BY-LAWS

OF

PARK ONE-ELEVEN CONDOMINIUM ASSOCIATION

ARTICLE I

Introductory Provisions

1.1. Unit Ownership. The land located at Biddeford, York County, Maine known or to be known as PARK ONE-ELEVEN CONDOMINIUM together with all improvements constructed and to be constructed thereon, as described in the Declaration of PARK ONE-ELEVEN CONDOMINIUM (the "Declaration"), recorded or to be recorded in the York County Registry of Deeds has been or will be submitted to the provisions of the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statues of 1964, as amended (the "Act"), by said Declaration and declared as a condominium to be known as PARK ONE-ELEVEN CONDOMINIUM (hereinafter called the "Condominium"). These By-Laws have been adopted as required by Section 1603-106 of the Act to govern this Unit Owner's Association of the Condominium (hereinafter called the "Association").

1.2. Name. The name of this Association is PARK ONE-ELEVEN CONDOMINIUM ASSOCIATION.

1.3. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The provisions of these By-Laws shall similarly apply to all Convertible Real Estate and other Real Estate included in the condominium which is subject to Development Rights. All present and future Unit Owners, Mortgagees, lessees and occupants of the Units and their employees and any other persons who may use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and to the rules and regulations established by the Executive Board of the Association as hereinafter set forth.

1.4. Office. The principal office of the Association and the Executive Board shall be located at PARK ONE-ELEVEN, 415 Alfred Street, Biddeford, Maine or at such other location as the Executive Board may designate from time to time.

1.5. Corporation Law. Except as otherwise expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of the Maine Nonprofit Corporation Act, Title 13-B of the Maine Revised Statues of 1964, as amended (the "Nonprofit Corporation Act"),

and the "Board of Directors" described therein shall be referred to herein and in the Declaration as the "Executive Board".

1.6. Nonprofit Status. The Association is not organized for profit and no property or profit thereof shall inure to the benefit of any person except in furthermore of the nonprofit-making purposes of the Association or in the course of acquiring, constructing or providing management, maintenance or care of the Condominium.

1.7. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in said Declaration to which these By-Laws pertain or, if not defined therein, the meanings specified or used for such terms in the Act.

ARTICLE II

the Association

2.1. Composition. The Association has been organized prior to the date hereof as a nonprofit corporation pursuant to the Nonprofit Corporation Act. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Declaration, and these By-Laws. The membership of the Association shall consist of all the Unit Owners (including Declarant so long as it is Owner of any Unit) of the Condominium, or, following any termination of the Condominium as provided in Section 1602-118 of the Act of all former Unit Owners entitled to distributions of proceeds under said Section 1602-118, or their heirs, successors or assigns, but shall not include persons having an interest in a Unit solely as security for an obligation. The terms "member" and "Unit Owner" appearing in these By-Laws are interchangeable. The membership of the Association shall also include the Owners of Units added to the Condominium in Convertible Real Estate and Divisible Units within the Condominium that is subject to Development Rights reserved by the Declarant.

2.2. Nontransferability of Interests. Except as provided herein or in the Declaration, membership shall not be transferable. The membership of each Unit Owner shall terminate upon a sale, transfer or other disposition, other than by mortgage, of the ownership interest of such Unit Owner in the Property, accomplished in accordance with the provisions of the Declaration, and thereupon the membership and any interest in the Reserve Fund and other common funds shall automatically transfer to and be vested in the next Owner or Owners succeeding to such ownership interest. The Association may, but shall not be required to, issue certificates or other evidence of membership

therein.

2.3. Powers and Duties. The Association shall have the following purposes, duties and powers:

2.3.1. Adopt and amend By-Laws and rules and regulations for the operation of the Association and Condominium, provided that the initial Executive Board named in the Articles of Incorporation shall have the power to adopt these By-Laws;

2.3.2. Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;

2.3.3. Hire and terminate managing agents and other employees, agents and independent contractors;

2.3.4. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Condominium;

2.3.5. Make contracts and incur liabilities relating to the purposes of the Association stated in these By-Laws and the Declaration;

2.3.6. Regulate the use, maintenance, repair, replacement and modification of the Common Elements;

2.3.7. Cause additional improvements to be made as a part of the Common Elements;

2.3.8. Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, provided that common Elements may be conveyed or subjected to a security interest only pursuant to Section 1603-112 of the Act and subject to the prior approval of Eligible Mortgage Holders as provided in the Declaration;

2.3.9. Grant easements, leases, licenses and concessions through or over the Common Elements;

2.3.10. Impose and recieve any payments, fees or charges for the use, rental or operation of the Common Elements (other than Limited Common Elements) and for services provided to Unit Owners;

2.3.11. Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration and of these By-Laws and rules and regulations of the Association;

2.3.12. Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 1604-108 of the Act and statements of unpaid assessments;

2.3.13. Provide for the idemnification of its officers and Executive Board and maintain directors' and officers' liability insurance;

2.3.14. Assign its right to future income;

2.3.15. Exercise any other powers conferred to it by the Declaration.

2.3.16. Exercise all other powers that may be exercised in the State of Maine by corporations organized pursuant to the Nonprofit Corporation Act, as the same or its equivalent may be amended or modified from time to time; and

2.3.17. Exercise any other powers necessary and proper for the governing and operation of the Condominium by the Association.

The foregoing responsibilities shall be performed by the Executive Board or managing agent as more particularly set forth in these By-Laws.

2.4. Meeting of Members. Meetings of the membership shall be held at the principal office of the Association or at such other place as may be specified in the notice of the meeting.

2.5. Annual Meetings. The annual meetings of the members shall be held each year on the second Tuesday of the month of September. In the event that the day for which an annual meeting is scheduled is a legal holiday, then the meeting shall be held on the first day thereafter which is not a legal holiday. At such meetings there shall be elected by ballot of the members an Executive Board in accordance with the provisions of Article III. The members shall also transact such other business as may properly come before them.

2.6. Special Meetings:

2.6.1. The Secretary shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners of the Units to which are allocated not less than twenty-five percent (25%) of the Votes in the Association. The notice of any special meeting shall state the time, place and purpose

thereof. Such meetings shall held no earlier than ten days (10) and no later than forty-five days (45) after receipt by the President of said resolution or petition; provided, however, if the purpose includes the possible rejection of a budget or capital expenditure pursuant to subparagraph 5.2.2 or Paragraphs 5.6. or 5.9., such meeting must be held within fifteen (15) days after receipt of such resolution or petition. No business shall be transacted at a special meeting except as stated in the said notice unless with the consent of three-fifths (3/5ths) of the members present, either in person or by proxy.

2.6.2. Within ninety (90) days after conveyance of two (2) of the Units to Purchasers, a special meeting of the Association and a special election shall be held at which one (1) person that is a Unit Owner to replace the Executive Board member that resigned. Only Unit Owners other than the Declarant may vote at such special election. The term of the member of the Board so elected at said special election and each successor to each such member shall expire the same date as those of other Executive Board members. During the Declarant Control Period each such successor to the Executive Board member elected by the Unit Owners shall be elected only by Unit Owners other than the Declarant.

2.6.3. No later than the earlier of (a) sixty (60) days after the conveyance of 75% of the Units to Purchasers of (b) seven (7) years following conveyance of the first Unit to a Purchaser, or at such earlier date as the Declarant in its sole discretion shall specify, the Transition Meeting of the Association shall be held at which all of the members of the Executive Board appointed by the Declarant and the member of the Board elected at the special meeting pursuant to subparagraph 2.6.2., shall all resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect at such Transition Election five (5) successor members of the Executive Board to act in the place and stead of those resigning and the successor to the member elected pursuant to subparagraph 2.6.2. Each member shall be elected for a term of one year, and the term of the successors to each such member of the Executive Board shall be fixed at one (1) year.

