

BYLAWS

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BYLAWS  
OF  
SOUTR MILL VILLAGE ASSOCIATION, INC.

ARTICLE I

Introduction

These are the Bylaws of SOUTH MILL VILLAGE ASSOCIATION, INC. The provisions of these Bylaws are applicable to the Property of the Condominium, and to the use and occupancy thereof.

All present and future Unit Owners, mortgagees, lessees, and occupants of the Units and their employees, and any other person who may use the facilities of the Condominium in any manner are subject to these Bylaws, the Declaration, and to the Rules established by the Executive Board hereinafter set forth as Exhibit B-1.

ARTICLE II

Definitions

The definitions of the words and terms contained in the Declaration shall apply to those words and terms used in these Bylaws.

ARTICLE III

Executive Board

Section 3.1 - Number and Qualification; Termination of Declarant Control.

- (a) The affairs of the Condominium and the Association shall be governed by an Executive Board consisting of five (5) persons, all of whom, excepting the members of the Executive Board elected by the Declarant during the period of Declarant control, shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a Director. The members of the Executive Board shall be elected by the Unit Owners except for those appointed by the Declarant. At any meeting at which Directors are to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Connecticut.
- (b) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the members setting terms. The term of any Director elected by the Unit Owners shall expire when such Director no longer has an ownership interest in the Condominium.
- (c) Section 8.8 of the Declaration shall govern appointment of members of the Executive Board during the period of Declarant control.

- (d) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.
- (e) At any time after Unit Owners other than the Declarant are entitled to elect Directors, the Association shall call and give not less than ten (10) nor more than sixty (60) days' notice of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Section 3.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and of the Condominium which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws and Rules;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents other than managing agents and independent contractors;
- (f) Institute, defend or intervene in litigation or administrative proceedings in the Association name or on behalf of itself or two (2) or more Unit Owners on matters affecting the Condominium;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (i) Cause additional improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey in its own name any right, title or interest to real property or personal property, but the Common Elements may be conveyed or subjected to a security interest only pursuant to Section 55 of the Act;
- (k) Grant easements for any period of time including permanent easements and leases, licenses and concessions for no more than one (1) year through or over the Common Elements;
- (l) Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Subsections (2) and (4) of Section 22 of the Act, and for services provided to Unit Owners;
- (m) Impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy

reasonable fines for violations of the Declaration, Bylaws and Rules of the Association;

- (n) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates and documents required by Section 71 of the Act or statements of unpaid assessments;
- (o) Provide for the indemnification of its officers and Executive Board and maintain Directors' and officers' liability insurance;
- (p) Assign its right to future income, including the right to receive Common Expense assessments, subject to the limitations set forth in ARTICLE XX of the Declaration;
- (q) Exercise any other powers conferred by the Declaration or these Bylaws;
- (r) Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association;
- (s) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (t) By resolution, establish committees, permanent and standing, to perform any of the above functions of Directors under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board in accordance with the procedures established in Section 25.3 of the Declaration.

Section 3.3 - Standard of Care. In the performance of their duties, the officers and directors are required to exercise (1) if appointed by the Declarant, the care required of fiduciaries of the Unit Owners, and (2) if elected by the Unit Owners, ordinary and reasonable care.

Section 3.4 - Additional Limitations. The Executive Board shall be additionally limited pursuant to ARTICLE XXVI of the Declaration.

Section 3.5 - Manager. The Executive Board may employ a manager for the Condominium, at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under Subsections 3.2(c), (e), (g) and (h). Licenses, concessions and contracts may be executed by the manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

Section 3.6 - Removal of Directors. The Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any Director with or without cause, other than a Director appointed by the Declarant.

Section 3.7 - Vacancies. Vacancies in the Executive Board cause y any reason other than the removal of a Director by a vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, (a) as to vacancies of Directors whom Unit Owners other than the Declarant elected, by a majority of the remaining Directors constituting the Executive Board, (b) as to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant. Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced. Vacancies caused by removal of a Director by a vote of the Unit Owners shall be filled in accordance with Section 3.1 of these Bylaws. The person who is elected to fill the term of a person discharged shall be a Director for the remainder of the term of the Director so replaced.

Section 3.8 - Regular Meetings. The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at the meeting at which such Executive Board shall have have been elected. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the Directors shall be present. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 3.9 Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice shall be hand delivered or mailed and shall state the time, place and purpose of the meeting.

Section 3.10 - Location of Meetings. All meetings of the Executive Board shall be held within Glastonbury, unless all members thereof consent in writing to another location.

