

**INDIAN POINT OWNERS ASSOCIATION  
RULES & REGULATIONS  
AND BY-LAWS**

APPENDIX

C

EXHIBIT C  
BYLAWS  
OF  
INDIAN POINT  
OWNERS ASSOCIATION  
A MAINE NONPROFIT CORPORATION

ARTICLE I

General Provisions

A. Applicability. These Bylaws provide for the governance of Indian Point Owners Association (the "Association") pursuant to the requirements of Article 3 of the Maine Condominium Act ("the Act"), Title 33, Chapter 31 of the Maine Revised Statutes Annotated of 1964, as amended, for Indian Point Seasonal Condominium Properties, created under the Declaration of Condominium for Indian Point Seasonal Condominium Properties dated April 20, 1988, to be recorded at the Cumberland County Registry of Deeds. All Unit Owners, mortgagees, lessees and occupants of the Units are subject to these Bylaws.

B. Office. The office of the Association and the Executive Board shall be located at the Condominium or at such other place as may be designated from time to time by the Executive Board.

ARTICLE II

The Association

A. Membership. The Association shall consist exclusively of all of the Unit Owners, or following termination of the Condominium of all former Unit Owners entitled to distributions of proceeds under Section 1602-118 of the Act, or their heirs, successors or assigns, acting as a group in accordance with the Act, the Declaration and these Bylaws. The membership of a Unit Owner shall terminate upon the conveyance, transfer or other disposition of his interest in the Unit, whereupon his membership and any interest in the assets of the Association shall automatically transfer to and be vested in the successor in ownership. Membership is otherwise non-transferable.

The Association shall have the responsibility of administering the Condominium, maintaining and repairing the Common Elements and Limited Common Elements of the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium

and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board or Managing Agent as more particularly set forth in these Bylaws.

B. Annual Meetings. The annual meetings of the Association shall be held on the first Saturday of October of each year unless such date shall occur on a holiday, in which event the meeting shall be held on the next day that is not a holiday. At annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Article III-C of these Bylaws (subject to the provisions of the Declaration) and such other business as may properly come before the meeting may be transacted.

C. Place of Meetings. Meetings of the Association shall be held at the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

D. Special Meetings.

1. The President or 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 at least fifty percent (50%) of the votes allocated to Unit Owners.

E. Notice of Meetings. The Secretary shall give to each Unit Owner a written notice of each annual, regularly scheduled or special meeting of the Association at least ten (10) days but not more than sixty (60) days, prior to such meeting. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove a member of the Executive Board or officer. The giving of a notice of meeting shall be in the manner provided for in Article IX-A of these Bylaws.

F. Quorum. Except as set forth above, the presence in person or by proxy of Site Unit Owners holding thirty percent (30%) or more of the Percentage Undivided Interests in the Association (as defined in the Declaration) and Slip Unit Owners holding ten percent (10%) or more of Percentage Undivided Interests in the Association at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a meeting is adjourned pursuant to Article II-I below, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons

entitled to cast thirty percent (30%) of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

G. Voting. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Undivided Interest assigned to each Unit in the Declaration. If the Unit Owner is a corporation, joint venture, partnership or unincorporated association, the person who shall be entitled to cast the vote for such Unit shall be the person named in a certificate executed by such entity pursuant to its governing documents. If the owner of a Unit is a trust, the trustee or trustees shall be deemed to be the Owner for voting purposes. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary, or in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owning such Unit is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 1603-110(a) of the Act. There shall be deemed to be unanimous agreement if any one of the multiple owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except with respect to election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the owners of more than fifty percent (50%) of votes in the Association at one time at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of the Association. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Unit Owner as provided in the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. No votes allocated to a Unit owned by the Association may be cast.

H. Proxies. Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. 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 other owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates 11 months after its date, unless it specifies a shorter term.

I. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, the Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to such time after the time for which the original meeting was called as they shall agree.

J. Conduct of Meetings. The President (or in his absence, the Vice President) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring at such meeting.

