

BY-LAWS
of
THE RESIDENCES AT CANALSIDE CONDOMINIUM
as restated on August 19, 2020 with
amendments through August 15, 2023

ARTICLE I
PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Ownership.

The land, building, and improvements (the "Property") located at 83 East Church Street in the village of Fairport, county of Monroe, state of New York, as specifically set out in a Declaration dated December 29, 2016, and filed February 22, 2017,¹ and named therein The Residences at Canalside Condominium, has been submitted to condominium ownership pursuant to Article 9-B of the Real Property Law of the State of New York.

Section 2. Applicability of By-Laws.

These By-Laws apply to the Property and to its use and occupancy.

Section 3. Personal Application.

All present or future Unit Owners, mortgagees, lessees, or their employees, or any person that may use the facilities of the Condominium in any manner whatsoever, are subject to these By-Laws, the Declaration, and any rules, regulations, or policies established by the Board of Managers. The mere ownership or occupancy of a Unit constitutes a ratification and acceptance of, and a representation by such Owner or occupant that he or she will comply with, these By-Laws.

ARTICLE II
UNIT OWNERS AND MEETINGS OF UNIT OWNERS

Section 1. Annual Meeting.

The meeting of Unit Owners for the election of Managers and the transaction of other business should be held on a date in August, or as near thereto as possible, fixed by the Board of Managers.

Section 2. Special Meetings.

At the direction of the Board of Managers, or upon a written petition of a majority in number and Common Interest of Unit Owners presented to the Secretary, the President must call a special meeting of Unit Owners. At any special meeting, Unit Owners may conduct only business that is

¹ The Declaration was amended and restated at the annual meeting of unit owners held August 16, 2022 and the restated Declaration was filed on October 3, 2022.

related to the purpose or purposes set forth in the notice of the meeting required by section 4 of this Article.

Section 3. Place of Meetings.

Meetings of Unit Owners may be held at a place in the county of Monroe or a contiguous county designated by the Board of Managers that is convenient to Unit Owners.

Section 4. Notice of Meetings of Unit Owners.

(a) Whenever under a law, the Declaration, or these By-laws the Unit Owners are required or permitted to take an action at a meeting, the Secretary must serve notice at least ten (10) but not more than fifteen (15) days before the meeting. The notice must state the place, date, and hour of the meeting and, unless it is the annual meeting, must state the purpose for which the meeting is being called. The Secretary may serve notice of the meeting by written or electronic means.

(b) Where because of unforeseen circumstances unit owners must address an emergency or matters of an urgent nature, the Secretary must give notice as early as possible, but not less than 48 hours before the meeting. In addition to the other requirements of subsection (a) above, the notice must contain the reasons for the shorter notice period.

Section 5. Voting.

(a) Each Unit Owner (including the Board of Managers if it owns one or more Units) is entitled to cast one (1) vote at all Unit Owner meetings for each percentage of Common Interest owned by such Unit Owner. Any Unit Owner in good standing, otherwise eligible to vote, is entitled to vote at any meeting of Unit Owners. The Secretary must maintain a record of Unit Owners entitled to vote.

(b) Unless otherwise provided by law, by the Declaration, or by these By-laws, whenever any action, other than the election of managers, is to be taken by vote of the Unit Owners, the vote of a majority of votes cast decides any question properly before the meeting and binds all Unit Owners. Blank votes or abstentions shall not be counted in the number of votes cast.

(c) A change in the interest in the Common Elements requires unanimous consent of all Unit Owners.

(d) An amendment of these By-laws requires the votes of at least 66 2/3% in number and Common Interest of all Unit Owners cast at a meeting duly held for such purpose.

Section 6. Quorum of Unit Owners.

The presence, in person or by written proxy, of at least a majority of the authorized votes of all Unit Owners constitutes a quorum at all meetings of Unit Owners. If a quorum is not present at any meeting of Unit Owners, the Unit Owners present have the power to adjourn the meeting from time to time, without notice, until a quorum is present.

Section 7. Proxies.

All proxies must be in writing and be filed with the Secretary before the appointed time of the meeting. In all other respects, section 609 of the New York Not-for-Profit Corporation Law applies to a proxy under this section.

Section 8. Action Without a Meeting.

After service of notice that complies with section 4 of this article, any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, the By-Laws, or applicable law, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE III BOARD OF MANAGERS

Section 1. Composition.

The Condominium is managed by its Board of Managers. The number of managers constituting the entire board is five (5).

Section 2. Powers and Duties.