Section 3.11 - Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 3.12 - Quorum of Board Members. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 3.13 - Fidelity Bonds. If not sooner obtained, once thirty (30) Units have been created in the Condominium, the Executive Board shall obtain adequate fidelity bonds for all officers, employees and agents of the Association handling or responsible for Association funds. The premiums on the bonds shall constitute a Common Expense.

Section 3.14 - Compensation. A Director may receive a fee from the Association or acting as such. Directors acting as officers or employees may also be compensated for such duties. The compensation, if any, shall be set by resolution of the Unit Owners. A Director shall be reimbursed for the necessary expenses actually incurred in connection with his duties.

Section 3.15 - Consent to Corporate Action. If all the Directors or a members o a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors or committee constitutes a quorum for such action, such action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

#### ARTICLE IV

##### Unit Owners

Section 4.1 - Eligibility. Any person who acquires title to a Unit in the Condominium shall be a member of the Association. Such membership shall be automatically transferred upon the conveyance of such Condominium Unit. Until the first meeting at which Unit Owners may vote, the Association shall act without vote of the Unit Owners. Thereafter, each Unit Owner shall be entitled to vote. In accordance with ARTICLE IX of the Declaration, each Unit is entitled to one (1) vote.

Section 4.2 - Annual Meeting. Annual Meetings shall be held at such time as the Executive Board may designate. At and after the first meeting at which Unit Owners may vote (see Section 8.8(b) of the Declaration), the Directors shall be elected by ballot of the Unit Owners in accordance with the provisions of ARTICLE III. The Unit Owners may transact such other business at such meetings as may properly come before them.

Section 4.3 - Budget Meeting. Meetings to consider the proposed budget shall -Fe called n accordance with Sections 19.2 and 19.3 of the Declaration. The budget may be considered at Annual or Special Meetings called for other purposes as well.

Section 4.4 - Place of Meetings. Meetings of the Unit Owners shall be called at such suitable place convenient to the Unit Owners as may be designated by the Executive Board or the President.

Section 4.5 - Special Meetings. Special Meetings of the Unit Owners may be called y the resident, a majority of the executive Board or by Unit Owners having twenty percent (20%) of the votes in the Association.

Section 4.6 - Notice of Meetings. Except for Budget Meetings, or which notice shall be given in accordance with Sections 19.2 and 19.3, not less than ten (10) nor more than sixty (60) days in advance of any meeting, the Secretary or other officer specified in these Bylaws shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting shall 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 these Bylaws, any budget changes and any proposal to remove an officer or Director. No action shall be adopted at a meeting except as stated in the notice.

Section 4.7 - Waiver of Notice. Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and such waiver shall be deemed equivalent to the receipt of such notice.

Section 4.8 - Adjournment of Meeting. At any meeting of Unit Owners, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 4.9 - Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure);
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports;
- (e) Establishment of number and term of memberships of the Executive Board (if required and noticed);
- (f) Election of inspectors of election (when required);
- (g) Election of Directors (when required);
- (h) Ratification of Budget (if required and noticed);
- (i) Unfinished business;
- (j) New business.

Section 4.10 - Voting.

- (a) Voting shall be on the basis of one (1) vote per Unit.
- (b) If only one (1) of several Owners of a Unit is present at a meeting of the Association, that Owner is entitled to cast the vote allocated to that Unit. If more than one (1) of the Owners are present, the vote allocated to that Unit may be cast in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one (1) of the 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. If more than one (1) Owner is present at the meeting and if such Owners cannot agree upon the exercise of their right to vote pursuant to these Bylaws, each Owner shall have a fractional vote based upon his fractional share of ownership of the Unit. But the fractional interests shall never exceed the total of one (1) vote per unit.
- (c) A vote 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 (1) person, each Owner of the Unit may vote his fractional share or register protest to the casting of a vote by the owner Owners of the Unit through a duly executed proxy. A Unit Owner may



revoke a proxy given pursuant to this Section only 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 one (1) year after its date unless it specifies a shorter term.

- (d) The vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the Executive Board or Bylaws of the owning corporation or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
- (e) No vote allocated to a Unit owned by the Association may be cast.

Section 4.11 - Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners shall constitute a quorum at such meeting.

Section 4.12 - Majority Vote. The vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where in the Declaration or these Bylaws or by law, a higher percentage vote is required.

#### ARTICLE V

##### Officers

Section 5.1 - Designation. The principal officers of the Association shall be the President, the Vice 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. The President and Vice President, but no other officers, need be Directors. Any two (2) offices may be held by the same person except the offices of President and Vice President, and the offices of President and Secretary. The office of Vice President may be vacant.

