obligation of the Trust. The Trustees shall give timely written notice to each Unit Owner of the amount of the Common Charges payable by him, and shall furnish copies of each budget on which Common Charges are based to all Unit Owners and to the holder of a mortgage of a Unit or any proposed mortgagee thereof so requesting the same in writing. The Board of Trustees shall expend common funds only for common expenses and lawful purposes permitted hereby and by the provisions of said Chapter 183A.

Section 5.6. Payment of Common Charges. All Unit Owners shall be obligated to pay the Common Charges assessed by the Trustees pursuant to the provisions of Section 5.1, monthly in advance, or at such other time or times as the Trustees shall determine. Liability and responsibility for the payment of Common Charges shall begin to accrue upon the first sale of a Unit by the Sponsor to a bona fide purchaser for value. No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to his sale, transfer or other conveyance of the Unit. Unless waived in writing by the Trustees, a purchaser of a Unit shall be liable for the payment of unpaid Common Charges assessed against the Unit prior to the acquisition by him of the Unit; however, any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage, shall not be liable for (and such Unit shall not be subject to) a lien for the payment of Common Charges assessed against the Unit prior to the acquisition of title to such Unit by such first mortgagee.

Section 5.7. Real Estate Tax Assessment and Charges; Effect of Liens. All taxes, assessments and charges which may become liens prior to the First Mortgage under local law, shall relate only to the individual Condominium Unit and not to the Condominium project as a whole.

Section 5.8. Capital Reserve Fund. A Working Capital Fund shall be established during the initial months of the condominium project by the payment into the said fund of a sum of money equal to two (2) months' estimated Common Charge for each Unit. The funds so collected shall be transferred to the Trustees to be held in trust on behalf of the Unit Owner's and maintained in a segregated account for the use and benefit of the Condominium Trust. In any event, however, such contribution equal to two (2) months of the estimated Common Charge for each Unit shall be paid over to the Trustees by or within sixty (60) days after the date of the conveyance of the first Unit. The Trustees, on behalf of the Unit Owners, shall be required to establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Elements which the Condominium Trust may be obligated to maintain. Those funds shall be maintained out of the regular assessment for Common Expenses.

Section 5.9. Collection of Assessments. The Trustees shall assess Common Charges against the Unit Owners from time to time (at least annually) and shall take prompt action to collect any