K. Powers. The Unit Owners Association shall have all powers provided to such associations by law and by the Act, including, without limitation, the power to:

(1) Adopt and amend bylaws and rules and regulations; provided, however, that any changes or amendments to such bylaws and rules and regulations shall be approved by a vote of Unit Owners entitled to cast sixty-seven percent (67%) of the votes in the Association;

(2) Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;

(3) Hire and terminate managing agents and other employees, agents and independent contractors;

(4) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or 2 or more Unit Owners on matters affecting the Condominium;

(5) Make contracts and incur liabilities;

(6) Regulate the use, maintenance, repair, replacement and modification of Common Elements, except as set forth in the Declaration;

(7) Cause additional improvements to be made as a part of the Common Elements, except as set forth in the Declaration;

(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;

(9) Grant easements, leases, licenses and concessions through or over the Common Elements;

(10) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and Rules and Regulations of the Association;

(11) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;

(12) Provide for the indemnification of its officers and Executive Board and maintain liability insurance for them;

(13) Operate, maintain and repair the Common Elements and the Limited Common Elements;

(14) Exercise any other powers conferred by the Declaration;

(15) Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and

(16) Exercise any other powers necessary and proper for the governance and operation of the Association and the Condominium.

### ARTICLE III

#### Executive Board

A. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of three (3) persons during the period of Declarant Control as set forth in the Declaration. After termination of the period of Declarant control, the Executive Board shall be composed of five (5) persons, at least one of whom shall be a Slip Unit Owner and a majority of whom shall be

Unit Owners, spouses of Unit Owners, or, in the case of a Unit Owner that is a corporation, partnership, trust, or estate, a designated agent thereof, as required by Section 1603-103(e) of the Act.

B. Powers. The Executive Board may act in all instances on behalf of the Association except as provided for in the Declaration, these Bylaws, and the Act (including, without limitation, Section 1603-103(b)).

C. Election and Term of Office. The election of members of the Executive Board shall be held at the annual meetings of the Association, subject to the provisions of the Declaration. Members of the Executive Board shall be elected in accordance with the procedure set forth in Paragraph G of Article II. The term of office of any Executive Board member to be elected (except as set forth herein) shall be fixed at three years. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors, their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

D. Removal or Resignation of Members of the Executive Board. 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 a majority of 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 Board member whose removal has been proposed by a Unit Owner shall be given at least ten days' 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, if he is a Unit Owner shall be deemed to have resigned upon transfer of title to his Unit.

E. Vacancies. 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. 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.

F. Regular Meetings. Regular meetings of the Executive Board shall be held on a regular basis at such time and place



as shall be determined from time to time by a majority of the Board members. Notice of regular meetings of the Executive Board shall be given to each member, by mail or hand delivery, at least seven (7) days prior to the day named for such meeting.

G. Special Meetings. Special meetings of the Executive Board may be called by the President on at least five days' notice to each Board member, given by mail or hand delivery, 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 members of the Executive Board.

H. 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. 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. 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.

I. 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 members 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, the members present must adjourn the meeting to a later time. At any reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

J. 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; provided, however, that all such expenses must be authorized in advance by the Board.

K. 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 all transactions and proceedings occurring at such meetings.

L. Declarant Control. All of the provisions of this Article III are subject to the Special Declarant Rights and Declarant Control, all as more specifically set forth in the Declaration, which rights, among other rights, give the Declarant during the period of Declarant Control the right to appoint and remove members of the Executive Board.

#### ARTICLE IV

##### Officers

A. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer. The officers 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. The President and Secretary shall be members of the Executive Board. Any other officers may, but need not be, Unit Owners or members of the Executive Board. An officer other than the President may hold more than one office.

B. Election of Officers. The officers of the Association shall be elected annually by a majority of all the members of the Executive Board at a regular meeting of the Board and shall hold office at the pleasure of the Executive Board.

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

D. President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board.

E. Vice President. The Vice President shall act in the President's stead when the President is unable or unavailable to fulfill his duties.