Section 5.2 - Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

Section 5.3 - Removal of Officers. Upon the affirmative vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 5.4 - President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Executive Board. He shall

have all of the general powers and duties which are incident to the office of President of a nonstock corporation organized under the laws of the State of Connecticut, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. He may fulfill the role of Treasurer in the absence of the Treasurer. The President, as attested by the Secretary, may cause to be prepared and may execute amendments to the Declaration and these Bylaws on behalf of the Association, following authorization of the particular amendment as applicable.

Section 5.5 - Vice President. The Vice President shall take the place of the President and perform his duties whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other Director to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as may be imposed upon him by the Executive Board or by the President.

Section 5.6 - Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board; he shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a nonstock corporation organized under the laws of the State of Connecticut. The Secretary may cause to be prepared and may attest to the execution by the President of amendments to the Declaration and these Bylaws on behalf of the Association, following authorization of the particular amendment as applicable.

Section 5.7 - Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall 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. He shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he shall, in general, perform all the duties incident to the office of Treasurer of a nonstock corporation organized under the laws of the State of Connecticut. He may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He may have custody of and shall have the power to endorse for transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association, or as fiduciary for others.

Section 5.8 - Agreements, Contracts, Deeds Checks Etc.. Except as provided in Sections 5.4, 5.6, 5.7 and 5.10 of these Bylaws and Section 28.6 of the Declaration, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

Section 5.9 - Compensation. An officer may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners and shall be reimbursed for necessary expenses actually incurred with his duties.

Section 5.10 - Resale Certificates and Statements of Unpaid Assessments. The Treasurer, Assistant Treasurer, or a manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify and execute resale certificates in accordance with Section 71 of the Act and statements of unpaid assessments in accordance with Section 59(h) of the Act. The Association may charge a reasonable fee for preparing resale certificates, statements of unpaid assessments and copies the Condominium instruments in accordance with Sections 45(a)(12) and 71 of the Act. The Association shall refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid.

#### ARTICLE VI

##### Operation of the Condominium

Section 6.1 - Determination of Common Expenses and Fixing of Common Charges. The Executive Board shall, from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such Common Charges among the Unit Owners according to their share of undivided ownership, as established by ARTICLE IX of the Declaration. The Executive Board shall advise all Unit Owners promptly, in writing, of the amount of Common Charges payable by each of them respectively as determined by the Executive Board as aforesaid, and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their mortgagees upon request. The Common Expenses shall include, among other things:

- (a) The cost of repairs and maintenance the Common Elements and of the Limited Common Elements, and the cost of any maintenance in other areas where the Association has assumed responsibility;
- (b) All insurance premiums on all policies of insurance required to be or which have been obtained by the Executive Board pursuant to the provisions of ARTICLE XXIII of the Declaration, and the fees and expenses of any Insurance Trustee; provided, however, that as long as the Declarant is engaged in the construction or erection of improvements on the Property, it shall pay to or reimburse the Association for the portion of insurance premiums allocable to builder's risk insurance (including liability coverage for construction operations and completed operations), which is in excess of the premiums which would apply in the absence of such operations;
- (c) Such amounts as the Executive Board may deem proper for the operation of the Condominium including without limitation an amount for its working capital, a general operating reserve, a reserve fund for replacements and sums necessary to make up any deficit in the Common Expenses for any prior year;
- (d) Expenses incurred in leasing or otherwise acquiring the right to use either exclusively or in common with others, various other facilities for the benefit of Unit Owners;

- (e) Such amounts as may be required for the purchase or lease by the Executive Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit to be acquired by foreclosure proceedings or proceedings in lieu of foreclosure or which is to be sold at judicial sale.

Section 6.2 - Payment of Common Expenses. All Unit Owners shall be obligated to pay the monthly Common Expenses assessed by the Executive Board. The Board may authorize Common Expenses to be collected by a mortgagee of one (1) or more Units or by the manager.

Section 6.3 - No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself from liability or payment of the Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 6.4 - Non-liability After Conveyance. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance made pursuant to the provisions of these Bylaws.

Section 6.5 - Successor's Liability for Common Charges. A grantee who acquires a Unit shall be liable for, and the Unit conveyed shall be subject to a lien for, any unpaid assessments against the Unit, but not in excess of the amount set forth in a statement provided under Section 6.6 herein and Section 71(c) of the Act.

Section 6.6 - Statement of Common Expenses. The Executive Board shall within ten business days provide a Unit Owner so requesting the same in writing, a written statement of all unpaid Common Expenses or other assessments due from such Unit Owner.