2.7. Notice of Meeting. It shall be the duty of the Secretary, or upon his failure or neglect then of any other officer, to give notice of each annual or special meeting, the time and place of the meeting, and the items on the agenda for that meeting, including the general nature of any proposed amendment to the Declaration or these By-Laws, any budget changes and any proposal to remove a member of the Executive Board or officer, to each member of record including the Declarant as long as it is the Owner of record of a Unit and to each Eligible

Mortgage Holder as long as it is the record holder of a first Mortgage of a Unit. With respect to any annual or special meeting such notice shall be so mailed at least ten (10) days but no more than forty-five days (45) prior to the date so set for the meeting.

2.8. Quorum. The presence, either in person or by proxy, of the Owners of the Units to which are allocated at least thirty percent (30%) of the Votes in the Association shall be requisite for and shall consitute a quorum for the transaction of business at all meetings of members.

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

2.10. Votes in Association. The Votes in the Association allocated to each Unit and Divisible Unit is equal to the Allocated Interests allocated to that Unit and Divisible Unit. The Allocated Interests allocated to each Unit and Divisible Unit is listed on Schedule C to the Declaration. If the Declarant exercises its right to add more Units (or Divisible Units) to the Condominium by creating additional Units on all or any portion of the Convertible Real Estate, the votes in the Association allocated to the Units existing in the Condominium shall be reallocated under the same terms and conditions and in accordance with the same formulas as are provided in subparagraph 3.6.2. of the Declaration with respect to reallocations of Allocated Interest allocated to each Unit and divisible Unit. If the Declarant exercises its right to subdivide, and to create one or more Units within, any portion of a Divisible Unit the Votes allocated to that portion of the divisible Unit shall be re-allocated under the same terms and conditions and in accordance with the same formulas as are provided in subparagraph 3.6.1. of the Declaration with respect to the reallocation of Allocated Interests within that Divisible Unit. If Declarant converts any Divisible Units into Common elements, the votes in the Association allocated to each Unit or Divisible Unit shall be reallocated among the remaining Units in proportion to the reallocation of Allocated Interests pursuant to subparagraph 3.6.3. of the Declaration.

2.11. Voting. If a Unit is owned of record by one person, that Unit Owner's right to cast all the Votes allocated to that Unit shall be established by the record title to the Unit. If ownership of a Unit is in more than one person, the person who shall be entitled to cast all the Votes allocated to that Unit shall be the person named in a certificate executed by all of the

Owners of such Unit and filed with the Secretary of the Association. If ownership of a Unit is in a corporation, partnership, trust or estate, the officer or employee of that corporation, partner of that partnership, trustee of that trust, or agent of that estate, entitled to cast for the corporation, partnership, trust or estate the votes allocated to such Unit shall be designated in a certificate for that purpose executed by the president or a vice president of that corporation, and attested to by the secretary or clerk of that corporation, executed by all the partners of that partnership, executed by all the beneficiaries of that trust, or executed by either all the devisees of that estate or by order of probate court and filed with the Secretary of the Association. Such certificates of multiple owners, corporation, partnerships, trusts and estates shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary. Wherever the vote, approval or disapproval of a Unit Owner is required by the Declaration, these By-Laws, or the Act, such vote, approval or disapproval shall be made only by the person who would be entitled pursuant to such certificate to cast at any meeting of the Association the Votes allocated to such Unit. If the person named or designated in said certificate for a particular Unit shall be absent from a meeting of the Association, no person may cast the votes allocated to that Unit at the meeting although the presence at the meeting of a non-named or non-designated co-Owner or member, officer, employee, agent or designee of such Owner shall be counted in determining whether a quorum is present. If a multiple Owner of a Unit that is not a corporation, partnership, trust or estate has failed to file said certificate with the Secretary and only one of the multiple Owners is present at a meeting of the Association, he shall be entitled to cast at the meeting all the votes allocated to that Unit without establishing the concurrence of the absent Owners just as though that person were the sole Owner of the Unit. If a multiple Owner of a Unit that is not a corporation, partnership, trust or estate has failed to file said certificate with the Secretary and if more than one Owner of that Unit is present at the meeting, the Votes allocated to that Unit may be cast only in accordance with the agreement of a majority of the multiple Owners present at the meeting. Such majority agreement shall be conclusively presumed if any one of those multiple Owners shall cast the Vote allocated to the Unit without protest being promptly made to the person presiding over the meeting by any other Owners of that Unit. Any provision of this Paragraph to the contrary notwithstanding, in the event of any proposed actions to terminate the Condominium pursuant to Section 1602-118 of the Act; change the Allocated Interest appurtenant to any Unit, change the boundaries of a Unit, or subdivide a Unit; merge or consolidate the Condominium with another Condominium; convey or subject to a security interest any portion of the Common Elements; or use any proceeds

of property insurance required to be maintained by the Association pursuant to these By-Laws for purposes other than repair and restoration of the damaged property in accordance with these By-Laws, the Declaration, the Plats and Plans, the original elevation thereof and original building plans and specifications therefor; then: an Eligible Mortgage Holder shall have the right, but not the obligation in place of the Owner of the Unit subject to the Mortgage held by such Eligible Mortgage Holder to cast the Votes allocated to that Unit or to give or withhold any consent required of such Unit Owner for such action by delivering written notice to the Association with a copy to the Unit Owner prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand, securing a receipt therefor; failure of the Eligible Mortgage Holder to so exercise such rights shall constitute a waiver thereof and shall not preclude the Unit Owner from exercising such right. In no event shall more Votes be cast with respect to any Unit that are allocated to that Unit pursuant to the Declaration. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the members to cast the votes allocated to such Unit or Units. No votes allocated to a Unit owned by the Association may be cast.

2.12. Majority Vote Required. Unless by express provisions of the Act, these By-Laws or the Declaration a different vote is required, each question presented at a meeting shall be determined by a vote of a majority of Unit Owners. As used in these By-Laws, the term "majority of Unit Owners" shall mean the Unit Owners of those Units to which are allocated more than fifty percent (50%) of the total authorized Votes allocated to all of the Units that are present in person or by proxy and voting in any meeting of the Association at which a quorum is present as determined in accordance with Paragraph 2.10.

2.13. Informal Action. Any action required or permitted to be taken at any meeting of the members may be taken without a meeting if a written consent thereto is signed by all the members. The Secretary shall file such written consent with the records of the meetings of the members and such consent shall be treated as a unanimous vote of members for all purposes.

2.14. Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. Proxies shall be duly executed in writing and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of written notice or revocation from

the grantor(s) of the proxy. No proxy shall be valid for a period in excess of eleven (11) months after the execution thereof unless it specifies a shorter term. A proxy is void if it is not dated or purports to be revocable without notice.

2.15. Order of Business. The order of business at all meetings of the members shall be as follows:

(a) Roll Call;

(b) Proof of notice of meeting;

(c) Reading of minutes of preceding meeting for approval of same;

(d) Reports of Executive Board or of officers or of the manager;

(e) Reports of committees, if any;

(f) Election of inspectors of election (when so required);

(g) Election of members of the Board of Directors (when so required);

(h) Unfinished business;

(i) New business.

At all meetings of the Association or of the Executive Board, Robert's Rules of Order, as then amended, shall be followed, except that in the event of conflict in which these By-Laws on the Declaration, as the case may be, shall prevail.

ARTICLE III

Executive Board

3.1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board composed of no less than three (3) and no more than five (5) natural persons. Prior to the special meeting and special election provided for by subparagraph 2.6.2., the Executive Board shall be composed of three (3) natural persons who shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit Owners. After said special meeting and special election but prior to the Transition Election, one (1) member of the Executive Board shall be a Unit Owner. After the Transition

Election, the Executive Board shall be composed of five (5) natural persons, at least a majority of whom shall be Unit Owners or spouses of Unit Owners, or in the case of a Unit Owner which is a corporation, Professional Association, partnership, trust or estate, a designated agent thereof.