F. Secretary. The Secretary shall take the place of the Vice President and perform the duties of the Vice President

whenever the Vice President shall be absent or unable to act. If neither the Vice President nor the Secretary is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the Vice President, on an interim basis. The Secretary shall also perform such other duties as shall from time to time be delegated or assigned him by the Executive Board or by the President. 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.

G. Treasurer. The Treasurer shall be responsible for financial and fiscal matters and shall maintain all books, records, ledgers, and checking accounts, relative thereto. The Treasurer need not be a Unit Owner.

## ARTICLE V

### Common Expenses and Budget

A. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board.

B. Preparation and Approval of Budget. On or before the first day of November of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), 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 Executive Board 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 Declaration, these Bylaws 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 Condominium and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. The budget shall segregate and allocate Limited Common Expenses among Unit Owners. Within 30 days after adoption of any proposed budget for the Condominium, the Executive Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than 14 nor more than 30 days after mailing of the summary. Unless at the budget ratification meeting Unit Owners holding fifty-one (51%)

of the votes in the Association reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

The budget shall constitute the basis for determining each Unit Owners' assessments for Common Expenses and Limited Expenses of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Article V-C-6 below.

The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

C. Assessment and Payment of Common Expenses.

1. Common Expenses. The Executive Board shall calculate the monthly assessments for Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the operation of the Condominium set forth in the budget adopted by the Executive Board for the fiscal year in question by (b) the Percentage Undivided Interest (expressed in decimal form) allocated to such Unit, and dividing the resultant product by (c) the number of calendar months in such fiscal year. Such assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month and shall be a lien against each Unit Owner's Unit as provided in the Act and 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. Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to 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 Percentage Interests and shall be payable in one or more monthly assessments, as the Executive Board may determine.

2. Limited Expenses. Limited Expenses are those Common Expenses associated with the maintenance, repair or

replacement of a Limited Common Element and shall be assessed against the Unit or Units to which that Limited Common Element has been assigned.

3. Reserves. The Association shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for Common Expense which shall be assessed against the Unit Owners according to their respective Percentage Allocated Interests with regard to Common Expenses, and shall be payable in one or more monthly assessments as the Executive Board may determine.

4. Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments as permitted or required by the Act. The further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections.

5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Unit Owners during such period as is provided in Article V-C above.

6. 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 assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

7. Accounts and Audits. All sums collected by the Executive Board with respect to assessments against the Unit

Owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices.

8. Limitations on Expenditure and Borrowing. 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 Unit Owners entitled to cast at least fifty-one (51%) percent of the votes in the Association obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of actual expenses (including reserves) to exceed the approved budget by more than 10% after taking into account any projected increase in income, and (ii) to borrow money.

9. Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice the purchaser's right to recover from the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation. Nothing herein shall prejudice the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser. Any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five days following a written request therefor to the Executive Board. Such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount set forth in such statements. Subject to the Act, each record holder of a mortgage on a Unit who comes into possession of a Unit by virtue of foreclosure or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such holder comes into possession thereof, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit.

10. Lien for Assessments. The total monthly assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to the Declaration, these Bylaws or the Act, including Limited Common Expenses assessed against Unit Owners for maintenance, repair or replacement of a Limited Common Element, 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 Bylaws 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 or other such sum becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to monthly assessments and revised monthly assessments, be effective on the first day of each month as to the full amount of the monthly assessment or revised monthly 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 assessments 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. §4651 and 18-A M.R.S.A. §201, et. seq., as they or their equivalents may be amended or modified from time to time. The Association may impose an interest penalty for any payment for an assessment which is more than ten (10) days late.

11. Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from each Unit Owner as required by the Act, or the resale certificate and documents required by the terms of the Act.

## ARTICLE VI

### Compliance and Default

Each Unit Owner shall be governed by, and shall comply with all of the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act, as any of the same may be

amended from time to time.

A. 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 alleged violations of the Condominium Documents (other than violations with respect to assessment obligations) 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 against any other Unit Owner or resident or the Association arising out of any term, covenant or condition contained in the Condominium Documents or any rule or regulation made pursuant thereto shall be subject to the same procedures.