Section 6.7 - Default in Payment of Common Expenses. In the event of default by any Unit Owner in paying to the Association the Common Expenses determined by the Executive Board, such Unit Owner shall be obligated to pay additional charges at the rate of eighteen percent (18%) per annum of such Common Expenses from the due date thereof, together with all expenses, including reasonable attorneys' fees incurred by the Association in any proceeding brought to collect such unpaid expenses. The Association shall attempt to recover such Common Expenses, together with additional charges thereon, and the expenses of the proceeding including such attorneys' fees, in any action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit under powers granted by the Act.

Section 6.8 - Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Association to foreclose a lien on a Unit because of any unpaid Common Expenses, the Association shall be entitled to the appointment of a receiver to collect rent. The Association on behalf of all Unit Owners, but subject to its approval, shall have the power to purchase such Unit at a foreclosure sale and to acquire, hold, lease, mortgage, vote the vote appurtenant thereto (other than for the election of members to the Executive Board), convey or otherwise deal with the same.

Section 6.9 - Maintenance, Repair and Replacement of Units and Common Elements. The Association is responsible for repair and replacement of the Common Elements, including Limited Common Elements (excepting air-conditioning and related equipment), and each Unit Owner is responsible for repair and replacement of his Unit. General Maintenance Responsibilities are shown on Exhibit B-2 attached to these Bylaws. Each Unit Owner shall afford to the Association and other Unit Owners, and to their agents or employees, access through his Unit reasonably necessary for those purposes. If damage is inflicted on the Common Elements or on any Unit through which access is taken, the Unit Owner responsible for the damage, or the Association if it is responsible, is liable for the prompt repair thereof. Reference is made to ARTICLE XXIV of the Declaration concerning the duty to repair or restore damaged property.

Section 6.10 - Additions Alterations or Improvements by the Executive Board. Whenever, in the judgment of the Executive Board, the Common Elements shall require additions, alterations or improvements costing more than fifteen percent (15%) of the operating budget, which are not to be at the expense of an individual Unit Owner for his own benefit, and the making of such additions, alterations or improvements shall have been approved at an Annual or Special Meeting of the Unit Owners, the Executive Board shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing less than said fifteen percent (15%) of the operating budget may be made by the Executive Board without further approval of the Unit Owners or any eligible mortgagees of the Units, and the costs thereof will constitute part of the Common Expenses.

Section 6.11 - Additions, Alterations or Improvements by Unit Owners. Subject to the provisions of ARTICLE XIII of the Declaration, no Unit Owner shall make any structural addition, alteration or improvement in or to any Unit, or to any Limited Common Element or Common Element nor shall he paint or otherwise decorate or change the appearance of any portion of the exterior of any Unit, or Limited Common Element, without prior consent of the Executive Board. After Notice and Rearing, the Executive Board shall answer any written request for such approval within sixty (60) days and failure to do so within such time shall not constitute a consent by the Executive Board to the proposed addition, alteration or improvement. Any application to any department or to any governmental authority for a permit to make any addition, alteration or improvement in or to any Unit shall be executed by the Association without, however, incurring any liability on the part of the Association or any officer to any contractor, subcontractor or materialman on account of such addition, alteration or improvement or to any person having any claims for injury to person or damage to property arising therefrom.

Section 6.12 - Water Charges and Sewer Charges. The Declarant shall provide installation of water and sewer services to each building and thereafter if not separately metered the Association shall provide water and sewer service and pay for same from the Association's funds. In the event that the operations within the Unit require extra capacity for such service, the Association may charge for such extra use based on floor space or engineering data, or may require such service to be metered separately with the Unit Owner paying any excess over his interest in the whole service charge.

Section 6.13 - Electricity, Gas and Heat. Electricity, gas and heat shall be supplied directly to each unit, and any Limited Common Element, the exclusive use of which is reserved to such Unit and, where possible, will have separate meters and separate controls, and each Unit owner will be required to pay the charges in connection therewith. The electricity, gas and heat serving the Common Elements shall be paid by the Association and charged to the Unit Owners as a Common Expense. Air-conditioning will be supplied and paid in the same manner as heat.