3.2. Election and Term of Office. The members of the Executive Board shall be elected as follows:

3.2.1. At the annual meetings of the Association, subject to Article IX of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (except as set forth in subparagraphs 2.6.2. and 2.6.3. and Paragraphs 3.6. and 3.7.) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication or incompetency, removal or resignation. Any Executive Board member may serve an unlimited number of terms to succeed himself.

3.2.2. Persons qualified to be members of the Executive Board may be nominated for election only as follows:

3.2.2.1. Any Unit owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least one (1) unit and a statement that the person nominated is willing to serve on the Executive Board. The Secretary shall mail or hand deliver the submitted items to every Unit owner along with the notice of such meeting;

3.2.2.2. Nominations may be submitted from the floor at the meeting at which the election is held for each vacancy on the Executive Board for which no more than one (1) person has been nominated by petition.

3.3. Veto Rights. The Declarant may voluntarily surrender the right to appoint and remove officers of the Association and members of the Executive Board before termination of the Declarant Control Period, but in that event Declarant may require, for the duration of the Declarant Control Period, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved in writing by the Declarant before such actions can become effective.

3.4. Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and shall have all powers and duties referred

to in the Declaration and the statutes of the State of Maine pertaining to corporations without capital stock, as amended from time to time, and may do all such other acts and things provided from time to time by the Act to be done by an Executive Board or by the Unit Owners collectively except such acts or things as are by law or by these By-laws or by the Declaration directed to be exercised and done by the Unit Owners individually. The powers and duties of the Executive Board shall include but not be limited to the following.

3.4.1. The power and duty to determine the Common Expenses of the Condominium and the assessments to each Unit for the Common Expenses.

3.4.2. The power and duty to make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of annual assessments for Common Expenses.

3.4.3. The power and duty to provide for the operation, care, upkeep and maintenance of all of the Property and services of the Condominium.

3.4.4. The power and duty to designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide services for the Property and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties.

3.4.5. The power and duty to collect the assessments for Common Expenses against the Unit Owners, deposit the proceeds thereof in any bank depositories or money market funds designated by the Executive Board and use the proceeds to carry out the administration of the Property.

3.4.6. The power to make and amend rules and regulations covering the details of the operation and use of the Property.

3.4.7. The power to open bank accounts on behalf of the Association and designate the signatories thereon.

3.4.8. The power and duty to make, or contract for the making of, repairs, additions and improvements to or alterations of the Property, in accordance with the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

3.4.9. The power to enforce by legal means the provisions of the Declaration, these By-Laws and the rules and regulations and duty and power to act on behalf of the unit owners with respect to all matters arising out of any eminent domain proceeding.

3.4.10. The power and duty to obtain and carry insurance against casualties and liabilities, as provided in the Declaration, pay the premiums therefor and adjust and settle any claims thereunder.

3.4.11. The power and duty to pay the cost of all authorized services rendered to the Association and not billed to Unit Owners of individual Units.

3.4.12. The power to notify an Eligible Mortgage Holder of any default hereunder by the Unit Owner of the Unit subject to the Mortgage of such Holder, in the event such default continues for a period exceeding thirty (30) days.

3.4.13. The power to borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep, and maintenance of the Common Elements; provided, however, that the consent of the Owners of Units to which are allocated at least two-thirds (2/3rds) of the Votes in the Association, obtained either at a meeting duly called and held for such purpose in accordance with the provisions of the By-laws or by unanimous written consent of the Unit Owners, shall be required to borrow any sum in excess of One Thousand Dollars ($1,000.00).

3.4.14. The power to acquire, hold and dispose of Units and mortgage the same on behalf of the Unit Owners.

3.4.15. The power and duty to furnish statements as required by Section 1603-116 (h) of the Act, and certificates as required by Section 1604-108 (b) of the Act.

3.4.16. The power to do such other things and acts not inconsistent with the Act or the Declaration which the Executive Board may be authorized to do by a resolution of the Association.

3.5. Delegation of Powers; Managing Agent. The Executive Board may employ for the Condominium a "Managing Agent" or "Manager" at a compensation established by the Executive Board. The managing agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these By-Laws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these By-Laws,

such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these By-Laws other than the following powers:

3.5.1. To adopt the annual budget and any amendment thereto or to assess any Common Expenses;

3.5.2. To adopt, repeal or amend rules and regulations of the Association;

3.5.3. To designate signatories on Association bank accounts;

3.5.4. To borrow money on behalf of the Association;

3.5.5. To acquire and mortgage Units;

3.5.6. To allocate Limited Common Elements.

Any employment contract between the Managing Agent and the Association must provide that it may be terminated with cause on no more than thirty (30) days' written notice and without cause on no more than ninety (90) days' written notice.

3.6. Removal or Resignation of Members of the Executive Board. Except with respect to members designated by Declarant during the Declarant Control Period, at any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast as least two-thirds (2/3rds) of all the Votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten (10) days's notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. Declarant shall have the right to remove and replace any or all members appointed by Declarant at any time and from time to time until the required resignation date (s) specified in the Declaration.

Vacancies. Except as set forth in Paragraph 2.6. with respect to members appointed by Declarant, vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining members at a special meeting of the

Executive Board held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.8. Organizational Meeting. The first meeting of the Executive Board following each annual meeting of the Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Executive Board shall have been elected, and no notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if a majority of the Executive Board member shall be present at such meeting. The Secretary shall give notice of such meeting to each Eligible Mortgage Holder in the manner provided in the Declaration for service of notice upon Eligible Mortgage Holders at least five (5) days before such meeting.

3.9. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least one every four (4) months during each fiscal year. Notice of regular meetings of the Executive Board shall be given to each member and Eligible Mortgage Holder by the Secretary in the manner provided in the Declaration for service of notice upon Unit Owners and Eligible Mortgage Holders, at least ten (10) business days prior to the day named for such meeting.

3.10. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three (3) business days' notice by the Secretary to each member and Eligible Mortgage Holder, given by mail, telegraph or hand delivery, securing a receipt therefor, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Executive Board.

3.11. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive

Board shall constitute a waiver of notice by him of the time, place and purpose of such meeting unless the sole purpose of the member's attendance is to protest the holding of the meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

3.12. Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the member present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present any adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, and business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of which all persons participating in the meeting can hear each other.

3.12. The fact that a member of the Executive Board is also an officer shall not affect his right to vote or participate in Board meetings, and no officer who is not a member of the Executive Board shall have a right to vote at its meetings.

3.13. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.

3.14. Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Declaration, these By-Laws or the Act.

3.15. Action Without Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

3.16. Validity of Contracts with Interested Executive Board

Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

3.16.1. The fact that an Executive Baord member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

3.16.2. The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

3.17. Inclusion of Interested Executive Board Members in the Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Paragraph 3.16.

ARTICLE IV

Officers

4.1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may, be necessary. Any officer except the President, may, but need not, be a Unit Owner or member of the Executive Board. The President must be a member of the Board. An officer other than the President may hold more than one office.

4.2. Election of Officers. During the Declarant control Period, the Declarant shall have the right to appoint, remove and replace from time to time any and all officers of the Association without the necessity of obtaining resignations. After the

expiration of the Declarant Control Period, or if, and to the extent that, the Declarant has surrendered prior to the expiration of the Declarant Control Period any right to appoint, remove and replace the officers of the Association, then the officers of the Association shall be elected annually by the Executive Board at the annual meeting of the Board and shall hold office at the pleasure of the Executive Board.

4.3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, with or without cause, and a successor may be elected at any meeting of the Executive Baord called for such purpose.

4.4. President. The President shall be the Chief Executive officer of the Association, preside at all meeting of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Maine including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as he ceases to be a member of the Executive Board.