The Board of Managers has the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by Declaration or these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers include, but are not limited to, the following:

- A. Operation, care, upkeep, and maintenance of the Common Elements;
- B. Determination of the Common Expenses required for the affairs of the Condominium, including, without limitation, operation, and maintenance of the Property;
- C. Collection of the Common Charges from the Unit Owners;
- D. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements;
- E. Adoption and amendment of Rules and Regulations covering the details of the operation, occupancy, and use of the Property;
- F. Opening of bank accounts on behalf of the Condominium and designating the signatories required therefore;
- G. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units surrendered by their Owners to the Board of Managers;
- H. Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners;
- I. Selling, leasing, mortgaging, voting the votes appurtenant to, or otherwise dealing with Units acquired by the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners;

- J. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners;
- K. Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 1, hereof;
- L. Making of repairs, additions, and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
- M. Levying fines against Unit Owners for violation of the Declaration, By-Laws, and Rules and Regulations established by it to govern the conduct of the Unit Owners, provided, however, that no fine may be levied in an amount in excess of \$100.00 for any one violation (but for each day a violation continues after notice, it may be considered a separate violation). Such fines may be collected as if they were Common Charges owed by the Unit(s) against whom the fines were levied. Where a Unit Owner is fined for an infraction of the Declaration, By-Laws, or Rules and Regulations and fails to pay the fine within ten (10) days after notification thereof, the Board may levy an additional fine or fines to enforce payment of the initial fine. Where a Unit Owner persists in violating the Declaration, By-Laws or Rules and Regulations, the Board may require him to post a bond to secure future compliance with the Rules and Regulations;
- N. Controlling the use of all Common Elements adjoining the Building, including but not limited to, designating garage and surface parking spaces, if any, for use by the respective Unit Owners and leasing such Common Elements to third parties, provided, however, that no lease or similar legal transaction (other than monthly parking arrangements) may be entered into without the approval of a majority in Common Interest of the Unit Owners;
- O. Controlling power shutoffs and other interruptions of the normal functioning of the Condominium to facilitate renovation of particular Units and/or of the Common Elements. In making determinations in this area, the Board will make every effort to disrupt the Unit Owners as little as possible under the circumstances then prevailing;
- P. Borrowing for repair, maintenance and replacement of the Common Elements as set forth in the Declaration;
- Q. To acquire, sell, lease or exchange property or any interest therein on behalf of the Owners with the consent of 66 2/3% in Common Interest of the Unit Owners present in person or by proxy at a meeting duly held for such purpose, and the costs incident thereto constitute part of the Common Expenses;
- R. Granting of easements or licenses over the Common Elements for utilities, roadways, walkways, and other appropriate purposes; and
- S. Taking all other necessary and proper actions for the sound management of the Condominium and fulfillment of the terms and provisions of the Condominium Declaration and By-laws.

Section 3. Managing Agent and Manager.

The Board of Managers may employ a managing agent and/or a manager for the Condominium at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers authorizes, including, but not limited to, the duties listed in subdivisions A, C, D, I, and L of Section 2 of this Article. The Board of Managers may delegate to the manager or managing agent all of the powers granted to the Board of Managers in these By-Laws other than the powers set forth in subdivisions B, E, F, G, H, I, J, M, N, O, P, Q, R and S of Section 2 of this Article.

Section 4. Election and Terms of Office of Managers.

(a) The managers elected at the annual meetings in 2021 and 2022 are continued in the terms to which they were elected. Beginning with the manager to be chosen in 2023, and in each year thereafter, managers are elected to terms of two years. The managers are thus divided into classes such that in even-numbers years two managers are elected and in odd-numbered years three managers are elected. Each Manager holds office until the expiration of the term for which he or she is elected or appointed and until his or her successor has been elected or appointed and has qualified.²

(b) A person becomes a nominee for election as a Manager by filing a nominating petition. The nominating petition must:

1. be filed with the Secretary or a person designated by the Secretary at least thirty days, but not more than forty-five days, before the annual meeting of unit owners at which the election will be held; and
2. be endorsed by two persons resident in units separate from that of the nominee and from one another.

The Board of Managers or the Secretary may adopt a form eliciting biographical and other information about a nominee for distribution to unit owners in advance of the annual meeting. If such form is in use, the nominee must submit the form to the Secretary or the Secretary's designee together with the nominating petition.

(c) Regardless of the number of open seats at an election, the candidates run as a field. The ballots are counted, and the winners of the election determined, using preference voting as determined by the board of managers prior to the meeting.

Section 5. Removal of Members of the Board of Managers.

At any regular meeting of Unit Owners, or at any special meeting of Unit Owners called for that purpose, any one (1) or more of the members of the Board of Managers may be removed for cause by a majority in Common Interest of the Unit Owners.