Section 6.14 - Right of Access. Each Unit Owner shall grant a right of access to his Unit to the manager, or any other person authorized by the Association or the manager, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit, provided that requests for entry are made in advance and that any such entry be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 6.15 - Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules adopted by the Executive Board or the breach of any provision of the instruments, shall give the Executive Board the right, subject to Notice and Hearing except in case of an emergency, in addition to any other rights set forth in these Bylaws:

- (a) To enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove at the expense of the breaching Unit Owner, any structure, thing or condition except for additions or alterations of a permanent nature, that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Instruments and the Executive Board shall not thereby be deemed liable for any manner of trespass; or
- (b) To enjoin, abate or remedy by appropriate legal proceedings, either in law or in equity, the continuance of any such breach; or
- (c) By resolution of the Executive Board following Notice and Hearing, to levy a fine of up to Twenty-Five Dollars (\$25.00) per day for each day that a violation of the Instruments or Rules persist after such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

#### ARTICLE VII

#### Use of Property

Section 7.1 - Restrictions on Use of the Units and Common Elements. In order to provide for the congenial occupancy of the Property and for the protection of the value of the Units, the Property shall be restricted to and shall be used in accordance with ARTICLE X of the Declaration, these Bylaws and the Rules established by the Executive Board as amended from time to time.

Section 7.2 - Restrictions. No use or practice shall be permitted in the Property which is a source of annoyance to residents or which interferes with the peaceful possession and use of the Property by its residents. All valid laws, ordinances and regulations of all governmental bodies jurisdiction thereof shall be observed. Each Unit is restricted to residential use.

Section 7.3 - Rules. Rules concerning the use of the Units Common Elements may be made and amended from time to time Executive Board. Copies of such Rules shall be furnished Executive Board to each Unit Owner prior to the time the shall be effective. The initial Rules which shall be have until amended by the Executive Board as hereinbefore setforth as Exhibit B-1 are annexed hereto and made a part for reference.

Section 7.4 - Suspension of Rights. For any period during any assessed Common Charge remains unpaid, or for any not to exceed thirty (30) days, for any infraction of its Rules, the Executive Board may suspend the rights to Common Elements, except the right to access to the public

#### ARTICLE VIII

##### Indemnification

The Directors and Officers of the Association shall have the duties and be entitled to indemnification as provided in Section 33-455 and 33-454a of Chapter 600 of the Connecticut General Statutes (the provisions of which are hereby incorporated reference and made a part hereof).

#### ARTICLE IX

##### Records

Section 9.1 - Records and Audits. The Association shall have financial records. The financial records shall be recorded and audited in accordance with Section 18.7 of the Section. The cost of the audit shall be a Common Expense otherwise provided in the Instruments.

Section 9.2 - Examination. All records maintained by the Association or by the manager shall be available for examination by any Unit Owner, by any holder of a Security Interest in a Unit, or by any of their duly authorized agents or at the expense of the person examining the records, normal business hours and after reasonable notice.

Section 9.3 - Records. The Association shall keep the recording records:

- (a) An account for each Unit which shall designate the name and address of each Unit Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account, and the balance due.

- (b) An account for each Unit Owner showing any other fees payable by the Unit Owner.
- (c) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year.
- (d) A record of the amount, and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs.
- (e) The current operating budget adopted pursuant to Subsection 58(a) of the Act and ratified pursuant to the procedures of Subsection 46(c).
- (f) A record of any unsatisfied judgments against the Association and the exercise of any pending suits in which the Association is a defendant.
- (g) A record of insurance coverage provided for the benefit of Unit Owners and the Association.
- (h) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements.
- (i) Annually the Association shall prepare a balance sheet showing the financial condition of the Association as of a date not more than four (4) months prior thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement shall be kept for at least ten (10) years from such date in the principal office of the Association.
- (j) Tax returns for State and Federal income taxation.
- (k) Minutes of proceedings of Incorporators, Unit Owners, Directors, Committees of Directors and Waivers of Notice.

#### ARTICLE X

##### Miscellaneous

Section 10.1 - Notice. All notices to the Association or the Executive Board shall be delivered to the office of the manager, or if there is no manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all holders of Security Interests in Units who have notified the Association that they hold a Security Interest. Except as otherwise provided, all notices to any Unit Owner shall be sent to his address as it appears in the records of the Association. All notices to mortgagees of Units shall be sent, except where a different manner of notice is specified elsewhere in the Instruments, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Executive Board. All notices shall be deemed to have been given when mailed, except notices of changes of address which shall be deemed to have been given when received.

Section 10.2 - Fiscal Year. The Executive Board shall establish the fiscal year of the Association.



Section 10.3 - Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 10.4 - Office. The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

Certified to be the By-Laws adopted by consent of the incorporator (s) of SOUTH MILL VILLAGE ASSOCIATION, INC., dated ,1985.

SOUTH MILL VILLAGE ASSOCIATION, INC.

By \_\_\_\_\_  
Edward J. Kamis  
An Incorporator