4.5. Secretary. The secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, and maintain a register setting forth the place to which all notices to Unit Owners and Eligible Mortgage Holders hereunder and pursuant to this Declaration shall be delivered and, in general, perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Maine. The Secretary shall, within ten (10) days after receipt of request, provide any person, or cause to be provided to any person, entitled thereto at the expense of the person requesting the same a written statement or certification of the information required to be provided by the Association pursuant to Sections 1603-116 (h) and 1604-108(b) of the Act and Paragraph 5.18.

4.6. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, be responsible for providing to the Secretary the financial and budgetary information necessary for the Secretary to provide the certifications required by Paragraph 4.5., and be responsible for the deposit of all monies in the name of the Executive Board, the

Association of the managing agent, in such depositories as may from time to time be designated by the Executive Board and, in general, perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Maine.

4.7. Execution of Documents. Except as provided in Paragraph 9.7., all agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Five Hundred Dollars ($500.00) shall be executed by the President or the Secretary and The Treasurer of the Association. All such instruments for expenditures or obligations of Five Hundred Dollars ($500.00) or less may be executed by any one officer of the Association or such other person or employee as the Executive Board may designate in writing.

4.8. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing his duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

ARTICLE V

Operation of the Property

5.1. Fiscal Year. The fiscal year of the Association shall begin on such date as shall be established by the Executive Board, except for the first fiscal year of the Association which shall begin at the date of incorporation of the Association. The commencement date of the fiscal year so established shall be subject to change by the Executive Board.

5.2. Preparation and Approval of Budget:

5.2.1. On or before ninety days (90) before the beginning of the fiscal year for which a Common Expense assessment is made, the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Condominium Documents or a resolution of the Association and which will be required during the ensuing fiscal year for the

administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. The budget shall include such amounts as the Executive Board shall consider necessary to provide working capital, a general operating reserve fund for current Common Expenses and a reserve fund for contingencies, replacements, capital improvements, and other items which cannot be expected to occur on a regular basis. The budget shall also reflect the separate assessment of Limited Common Expenses.

5.2.2. On or before sixty days (60) before the beginning of the fiscal year for which a Common Expenses assessment is made, the Executive Board shall make such budget available for inspection during business hours by any Unit Owner or Mortgagee at the Property and the Secretary shall provide to the Unit Owners and Eligible Mortgage Holders a summary of that budget in reasonably itemized form setting forth the separate amounts of the Common Expenses and Limited Common Expenses and shall set a date for a special meeting of the Unit Owners and Eligible Mortgage Holders to consider ratification of such budget not less than fourteen (14) days nor more than thirty (30) days after mailing of such summary of budget accompanied by notice of the special meeting to each Unit Owner and Eligible Mortgage Holder. Unless at the meeting a majority in voting interest of all the Unit Owners reject the proposed budget or revised budget, the budget is ratified irrespective of whether a quorum is present at said meeting. In the event such budget shall be rejected at the meeting, the budget last ratified with respect to the period covered by the proposed budget shall be continued as the budget for the Condominium until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board upon the same conditions as are provided in this subparagraph with respect to the original budget.

5.2.3. Subject to subparagraph 5.2.2., the budget adopted pursuant to this Paragraph shall constitute the basis for determining each Unit Owner's assessments for Common Expenses and Limited Common Expenses and shall automatically take effect at the beginning of the fiscal year for which it is adopted.

5.3. Assessment of Common Expenses. The total amount of the estimated funds required from assessments for the operation of the Property as described in subparagraph 5.2.1. and set forth in the budget adopted by the Executive Board shall be assessed by the Association on an annual basis against each Unit Owner in proportion to his respective Allocated Interests as provided in subparagraph 8.1.1. of the Declaration, except for Limited Common Expenses which shall be assessed on an annual basis against each Unit benefited as provided in subparagraph 8.1.2. of the Declaration. The assessments shall be made no later than thirty

(30) days after the budget is adopted except that the first assessment shall be made no later than sixty (60) days after the first conveyance of a Unit to a Purchaser.

5.4. End of Fiscal Year. Within ninety (90) days after the end of each fiscal year for which a Common Expense assessment was made, the Executive Board shall prepare and deliver to all Unit Owners and Eligible Mortgage Holders, and to each Mortgagee requesting in writing the same, an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Executive Board for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any net shortage with regard to Common Expenses that are not Limited Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Common Expense Liabilities and shall be payable either (i) in full with payment of the next monthly assessment due, or (ii) in one or more monthly assessments, as the Executive Board may determine. Any net shortage with regard to Limited Common Expenses, after application of such reserve as the Executive Board may determine, shall be assessed promptly against the Unit Owners obligated to pay Limited Common Expenses and if the Limited Common Expenses benefit more than a single Unit the Limited Common Expenses shall be assessed against the Owners of the Units benefited in accordance with their relative Common Expense Liabilities as between themselves, any and all of which Limited Common Expenses shall be payable either (i) in full with payment of the next monthly assessment or (ii) in one or more monthly assessments, as the Executive Board may determine.

5.5. Reserves. The Executive Board shall build up and maintain reasonable reserves for working capital including a general operating reserve fund for current Common Expenses (the "Working Capital Fund") and a reserve fund for contingencies, replacements, capital improvements and other items which cannot be expected to occur on a regular basis (the "Reserve Fund"). However, nothing contained herein shall limit, preclude or impair the establishment of additional funds by the Association so long as the amounts credited to, and debited from any such additional funds are earmarked for specified purposes authorized by the condominium Documents. The Working Capital Fund, Reserve Fund and such other funds shall be conclusively deemed to be common funds of the Association and shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America. Neither the Executive Board nor the Treasurer shall commingle in the books and records of the Association any amount deposited into the Reserve Fund, the Working Capital Fund or such other funds.

Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. If the reserves are deemed by the Executive Board to be inadequate for any reason, including nonpayment of any Unit Owner's assessment, the Executive Board may at any time levy a further assessment which, depending on whether the reserve is for the benefit of all the Units or fewer than all the Units, shall be assessed against all the Unit Owners according to their respective Common Expense Liabilities as between themselves, and which may be payable in a lump sum or in installments as the Board may determine.

5.6. Further Assessments. Subject to Paragraph 5.9., the Executive Board shall give notice to all Unit Owners and Eligible Mortgage Holders of any further assessments on Unit Owners for Common Expenses or Limited Common Expenses accompanied by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, and subject to Paragraph 5.9., become effective with the next monthly payment which is due after the delivery of such notice of further assessment. All Unit Owners so notified shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in Paragraph 5.14., subject to Paragraph 5.9.

5.7. Initial Capital Payment. The Declarant, as the agent of the Executive Board, will collect from each initial purchaser at the time of settlement an "initial capital payment" (and not as a credit against the purchaser's liability for Common Expenses) equivalent to twice the estimated monthly assessment for Common Expenses and Limited Common Expenses, if any, for such purchaser's Unit. The Declarant will deliver the funds so collected to the Executive Board to provide the necessary working capital for the Association unless the Declarant has previously made the "initial capital payment" with respect to said Unit, in which case the purchaser must reimburse the Declarant for such "initial capital payment" to the Association, which the Association shall credit to the account of the Unit Owner who is such purchaser of a Unit from Declarant. Such funds may be used for certain prepaid items, initial equipment, supplies, organization costs and other start-up costs, and for such other purposes as the Executive Board may determine. The Declarant must pay the "initial capital payment" to the Association for unsold Units in each portion or phase of the Condominium created by the Declaration no later than sixty (60) days after the first Unit in that portion or phase of the Condominium shall be conveyed to a Purchaser so that the "initial capital payment" shall be made for every Unit in that phase or portion within

sixty (60) days after the first Unit in that phase or portion is conveyed to a Purchaser.

