

AMMENDMENT 2 (TO THE BY-LAWS)

The purpose of Ammendment 2 is to change Article III, Section 1 of the By-Laws to decrease the number of Board Members from nine (9) to five (5).

The Board of Managers recommends approval of Ammendment 2 to more realistically reflect the interests and availability of home owners to serve as members of the Board of Managers.

RESOLVED: That Article III, Section 1 of the By-Laws be ammended to reduce the number of managers from nine to five.

EXISTING

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The officers of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three Managers designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Home Owners. Within 60 days of the closing of title to the first Home, a meeting of the Home Owners shall be held at which a Home Owner who is independent of the Sponsor shall be elected to the first Board of Managers by majority vote of the Home Owners other than the Sponsor, to serve until the first annual meeting of the Home Owners. Until succeeded by the Managers elected at the first annual meeting of Home Owners, Managers need not be Home Owners; thereafter, all Managers other than designees or nominees of the Sponsor shall be Home Owners. The Managers shall be elected at the annual meeting of the Home Owners. At the first annual meeting of Home Owners called pursuant to Section 9 of Article II, nine (9) Managers shall be elected by the Home Owners. The term of office of three of the Managers shall be fixed for three (3) years, the term of office of three of the Managers shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Home Owner shall be entitled to cast one vote on each ballot for each Home he owns. The three nominees on each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting. But in any event, at least one-third of the terms of the members of the Board of Managers shall expire annually. Notwithstanding the foregoing, to assure the Sponsor minimum representation on the Board of Managers after it turns over control of the Board to Home Owners independent of the Sponsor, the Sponsor shall have the right to designate three members of the Board of Managers so long as it owns less than 35% but more than 10% of the Homes in number, and one member of the Board so long as the Sponsor continues to own one or more Homes.

AS AMENDED

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. All Managers shall be Home Owners. The Board shall consist of five (5) managers. The Managers shall be elected at the annual meeting of the Home Owners. The term of office of the five Managers of the Condominium are to expire, respectively, as follows: one in 1986, one in 1988, and three in 1987. At the expiration of the term of office of each respective Manager, his successor shall be elected to serve a term of three (3) years, except that one of the Managers whose term shall expire in 1987 shall be elected to serve a term of only two (2) years. Thereafter, at the expiration of the term of office of each respective Manager, his successor shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting.

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AMMENDMENT 3 (TO THE BY-LAWS)

The purpose of Ammendment 3 is to amplify Article III, Section 12 to specifically indicate that the condominium will pay for any costs not covered by Directors and Officers Liability Insurance.

The Board of Managers recommends approval of Ammendment 3 to ensure the full intent of Article III, Section 12 is defined.

RESOLVED: That Article III, Section 12 of The By-Laws be ammended as follows:

EXISTING

Section 12. Liability of the Board of Managers and Home Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent for the Home Owners as a group only, and that no member of the Board of Managers nor individual Home Owners shall be liable for such contract, agreement or commitment. The Home Owners shall be liable as a group under such agreement, contract or commitment but the liability of each Home Owner shall be limited to such proportion of the total liability thereunder as his common interest bears to the common interest to all Home Owners. The Board of Managers shall have no liability to the Home Owners in the management of the Community except for willful misconduct or bad faith and the Home Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of willful misconduct or acts made in bad faith. Such several liability of the Home Owners shall, however, be limited to such proportion of the total liability thereunder as such Home Owner's common interest bears to the common interest of all Home Owners.

AS AMMENDED

Section 12. Liability of the Board of Managers and Home Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent for the Home Owners as a group only, and that nomember of the Board of Managers nor individual Home Owners shall be liable for such contract, agreement or commitment. The Home Owners shall be liable as a group under such agreement, contract or commitment but the liability thereunder as his common interest bears to the common interest to all Home Owners. The Board of Managers shall have no liability to the Home Owners in the management of the Community except for willful misconduct or bad faith and the Home Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of willful misconduct or acts made in bad faith. Such several liability of the Home Owners shall, however, be limited to such proportion of the total liability thereunder as such Home Owner's common interest bears to the common interest of all Home Owners. THIS INDEMNIFICATION SHALL INCLUDE BUT NOT BE LIMITED TO THE PAYMENT OF ANY COSTS OR JUDGEMENTS NOT COVERED BY DIRECTORS AND OFFICERS LIABILITY INSURANCE.

CERTIFICATION OF INSPECTOR OF THE
ELECTION

I, Kathy Magagna, certify that I was the Inspector of the Election at the 1986 Georgetown East Condominium Annual Meeting held on April 7, 1986 and reconvened May 21, 1986.

I further certify that 100 percent of the unit owners approved Amendments 1, 2, and 3 and elected Lynn Dancey to serve on the Board of Managers.

Kathy Magagna

(Signed)

On the 24 day of May, 1986, before me personally appeared Kathy Magagna, to me known, who, being by me duly sworn, did depose and say that she resides at Four Duxbury Heights, Fairport, New York; that she is election inspector of Georgetown East Condominiums, a New York State Condominium, and that she executed the above Instrument by Order of the Board of Managers.

Martin L. Becker
Notary Public

MARTIN L. BECKER
Notary Public in the State of New York
MONROE COUNTY, N. Y. 87
Commission Expires March 30, 1987

STATE OF NEW YORK
MONROE COUNTY, SS.

RECORDED ON 07/16/86
TIME 10:05:00
BOOK 6933 PAGE 290
FILE FR
OF

NEED
AND EXAMINED