Section 6. Vacancies.

If the office of any Manager or Managers becomes vacant, a majority of the remaining Managers, though less than a quorum, at a special meeting of Managers duly called for this purpose,

² Amended at the annual meeting held August 15, 2023.

must choose a successor or successors. The successor holds office for the unexpired term with respect to which such vacancy occurred.

Section 7. Meetings of the Board of Managers.

(a) The first meeting of the members of the Board of Managers following the annual meeting of the Unit Owners must be held within ten (10) days thereafter, at such time and place as is fixed by the Board, and no notice is necessary to the newly designated members of the Board of Managers in order legally to constitute such meeting, providing a quorum is present.

(b) The Board of Managers must at its organizational meeting, set a schedule of and fix the time and place for holding regular meetings. The number of regular meetings may not be fewer than two. Scheduled meetings of the board may be held without further notice.

(c) The President may call a special meeting of the Board of Managers on ten (10) days' notice to each member of the Board of Managers, given in person or by mail, facsimile, or email. The notice must state the date, time, place, and purpose of the meeting. The President or Secretary in like manner and on like notice must call a special meeting of the Board of Managers on the written request of at least three (3) members of the Board of Managers.

(d) The President, in the event of unforeseen circumstances and to address an emergency or a matter of an urgent nature, may call an emergency meeting of the board on less than 10 days' notice. The minutes must explain the unforeseen circumstance and the nature of the emergency or the matter of urgency that required a meeting on short notice.

(e) Any one or more members of the Board of Managers who is not physically present at a meeting of the board may participate by means of a conference telephone or similar communications equipment or by electronic video screen communication. Participation by such means shall constitute presence in person at a meeting as long as all persons participating in the meeting can hear each other at the same time and each Manager can participate in all matters before the board, including without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the board.

Section 8. Waiver of Notice.

Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing, and such waiver is deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board constitutes a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice is required, and any business may be transacted at such meeting.

Section 9. Action by the Board of Managers.

Any action required or permitted to be taken by the board may be taken without a meeting if all members of the board consent to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If written, the consent must be executed by the Manager by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can

reasonably be determined that the transmission was authorized by the Manager. The resolution and the written consents thereto by the members of the board must be filed with the minutes of the proceedings of the board.

Section 10. Quorum of Board of Managers.

Except as may otherwise be provided in these By-Laws, the presence of three Managers constitutes a quorum for the transaction of business or of any specified item of business. The votes of a majority of the authorized strength (i.e., five members) of the board constitute the decision of the board. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such 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 11. Fidelity Bonds.

The Board of Managers must obtain fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds. The premiums on such bonds are a Common Expense. A management company must provide its own fidelity bond.

Section 12. Compensation.

A member of the Board of Managers may not receive any compensation from the Condominium for acting as such. However, notwithstanding the foregoing or any other provision to the contrary herein, a member of the Board of Managers, subject to the approvals required herein, may be engaged in an additional or other capacity as a managing agent or employee of the Board of Managers and Condominium for salary or fees.

Section 13. Liability of the Board of Managers.

The members of the Board of Managers are not liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners must indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract was made in bad faith or contrary to the provisions of the Declaration or of these By-laws. It is intended that the members of the Board of Managers will have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or out of the aforesaid indemnity in favor of the members of the Board of Managers, be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement on behalf of the Condominium made by the Board of Managers, or by the managing agent, as the case may be, must provide that the members of the Board of Managers, or the managing agent, are acting only as agents for the Unit Owners and have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder is limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE IV

OFFICERS

Section 1. Principal Officers and Other Officers.

The principal officers of the Condominium are the President, the First Vice-President, the Second Vice-President, the Secretary, and the Treasurer, all of whom are elected by and from the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as it may determine.

Section 2. Election of Officers.

The Board of Managers elects the principal officers of the condominium at least annually at its organizational meeting following an election of Managers. An officer holds his or her office at the pleasure of the Board of Managers. The same person may hold any two or more offices, except the offices of President and Secretary.

Section 3. Removal of Officers.

Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President.

The President is the chief executive officer of the Condominium. He or she:

1. presides at all meetings of the Unit Owners and of the Board of Managers; and
2. has all of the general powers and duties incident to the office of president of a stock corporation organized under the Business Corporation Law of the state of New York, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-Presidents.

The First Vice-President takes the place of the President and performs the President's duties whenever the President is absent or unable to act. If neither the President nor the First Vice-President is able to act, the Second Vice-President performs the President's duties on an interim basis. The Board of Managers or the President may, from time to time, assign other duties to the First Vice-President, the Second Vice-President, or both.