5.8. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.9. Rejection of Budget; Limitation on Expenditures. Anything herein to the contrary notwithstanding, within thirty (30) days after adoption by the Executive Board of any revised budget for the Condominium, (or the adoption of a further assessment pursuant to Paragraph 5.6.,) the Executive Board shall provide a summary of that revised budget in reasonably itemized form or, if appropriate, the notice of a further assessment pursuant to Paragraph 5.6., to each Unit Owner and Eligible Mortgage Holder. The Executive Board shall set a date for a meeting of the Unit Owners and Eligible Mortgage Holders to consider ratification of such revised budget or supplemental assessment not less than fourteen (14) days nor more than thirty (30) days after mailing of said summary of budget or notice. Unless at that meeting a majority in voting interest of all the Unit Owners rejects the revised budget, or supplemental assessment, that budget or assessment is ratified irrespective of whether a quorum is present at said meeting. In the event such revised budget or supplemental assessment shall be rejected at the meeting, the budget last ratified with respect to the period covered by the proposed budget, revised budget or supplemental assessment shall be continuted as the budget for the Condominium until such time as the Unit Owners ratify a subsequent revised budget or supplemental assessment proposed by the Executive Board upon the same conditions as are provided with respect to the original revised budget or assessment.

5.10. Limitations on Expenditures. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that the consent of the Owners of Units to which are allocated at least two-thirds (2/3rds) of the Votes in the Association shall be required to borrow any sum in excess of One Thousand Dollars ($1,000.00) and to expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than ten percent (10%) of such aggregate amount after taking

into account any projected increases in income.

5.11. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled in a single fund or held for each Unit Owner in accordance with his respective Common Expense Liability notwithstanding that the Reserve Fund, Working Captial Fund, and such other funds shall not and may not be commingled in the books and records of the Association and that unless otherwise invested such funds must be deposited with a lending institution the accounts of which are insured by an agency of the United States of America. All books and records of the Association shall be kept under the direction of the Treasurer or the Manager and in acordance with customary accounting principles and practices, and any Eligible Mortgage Holder shall have the right to cause the records and books of the Association to be audited at the expense of the Eligible Mortgage Holder and to have an audited financial statement of the financial position of the Association to be prepared at the expense of the Eligible Mortgage Holder.

5.12. Payment Obligations. Each Unit Owner shall pay to the Association or its authorized representative on the first day of each month, or on such other date that the Association may determine in writing, (1) one-twelfth (1/2th) of the Common Expenses including Limited Common Expenses and revised Common Expenses including Limited Common Expenses, assessed on an annual basis against his Unit in the proportions required in Paragraph 8.1. of the Declaration and (2) all special assessments, any other sums duly levied against the Unit pursuant to the Declaration, these By-Laws or the Act, including Limited Common Expenses assessed against Unit Owners for maintenance, repair or replacement of a Limited Common Element pursuant to Paragraph 8.5. of the Declaration, all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, and fines, penalties and fees as provided by the declaration, these By-Laws or the Act. If for any reason the Association shall revise the annual budget of the Association in accordance with these By-laws, and subject to Paragraph 5.9, whereby the Common Expenses or any component thereof may be increased, then commencing on the first day of the first month subsequent to the adoption of such revised budget each Unit Owner shall pay to the Association or its authorized representative one-twelfth (1/2th) of any such revised annual Common Expenses including Limited Common Expenses assessed against his Unit in the proportions required in Paragraph 8.1. of the Declaration.

5.13. Interest; Acceleration. In the event of a default by an Unit Owner of paying any sum assessed against his Unit which continues for a period in excess of thirty (30) days, interest

shall be imposed on the principal amount unpaid from the date when due until paid at a rate of interest to be established annually by the Executive Board which shall not exceed the lower of: (1) the maximum interest rate allowed by law which may be charged by the Association at such time or (2) eighteen percent per annum. If the Executive Board shall fail to set such rate, it shall be deemed to have been set at the rate of eighteen percent (18%) per annum. The Association shall have the right to establish and impose charges for late payment of assessments. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated at the option of the Executive Board, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner by the Executive Board or its representative.

5.14. Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to the Declaration, these By-Laws, or the Act, including Limited Common Expenses assessed against Unit Owners for maintenance, repair or replacement of a Limited Common Element pursuant to Paragraph 8.5. of the Declaration, all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, and fines, penalties and fees as provided in the Declaration or these By-Laws shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against the Unit in favor of the Association from the date upon which such assessment, special assessment or other sum such as interest becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments and revised annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment or revised annual assessment, and, as to special assessments and other sums duly levied including Limited Common Expenses assessed against Unit Owners for maintenance, repair or replacement of a Limited Common Element, on the first day of the next month which begins more than ten (10) days after delivery to the Unit Owner of notice of such special assessment or levy. Such lien is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the recordation of this Declaration, (b) a first Mortgage recorded before or after the date which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and other governmental assessments or charges against the Units; provided, however, that such lien is not subject to the

provisions of 14 M.R.S.A. Section 4651 and 18-A M.R.S.A. Section 2-201, et seq., as they or their equivalents may be amended or modified from time to time.

5.15. Enforcement. The lien for assessments described in Paragraph 5.14. may be enforced and foreclosed by the Association in like manner as a mortgage on real estate as provided in Section 1603-116 (a) of the Act or by any other means presently or hereinafter provided by law or in equity. A suit to recover a money judgment for unpaid assessments, interest, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. During the pendency of any such suit, the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any Court having jurisdiction over such sale.

5.16. Exemption From Expenses by Waiver of Use of Common Elements or Unit Elements. No Unit Owner may exempt himself from Common Expense Liability with respect to the payment of assessments for Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by abandonment of his Unit or otherwise. The obligation to pay assessments for Common Expenses is absolute and unconditional and shall not be subject to set-offs or counterclaims.

5.17. Collection of Assessments. The Executive Board or the Managing Agent, at the request of the Executive Board, shall take prompt action to collect any assessment for Common Expenses due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof together with any interest thereon and charges for late payment as provided in Paragraph 5.13.

5.18. Statement of Common Expense and Resale Certificates. The Association shall promptly provide to any Unit Owner, contract purchaser or Mortagee so requesting the same in writing a statement setting forth the amount of unpaid assessments currently levied against the Unit of such Unit Owner as provided in Section 1603-116 (h) of the Act. The Association shall also promptly provide to any Unit Owner or contract purchaser so requesting the same in writing a certificate containing the information described in Section 1604-108 (a) of the Act enabling such Unit Owner to comply with the provisions of Section 1604-108 of the Act, Resales of Units. so that such Unit Owner shall be able to comply with the requirements stated in Section 1604-108. The Executive Board shall have the right to impose a reasonable charge for the preparation of such statement or

information to cover the costs of the preparation thereof against the person so requesting the same.

5.19. Exercise of Development Rights. If Allocated Interests are re-allocated for any reason including, but not limited to, the exercise of Development Rights by the Declarant, assessments for Common Expenses and any installments thereof not yet due shall be recalculated in accordance with the re-allocated Allocated Interests. Within thirty (30) days after the re-allocation of the Allocated Interests, the Executive Board shall revise the budget to reflect changes in Common Expenses and Limited Common Expenses resulting from such re-allocation of Allocated Interests to reflect the proportionate liability of all the Units for such Common Expenses and Limited Common Expenses for the remainder of the fiscal year in which such events occur. The amount of assessments attributable to each Unit thereafter shall be the amount specified in the adjusted budget, until a new budget shall have been adopted by the Executive Board subject to the Condominium Documents.