B. Noncompliance. Subject to prior compliance with the procedures established in Article VI-A hereof, the failure of a Unit Owner to comply with the Declaration, these Bylaws and the rules and regulations of the Association shall entitle the Association and Executive Board to the remedies provided herein and in the Act, none of which shall be exclusive of any other remedies:

(i) 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 aggrieved 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.

(ii) 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 Declaration, Bylaws or rules



and regulations adopted pursuant thereto, the Executive Board, if the prevailing party, shall be entitled to recover the costs of the proceeding and reasonable attorney's fees.

## ARTICLE VII

### Amendments

A. Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Unit Owners entitled to cast sixty-seven (67%) percent of the votes in the Association, except as otherwise expressly set forth herein or in the Act. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act of the Declaration, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

B. Approval of Mortgagees. The Declaration contains provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of the Declaration or these Bylaws impairing or affecting such rights, priorities, remedies or interests of such a holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

C. Amendments to the Declaration. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

## ARTICLE VIII

### Insurance

A. 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 herein to the extent such policies shall be reasonably available from reputable insurance companies. To

the extent that said insurance is not reasonably available, 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 therefor, or by prepaid United States mail, return receipt requested. To the extent that any of the insurance described herein 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 Premises for the purpose of purchasing and maintaining the insurance described herein, 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 Subparagraphs (C), (B)(3) and (B)(7) of this Article XIII, 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.

B. Property and Flood 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 and flood insurance to the extent available, issued by an insurance company authorized to do business in the State of Maine insuring as a single entity the entire Premises including the buildings and finger piers (exclusive of land, foundations, excavations, and other similar items customarily excluded from property insurance policies and excluding property supplied or installed by Unit Owners), Limited Common Elements and other Common Elements together with all heating equipment and other service equipment and machinery contained in the Premises and the fixtures, supplies and common personal property belonging to the Association and covering the interests of and naming as named insureds, the Association, the Executive Board and all Unit Owners and their Mortgagees and their Mortgagees' successors and assigns, as their insurable interests may appear. To the extent reasonably available and required by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Veterans Administration, Federal Housing Administration, or Maine State Housing Authority, such policy shall cover the fixtures, equipment and other personal property inside a Unit financed by a mortgage purchased by the Federal National Mortgage

Association, Federal Home Loan Mortgage Corporation, Veterans Administration, Federal Housing Administration, or Maine State Housing Authority; and if such required insurance is so provided, the Association may require such Unit Owner to pay the additional cost incurred by the Association in so insuring such Unit Owner's fixtures, equipment or other personal property. 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 Premises, such amount to be redetermined annually by the Executive Board with the assistance of the insurance company affording such coverage) (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage), without deduction for depreciation and shall contain a standard Maine Mortgagee 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 the Insurance Trustee or Association. 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 One Thousand Dollars (\$1,000.00). Such policy shall also contain the following provisions so long as they are reasonably available from a reputable insurance company.

(1) The following endorsements (or their equivalent): (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) if appropriate "Construction Code Endorsement", "increased cost of construction", "demolition" and "contingent liability from operation of building laws or codes" (c) "condominium replacement cost" (d) "agreed amount" or elimination of co-insurance clause; and (e) "inflation guard" endorsement.

(2) 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' 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.

(3) 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.

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

(5) 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.

(6) 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.

(7) 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 Subparagraphs (A) and (C) of this Article XIII.

C. Losses; Adjustment and Payment; Insurance Trustee. Any loss covered by the insurance policy described in Subparagraph (B) hereof 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 (B)(7) 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 interests may appear. Subject to the provisions of this Subparagraph (C), the proceeds shall be disbursed first for the repair or restoration of the damage to the Premises, 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, or in the event the decision has been made not to repair or restore the damage as provided in this Declaration, or in the event the Condominium is terminated.