Section 6. Secretary.

The Secretary keeps the minutes of all meetings of the Unit Owners and of the Board of Managers; has charge of such books and papers as the Board of Managers may direct; and performs

the duties incident to the secretary of a stock corporation organized under the Business Corporation Law of the state of New York.

Section 7. Treasurer.

The Treasurer has the responsibility for Condominium funds and securities and is 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 or she is responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and performs the duties incident to the office of the treasurer of a stock corporation organized under the Business Corporation Law of the state of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc.

Subject to policies of the Board of Managers, all agreements, contracts, deeds, leases, checks, and other instruments of the Condominium shall be executed by such person or persons as the Board of Managers designates.

Section 9. Compensation of Officers.

An officer may not receive any compensation from the Condominium for acting as such.

ARTICLE V MANAGEMENT OF THE PROPERTY

Section 1. Board to Maintain and Repair.

All maintenance, repairs, and replacements to the Common Elements of the Property, including structural elements, exterior walls, parking garage, roof, and roof members, as well as all maintenance, repairs, and replacements of any pipes, wires, conduits, and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit, or so much of any pipes, wires, conduits, and public utility lines as are located in the Common Elements but serve one or more Units, will be the responsibility the Board of Managers and the cost thereof will be a Common Expense. The Board will also repair the balconies, roof decks and storage rooms, but these costs will be charged back to the Unit Owners.

Section 2. Unit Owner to Maintain and Repair.

All maintenance (including painting and decorating of the Units), repairs, and replacements to the Units, to windows, screens, and doors, to or of any floor covering, either floor tiles, carpeting, or any other type whatsoever, repairs to fixtures and appliances, including heating and cooling equipment and sprinkler heads internal to a Unit and painting of the interior of the Unit, and repairs to pipes, wires, and conduits located in and servicing the same Unit, other than as set forth above, is the responsibility of the respective Unit Owners at his or her own expense. Any modifications or alterations to the interior of a Unit, including but not limited to modifications to

walls, electrical system, plumbing system, or flooring must be approved by the Board of Managers. Any maintenance, repair, or replacement necessary as a result of the willful or negligent acts of the Unit Owner, or the occupants, guests, tenants or visitors thereof, is the responsibility of the Unit Owner in any such Unit. Any issue arising as to said negligent or willful act will be determined by the Board of Managers, whose decision is final and conclusive.

Section 3. Right of Access.

The Board of Managers, upon reasonable notice and at reasonable times, has a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the By-laws or the Declaration of the Condominium.

Section 4. Snow Removal and Landscaping.

The Board of Managers is responsible to provide snow removal for the walks, parking areas, and driveways on the Property, and landscaping services on the Property.

ARTICLE VI

INSURANCE AND RECONSTRUCTION

Section 1. Insurance to be carried by Association.

The Board of Managers must obtain and maintain, to the extent reasonably obtainable and to the extent determined by the Board of Managers to be appropriate: (i) fire and casualty insurance on the Building and the Units, (ii) liability insurance on the Common Elements, (iii) directors' and officers' liability insurance, (iv) fidelity bond or surety bond, and (v) such other insurance as the Board of Managers deems necessary or desirable from time to time. Coverages must be as follows:

(i) Fire and Casualty. Coverage must be for the replacement value of the Building containing the Units and the Common Elements under the "single entity" concept, i.e. covering the full replacement cost of the Units as initially built and delivered to the first Owner, and including the wall to wall carpeting, lighting fixtures, bathroom fixtures, built-in appliances, wall coverings and all machinery servicing the Units and Common Elements, excluding the land foundations, the personal property of Unit Owners and occupants, and any improvements or alterations (including upgrading of appliances, kitchen cabinets, carpeting or lighting fixtures, and wall coverings) made by present or prior Unit Owners or occupants, and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear.

The policy must have the following provisions: (a) waiver of the right of subrogation with respect to individual Unit Owners, their family members, and the officers and directors of the Board of Managers, (b) a provision that the policy cannot be canceled, invalidated or suspended because of the conduct of someone over whom the Board of Managers has no control, (c) cross-liability giving the Unit Owners the right to sue the Board of Managers and vice versa with the insuring company agreeing to defend the defendant, (d) a provision that the policy may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all known mortgagees of Units, and (e) waiver of reduction of pro rata liability of the insurer as a result of insurance carried by the Unit Owner.