ARTICLE VI

Insurance

6.1. Policies. Commencing no later than the time of the first conveyance of a Unit other than as security for an obligation to a person other than the Declarant, the Executive Board on behalf of the Association shall obtain, or cause to be obtained, and shall maintain as a Common Expense, the policies of insurance described in Paragraphs 6.2., 6.4. and 6.5. to extent such policies shall be reasonably available from reputable insurance companies. To the extent that said insurance described in Paragraphs 6.2., 6.4. and 6.5. is not reasonably available as described in the preceeding sentence, the Executive Board on behalf of the Association shall give written notice of that fact to the Unit Owners and the Eligible Mortgage Holders of Mortgages of their Units by hand-delivery securing a receipt thereof, or by prepaid United States mail, return receipt requested. To the extent that any of the insurance described in Paragraphs 6.2., 6.4. and 6.5. shall become in the future no longer available, the Association shall obtain in substitution therefor such comparable insurance as shall then be available. The Executive Board of the Association is hereby irrevocably appointed as attorney-in-fact for each Unit Owner and for each Mortgagee and Eligible Mortgage Holder and for each owner of any other interest in the Property for the purpose of purchasing and maintaining the insurance described in Paragraphs 6.2., 6.4. and 6.5., the collection and appropriate disposition of the proceeds thereof with any bank or trust company authorized to do business in the State of Maine as trustee for all Unit Owners and their Mortgagees as their

respective interests may appear (the "Insurance Trustee"), to hold any insurance proceeds in trust for disbursement as provided in Paragraph 6.3. and subparagraphs 6.2.8. and 6.2.3., the negotiation of losses and execution of releases of liability, and the execution of all documents, and the performance of all other acts necessary to accomplish such purposes.

6.2. Property Insurance. The Executive Board shall obtain and maintain as a Common Expense a blanket-type or master standard form of "all-risk" fire insurance policy with extended coverage, vandalism, malicious mischief, windstorm, sprinkler leakage (if applicable), debris removal, cost of demolition and water damage endorsements issued by an insurance company authorized to do business in the State of Maine insuring as a single entity the entire Property (exclusive of land, foundations, excavations, and other similar items customarily excluded from property insurance policies), including the Units (and the floor coverings, bathroom and other fixtures initially installed therein by the Declarant and the replacements thereto installed by the Declarant but not including furniture, wallcoverings, furnishings or other personal property supplied or installed by Unit Owners), Limited Common Elements and other Common Elements together with all air conditioning and heating equipment and other service equipment and machinery contained in the Property and the fixtures, supplies and common personal property belonging to the Association and covering the interests of and naming as named insured, the Association, the Executive Board and all Unit Owners and their Mortgagees and their Mortgagees' successors and assigns, as their insurable interest may appear. Such blanket or master policy shall be in an amount equal to one hundred percent (100%) of the then current full replacement cost of the Property (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage), without deduction for depreciation (such amount to be redetermined annually by the Executive Board with the assistance of the insurance company affording such coverage) and shall contain a standard Maine Mortgage Clause in favor of each Mortgagee of a Unit whether or not named therein with provisions that the proceeds of loss, if any, shall first be payable to each Mortgagee, its successors and assigns as its insurable interest may appear, subject, however, to the loss payment and adjustment provisions in favor of the Insurance Trustee or Association contained in Paragraph 6.3. and subparagraphs 6.2.8. and 7.2.3. This blanket or master hazard insurance policy may, at the option of the Executive Board, contain a "deductible" provision in an amount to be annually determined by the Executive Board but not to exceed Ten Thousand Dollars ($10,000.00). Such policy shall also contain the following provisions:

6.2.1. A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, unless it shall be determined pursuant to Paragraph 7.1. not to do so;

6.2.2. The following endorsements (or their equivalent if reasonably obtainable): (a) "no control: (to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively; nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control); (b) "Construction Code Endorsement", "increased cost of construction", "contingent liability from operation of building laws or codes" and "condominium replacement cost"; (c) "agreed amount" or elimination of co-insurance clause; (d) "inflation guard" endorsement; and (e) "steam boiler coverage endorsement" providing at least Five Hundred Thousand Dollars ($500,000.00) coverage for each accident at each location if a steam boiler shall be operated in connection with the Property; and

6.2.3. That any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the physical damage policy purchased by the Executive Board shall be deemed primary coverage and any individual Unit Owners's policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Executive board hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees.

6.2.4. Each Unit Owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Association;

6.2.5. The insurer waives its right to subrogation under the policy against any Unit Owner of the Condominium or members of his household;

6.2.6. No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

6.2.7. If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same

risk covered by the policy, the Association's policy provides primary insurance;

6.2.8. The recognition of any Insurance Trust Agreement whereby the Executive Board may designate in writing an Insurance Trustee to hold any insurance proceeds in trust for disbursement as provided in Paragraph 6.3 and subparagraph 7.2.3.

6.3. Losses; Adjustment and Payment; Insurance Trustee. Any loss covered by the insurance policy described in Paragraph 6.2., and subparagraphs 6.2.1. through 6.2.8. shall be adjusted with the Association by its Executive Board, but the insurance proceeds for said loss shall be payable to the Insurance Trustee designated for that purpose as provided in subparagraph 6.2.8., or otherwise to the Association, and not to any Mortgagee. The Insurance Trustee or the Association shall hold any insurance proceeds in trust for Unit Owners, Mortgagees and other lien holders as their interest may appear. Subject to the provisions of Paragraph 6.3. and subparagraph 7.2.3., the proceeds shall be disbursed first for the repair or restoration of the damage to the Property, and Unit Owners, Mortgagees and other lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged Common Elements and Units have been repaired or restored, the decision has been made not to repair or restore the damage as provided in Paragraph 7.1., clause (c), or the Condominium is terminated.

6.4. Liability Insurance. The Executive Board shall obtain and maintain as a Common Expense comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Executive Board member, the managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death, bodily injury or property damage arising out of, or incident to, the maintenance, ownership or use of the Common Elements and/or relating to any legal liability resulting froms suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain if reasonably available: (a) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; and (c) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Executive Board shall review such limits once each year, but in

no event shall such insurance be less than one million dollars covering all claims for bodily injury or property damage arising out of one occurrance.

6.5. Other Insurance. The Executive Board shall obtain and maintain as a Common Expenses:

6.5.1 To the extent requested by a majority in voting interest of the Unit Owners adequate fidelity coverage to protect against dishonest acts on the part of officers, members of the Executive Board, trustees and employees of the Association and all others who handle, or are responsible for handling, funds of the Association, including the managing agent. Such fidelity bonds shall: (a) name the Association as an obligee; (b) be written in an amount not less than the greater of (i) one-quarter the total annual assessments for Common Expenses plus the Association's reserve funds for the year or (ii) the maximum funds in the custody of such persons handling the funds of the Association; and (c) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

6.5.2. To the extent available, "directors" and officers" liability insurance to satisfy indemnification obligations of the Association provided in subparagraph 2.3.13.;

6.5.3. Workmen's compensation insurance if and to the extent necessary to meet the requirements of law; and

6.5.4. Such other insurance as the Executive Board may determine or as may be requested from time to time by a majority in voting interest of the Unit Owners.

6.6. Memoranda, Cancellation, Additional Required Provisions. All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association, and, upon request, to any Unit Owner or Mortgagee. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respecitive last known addresses. All policies under this Article shall in addition contain the following provisions:

6.6.1. The insurer waives its right to claim by way of subrogation against the Declarant, the Association, the Executive Board, the managing agent or the Unit Owners, and their

respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;

6.6.2. The Declarant, so long as Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

6.7. Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any improvements made by him to his Unit under coverage normally called "improvement and betterments coverage"; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Executive Board, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board or be brought into contribution with insurance coverage obtained by a Unit Owner. All such policies shall contain waivers of subrogation. Any Unit Owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such Owner at his expense and personal property belonging to such Owner, shall file a copy of such individual policy or policies with the Executive Board within thirty (30) days after the purchase of such insurance. Such Unit Owner shall also promptly notify the Executive Board in writing in the event such policy is cancelled. Each Unit Owner shall notify the Executive Board in writing of all structural improvements made by the Unit Owner to his Unit; provided, however, that this sentence shall not be construed as an authorization to Unit Owners to made structural improvements to Units otherwise than in accordance with this Declaration, the By-Laws and rules and regulations promulgated by the Executive Board.