D. Liability Insurance. The Executive Board shall obtain and maintain as a Common Expense comprehensive general public liability insurance (including the so-called "broadening liability endorsement") 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 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 from 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: (i) 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; (ii) hired and non-owned vehicle coverage; and (iii) 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 (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

E. Other Insurance. The Executive Board shall obtain and maintain as a Common Expense:

- (1) 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 such other amounts as may be required by the Federal National Mortgage Association (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;
- (2) To the extent available, "directors' and officers'" liability insurance to satisfy indemnification obligations of the Association;
- (3) If required by any governmental or quasi-governmental agency, including without limitation the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, flood insurance in accordance with the then applicable regulations of such agency;

- (4) workmen's compensation insurance if and to the extent necessary to meet the requirements of law; and
- (5) 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.

F. Memoranda, Cancellation, Additional Required Provisions. All insurers that shall issue an insurance policy or policies under this Paragraph 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 Executive Board, the managing agent, and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses. All policies under this Article shall in addition contain the following provisions:

- (1) The insurer waives any 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;
- (2) The Declarant, so long as Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

G. Separate Insurance. Each Unit Owner shall have the right, at its own expense, to obtain insurance for its own Unit and for its own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any improvements made by it to its Unit under coverage normally called "improvements and betterments coverage" provided, however, that no Unit Owner shall be entitled to exercise its 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 to cause any insurance coverage maintained by the Board to 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 its 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 improvements to his or her Unit (except personal property other than fixtures) which exceed a total value of One Thousand Dollars (\$1,000.00) within twenty (20) days after the commencement of construction of such improvements and, upon receipt of such notice, the Executive Board shall notify the insurer under any policy obtained pursuant to Paragraph (B) of this Article XIII of any such improvements. Any premium increase caused by such improvements may be assessed to the Owners of the Improved Unit. No Unit Owner shall be entitled to receive insurance proceeds for the repair, restoration or rebuilding of any such improvements not so reported to the Executive Board, unless otherwise consented to by unanimous vote of the Executive Board.

## ARTICLE IX

### Miscellaneous

A. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by certified mail, return receipt requested, postage prepaid, (i) if to a Unit Owner, at the address of the Unit Owner, or (ii) if to the Association or the Executive Board, at such address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

B. Captions. The headings in these By-Laws are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

C. Gender, Number, etc. The use of the singular number in these By-Laws shall be deemed to include the plural, the singular, and the use of any one gender shall be deemed applicable to all genders.

D. 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 affect 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.

INDIAN POINT OWNERS ASSOCIATION  
P. O. BOX 693  
RAYMOND, ME 04072

CERTIFICATE OF AMENDMENT TO BYLAWS

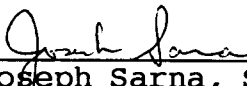
The undersigned officers of India Point Owners Association hereby CERTIFY that the following amendment to the Bylaws of the Association was voted on and passed by 74.46% of Unit Owners entitled to cast votes and is to be added to Article III, Section C, Election and Term of Office:

The term of office for the members of the Executive Board shall be staggered so that two members would be elected in two successive years, and one member elected in the third year.

In compliance with the terms of Article VII, Amendments of the Bylaws of the Association, we hereby CERTIFY that the above amendment has been added to be effective upon the recording of this Certificate in the Cumberland County Registry of Deeds.

Dated: October 8, 1995

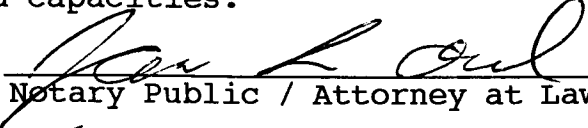
  
Donald Fellows, President

  
Joseph Sarna, Secretary

STATE OF MAINE  
COUNTY OF CUMBERLAND, SS.

10-8, 1995

Then personally appeared the above named Donald Fellows and Joseph Sarna and acknowledged the foregoing instrument to be their free act and deed in their said capacities.

Before me,   
Notary Public / Attorney at Law

Print Name: Janis L. Orel Notary Public

My Commission Expires October 27, 2000