ARTICLE VII

Repair and Reconstruction After Fire or Other Casualty

7.1. When Repair and Reconstruction are Required. In the event of damage to or destruction of all or any part of the Property as a result of fire, other casualty or the exercise of the power of eminent domain, the Executive Board on behalf of the Association shall promptly arrange for and supervise the prompt repair, replacement and restoration thereof (including any damaged Units, and the floor covering and the bathroom or other fixtures initially installed therein by the Declarant, and the fixtures, equipment, and other personal property inside a Unit insured by the Association as provided in Paragraph 6.2., and replacements thereof installed by the Declarant, but not including any other furniture, furnishings, fixtures, equipment

or other personal property supplied or installed by the Unit Owners in the Units), substantially in accordance with this Declaration, the Plats and Plans, the original elevation thereof and the original plans and specifications therefor unless (a) the Condominium is terminated, or (b) repair, replacement or restoration would be illegal under any state or local health, safety, land-use or environmental statute, code or ordinance, or (c) eighty percent (80%) of the Unit Owners and the Eligible Mortgage Holders holding Mortgages on Units to which are allocated at least fifty-one percent (51%) of the Votes in the Association vote not to repair, restore or replace the damaged or destroyed Property, and such decision is approved by every Owner of a Unit or assigned or allocated Limited Common Element, which will not be repaired, replaced or restored, and by all Eligible Mortgage Holders of all Mortgages thereon.

7.2. Procedure for Reconstruction and Repair. If repair, replacement or restoration shall be required pursuant to Paragraph 7.1.:

7.2.1. Cost Estimates. The Executive Board shall promptly obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including any damaged Units and any bathroom or other fixtures initially installed by the Declarant, and the fixtures, equipment and other personal property inside a Unit insured by the Association as provided in Paragraph 6.2., but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the Unit) substantially in accordance with this Declaration, the Plats and Plans, the original elevation thereof and original building plans and specifications therefor, unless other action is approved by at least sixty-seven percent (67%) in voting interest of the Unit Owners and the Eligible Mortgage Holders holding Mortgages on Units which are allocated at least fifty-one percent (51%) of voting interest in the Association. Such costs may also include professional fees and premiums for such bonds as the Insurance Trustee may determine to be necessary.

7.2.2. Assessments. If the net proceeds of insurance, if any, are not sufficient to defray such estimated costs of reconstruction, repair, replacement and reconstruction, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds, and any such costs in excess of insurance proceeds, any eminent domain awards, and reserves shall be deemed a Common Expense and a special assessment therefor shall be levied by the Association.

7.2.3. Construction Fund and Disbursement. The proceeds of

insurance collected on account of the casualty, and the sums received by the Association from collections of assessments against Unit Owners pursuant to subparagraph, 7.2.2. or account of such casualty or taking, shall constitute a construction fund which shall be held in trust by the Insurance Trustee or Association as provided in Paragraph 6.3. and disbursed in payment of the costs of reconstruction and repair in the following manner:

7.2.3.1. If the estimated cost of reconstruction and repair is less than Fifty Thousand Dollars ($50,000.00), then the construction fund shall be disbursed in appropriate progress payments, or payment of such costs upon order of the Executive Board; provided, however, that upon request of twenty percent (20%) of the Eligible Mortgage Holders (based upon one vote for each Mortgage held, such funds shall be disbursed pursuant to subparagraph 7.2.3.2.

7.2.3.2. If the estimated cost of reconstruction and repair is Fifty Thousand Dollars ($50,000.00) or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the State of Maine employed by the Association or Insurance Trustee or of such other qualified person acceptable to no less than twenty percent (20%) of the Eligible Mortgage Holders (based upon one (1) vote for each Mortgage held) and to the Owners of the Units to which are allocated no less than fifty-one percent (51%) of the Votes in the Association (generically, the architect"), to supervise such work, payment to be made from time to time as the work progresses. The Architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the Architect and other personal who have rendered services or furnished materials in connection with the work stating that: (a) the sums requested by them in payment are justly due and owning and that such sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to the Architect for the services and materials described; and (c) the cost as estimated by the Architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

7.2.3.3. Distribution After Payment. The first monies disbursed in payment of the cost of reconstruction and repair shall be from any insurance proceeds or eminent domain awards and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed

among all Unit Owners, Mortgage holders and lien holders, as their respective interests may appear, in proportion to their respective Common Element Interests or the Common Element Interest to which their respective Mortgages or liens are subject.

7.3. Damage or Destruction; No Repair or Replacement. If the entire Condominium is not repaired or replaced:

7..1. The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium as determined by the Executive Board or Architect;

7.3.2. The insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners and Mortgagees of those Units as their insurable interests may appear and the Owners and Mortgagees of the Units to which those Limited Common Elements were assigned or allocated, as their insurable interests may appear; and

7.3.3. The remainder of the proceeds shall be distributed to all the Unit Owners and Mortgagees, as their insurable interest may appear, in proportion to their respective Common Element Interests or the Common Element Interests subject to their respective Mortgages.

7.3.4. If the Unit Owners and their Mortgagees vote not to rebuild any Unit, the Unit's entire Allocated Interests shall be automatically reallocated upon said vote as if the Unit had been condemned as provided in the Paragraph 11.1. and the Association shall prepare, execute and record an amendment to this Declaration reflecting the reallocations. Notwithstanding any provision of this Article VII to the contrary, section 1602-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

7.4. Mortgagee Priority. No provision of the Condominium Documents shall be deemed or construed to give a Unit Owner, or any other person, priority over the rights of any Eligible Mortgage Holder pursuant to its Mortgage in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units, Common Elements, or both.

ARTICLE VIII

Records of Information

8.1. Title. Every Unit Owner shall promptly cause to be duly recorded the deed, lease, assignment or other conveyance to him of his Unit or other evidence of his title thereto and file such evidence of his title with the Executive Board through the Secretary or Manager. The Secretary shall maintain such information in the record of ownership of the Association.

8.2. Availability of Information. The Association shall make available at the Condominium to Unit Owners, lenders and the holders, insurers and guarantors of the first Mortgage on any Unit, for inspection at the Property, current copies of the Declaration, these By-Laws and the rules and regulations governing the Property and other books, records and financial statements of the Association. The Association shall also make available to Eligible Mortgage Holders, Eligible Insurers, Unit Owners and prospective purchasers at the cost of the person requesting the same, current copies of the Declaration, these By-Laws and the rules and regulations governing the Property.

ARTICLE IX

Amendments

Subject to the provisions of Article XV of the Declaration governing the amendment of the Declaration, and subject also to Article XI of the Declaration governing the rights of Mortgagees, and subject to the other provisions of the Declaration, these By-Laws and of the Act, these By-Laws may be amended as follows:

9.1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the Executive Board or Association in which a proposed amendment is considered, and shall be served upon all Unit Owners and upon Eligible Insurers and Eligible Mortgage Holders.

9.2. Resolution. An amendment may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than twenty percent (20%) of the Votes in the Association. No resolution of the Executive Board adopting a proposed amendment shall be effective unless it has been adopted at a meeting of the Association duly called and held in accordance with these By-Laws by the affirmative vote of at least fifty-one percent (51%) in voting interest of the Unit Owners and then executed has provided in Paragraph 9.5.

9.3. Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners of Units to which are allocated One Hundred Percent 100% of the Votes in the Association, in which case such amendment shall become effective when signed by such Unit Owners.

9.4. Proviso. Provided, however, that except as otherwise permitted by the Act and provided in the Declaration, no amendment may increase the number of Units or change the boundaries of any Unit, the Allocated Interests allocated to a Unit, or the uses to which any Unit is restricted without the unanimous consent of the Unit Owners and the consent of Eligible Mortgage Holders of Mortgages on Units to which at least two-thirds (2/3rds) of the votes in the association are allocated. No amendment of these By-Laws shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant, or its successors or assigns shall join in the execution of such amendment.

9.5. Execution. A copy of each amendment shall be attached to or included with a certificate, certifying that the amendment was duly adopted, which certificate shall be executed and acknowledged by the President or Treasurer and attested by the Secretary. The amendment shall be effective when such certificate and copy of the amendment are executed and certified.

9.6. Approval of Mortgagees. These By-Laws contain provisions concerning various rights and interests of Eligible Mortgage Holders. Such provisions in these By-Laws are to be construed as covenants for the protection of such Eligible Mortgage Holders on which they may rely on making loans secured by Mortgages on the Units. Accordingly, no amendment or modification of these By-Laws impairing or affecting such rights, priorities, amendments or interest or such an Eligible Mortgage Holder shall be adopted without the prior written consent of such Eligible Mortgage Holders as more particularly provided in the Declaration.

9.7. Amendments to Declaration. Either one of the President or Treasurer shall prepare, execute and record, and the Secretary shall certify, amendments to the Declaration on behalf of the Association.

ARTICLE X

Standards and Control of Condominium

10.1 Establishment of Rules and Regulations. The Executive Board shall have the power to adopt, amend and enforce compliance with such reasonable rules and regulations relative to the operation, use and occupancy of the Units and the Common Elements consistent with the provisions of the Condominium Documents and the Act and the enactment and enforcement of such enforcement procedures and penalties for violations as they shall

deem appropriate. Any such rules and regulations shall be adopted or amended from time to time by means of appropriate resolutions duly approved by the Executive Board in accordance with these By-Laws. A copy of all such rules, procedures and regulations and copies of any amendments thereto shall be delivered or mailed to each Owner or occupant of a Unit promptly after the adoption thereof and shall become binding upon all Owners, their successors in title and assigns, and occupants.

10.2. Additions, Alterations or Improvements by the Unit Owners. Except as otherwise permitted in Paragraph 3.10. of the Declaration with regards to non-structural improvements, any structural addition, or structural alteration or improvement in or to his Unit without the prior written consent of the Executive Board or the Covenants Committee, as appropriate. No Unit Owner shall paint or alter the exterior of his Unit, including the doors and windows, nor shall any Unit Owner paint or alter the exterior of any Building, nor erect any fences, signs, canopies, or other structures, nor plant or remove trees, shrubs or other vegetation, nor alter the grading or landscaping, nor do any other thing which affects the appearance from the exterior of the Buildings or grounds, including landscaped Common Elements without the prior written consent of the Executive Board or the covenants committee, as appropriate. The Executive Board, shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in or to such Unit Owner's Unit within forty-five (45) days after receipt of such written request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed structural addition, alteration or improvement. The answer to such written request shall be in writing and shall state the reason for the denial or approval of the request. The provisions of this Paragraph shall not apply to Units owned by Declarant and to additions, alterations, improvements, deletions and/or changes to the Common Elements made by Declarant until one (1) year after all Units have been conveyed to Purchasers.

10.3. Appeal and Hearing Procedure; Actions by Owners. No Unit Owner shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted except after following such procedures as are established in this Paragraph and as may be established by the Executive Board by rule or regulation consistent with the provisions of this Paragraph. The Executive Board shall hear appeals from Unit Owners from (a) the determinations by the Executive Board on applications, determinations and alleged violations of the condominium Documents (other than violations with respect to assessment obligation) and (b) the enactment of rules and

regulations of the Association. The Executive Board shall hold a hearing on any such appeal within thirty (30) days after the receipt by the Executive Board of a formal notice of appeal from a Unit Owner. A decision shall be issued in writing by the Executive Board within ten (10) days after the conclusion of the hearing. In hearings before the Executive Board all parties shall be entitled to be represented by counsel. Unless the internal remedies provided by this Paragraph and such rules and regulations as may be promulgated by the Executive Board shall be expressly waived by the Association, or the Association fails or refuses to act after being requested in writing to do so, no action at law or in equity shall be commenced by any Unit Owner until such internal remedy is pursued to exhaustion. Any action by a Unit Owner agaist any other Unit Owner or resident or the Association arising out of any them, covenant or condition contained in the Condominium Documents or any rule or regulation made pursuant thereto shall be subject to the same procedures.

10.5. Noncompliance. Subject to prior compliance with the procedures established in Paragraph 10.4., the failure of a Unit Owner to comply with the Condominium Documents and the rules and regulations of the Association shall entitle the Association, and Executive Board to the remedies provided in the Condominium Documents and the Act, and also to the following relief, one of which remedies shall be exclusive of any other remedies:

10.5.1. Suits. Failure to comply with the terms of the Declaration, By-Laws and the rules and regulations adopted pursuant thereto, as the same may be amended from time to time, shall entitle the Association or any agrieved Unit Owner to sue for the recovery of damages or for injunctive relief, or both. Such relief shall not be exclusive of other remedies provided by law.

10.5.2. Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Condominium Documents and rules and regulations adopted pursuant thereto, as the same may be amended from time to time, the Executive Board, if the prevailing party, shall be entitled to recover the costs of the proceeding and reasonable attorney's fees.

ARTICLE XI

Corporate Seal

11.1. Seal. The Association shall have a seal in circular form having within its circumference the words:

PARK ONE-ELEVEN CONDOMINIUM ASSOCIATION

1985
MAINE

ARTICLE XII

Notices

12.1. To Unit Owners. All notices, demands, bills, statements or other communications affecting the Condominium shall be given to Unit Owners by the Association in writing and shall be deemed to have been duly given if delivered personally securing a receipt therefor or sent by United States mail, postage prepaid, or if such notifications are of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit of which such Unit Owner is the record owner thereof.

12.2. To the Association. All notices, demands, statements or other communications affecting the condominium given by the Unit Owners to the Association shall be in writing and shall be deemed to have been duly given to the Association if delivered personally securing a receipt therefor, or sent by United States mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the managing agent, or if there shall be no managing agent, then to the Secretary of the Association at his business address of record.

12.3. To Eligible Mortgage Holder, etc. All notices, demand, statements or other communications affecting the Condominium given by the Association to any Eligible Mortgage Holder and Eligible Insurer shall be in writing and shall be deemed to have been duly given by the Association if delivered personally securing a receipt therefor, or sent by United States mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to Subparagraph 1.2.12. of the Declaration and to the Elibible Insurer at the address identified Pursuant to subparagraph 1.2.11. of the Declaration.

ARTICLE XIII

Miscellaneous

13.1 Remedies Cumulative. All rights, remedies and privileges granted to the Executive Board or a Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium Documents 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 the same from exercising such other and additional rights, remedies, or privileges as may be granted to such party hereunder or by any instruments or documents incorporated herein by reference or at law or in equity.

13.2. Captions. The headings in these By-Laws are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. Any tables of contents or indices attached to these By-laws are for purposes of reference and convenience only and shall neither limit nor otherwise affect the meaning hereof nor be deemed as part of these By-Laws.

References in these By-Laws to Articles, Paragraphs, subparagraphs and Schedules without references to the document in which they are contained are references to these By-Laws. Schedules are attached to and are an integral part of these By-laws. Any Exhibits are attached to these By-laws for purposes of identification only and shall not be deemed as part of these By-laws.

13.3. Gender, Number, Etc. The use of the singular number in these By-laws shall be deemed to include the plural, the plural the singular, and the use of any one gender shall be deemed applicable to all gender.

13.4. Severability. The invalidity of any provisions of these By-laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these By-laws, and in such event, all of the other provisions of these By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

RECEIVED YORK, SS.
1986 DEC -8 AM 9:06
RECORDED REGISTRY OF DEEDS
ATTEST: Ann M Panzetti
REGISTER