The proceeds of all policies of physical damage insurance, if \$50,000.00 or less must be payable to the Board of Managers, and if \$50,000.00 or more, to an Insurance Trustee (bank, trust company or law firm) elected by the Board of Managers to be applied for the purpose of repairing, restoring or rebuilding unless otherwise determined by the Unit Owners pursuant to Section 2 below.

This \$50,000.00 limitation may be raised or lowered from time to time upon approval of at least four members of the Board of Managers. All fees and disbursements of the Trustee must be paid by the Board of Managers and are to be a common expense of the Unit Owners.

The policy must contain the standard mortgagee clause in favor of mortgagees which must provide that any loss is payable to the mortgagees as its interest appears, subject however to the loss payment provisions in favor of the Board and the Insurance Trustee. The obligation to restore or reconstruct after damage due to fire or other casualty supersedes the customary right of a mortgagee to have the proceeds of insurance coverage applied to the mortgage indebtedness.

(ii) Liability. The liability insurance must cover the members and officers of the Board of Managers, the managing agent, if any, and all Unit Owners, but not the liability of Unit Owners arising from occurrences within such Unit Owner's home. The policy must include the following endorsements: (i) comprehensive general liability, (ii) personal injury, (iii) medical payments, (iv) cross-liability, and (v) contractual liability.

Until the first meeting of the Board of Managers elected by the Unit Owners, this public liability insurance must be in a limit of \$1,000,000.00 per occurrence, \$2,000,000 in the aggregate, covering all claims for bodily injury and property damage.

(iii) Directors' and Officers' Liability. The directors' and officers' liability insurance must cover the "wrongful" acts of a member or officer of the Board of Managers. This coverage must provide for funds to be available to defend suits against officers and members of the Board and to pay any claims which may result. The policy must be on a "claims made" basis so as to cover all prior officers and members of the Board of Managers. The policy must not provide for "participation" by the Board or by the officers or members of the Board.

(iv) Fidelity Bond. The fidelity bond must cover all members, officers and employees of the Board of Managers who handle Condominium funds. Any management agent must secure its own fidelity bond.

(v) No Liability for Failure to Obtain Above Coverages. The Board of Managers must not be liable for failure to obtain any of the coverages required by this Section or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at demonstrably unreasonable cost.

(vi) Deductible. The deductible, if any, on any insurance policy purchased by the Board of Managers is a common expense for those claims relating to Board maintenance responsibility. The Board of Managers must assess any deductible amount necessitated by the gross negligence or willful act of a Unit Owner against such Unit Owner, as well as any deductible amount necessitated by a fire within the Unit Owners' dwelling and not caused by the Board's negligence or activities. The Board may pay the deductible portion for which such Unit Owner is responsible, and the amount so paid together with interest and costs of collection, including attorney's fees, will be a charge and continuing lien upon the Unit involved, will constitute a personal obligation of such

Unit Owner, and will be collectible in the same manner as common charges under Article VIII of these By-laws.

Section 2. Restoration or Reconstruction After Fire or Other Casualty.

In the event of damage to or destruction to the Building or Common Elements, as a result of fire or other casualty, the Board of Managers must arrange for the prompt repair and restoration of the damaged property and the Board of Managers or the Insurance Trustee, as the case may be, must disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments; provided, however, that if 75% or more of the Units or Common Elements are destroyed or substantially damaged and if the Unit Owners of 75% or more of all Units do not duly and promptly resolve to proceed with repair or restoration, the Property will be subject to an action for partition upon the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies, if any must be divided among the Unit Owners in proportion to their common interests, provided, however, that no payment will be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds all liens on such Unit Owner's home. In the event that insurance proceeds are, for any reason, insufficient to pay all of the costs of restoring or repairing the property to the same condition as formerly existed, the Board of Managers must levy a Special Assessment to make up the deficiency against all Unit Owners of the damaged Units in such proportions as the Board of Managers deems fair and equitable taking into account the damage sustained to each Unit and any negligence which, in the opinion of the Board, contributed to the damage and loss. In the event that insurance proceeds exceed the cost of repair and reconstruction, such excess must be paid over to the respective mortgagees and Unit Owners in proportion to their common interest.

Wherever in this section the words "promptly resolve" are used, they mean not more than sixty (60) days from the date of damage or destruction.

Section 3. Insurance to be Carried by Owners.

Unit Owners must carry insurance for their own benefit, covering their furnishing, betterments, and liability inside the Unit. Such policies are sometimes referred to as an HO-6, and must contain waivers of subrogation, and further provided, that the liability of the carriers issuing insurance procured by the Board of Managers must not be affected or diminished by reason of such additional insurance carried by the Unit Owner.

ARTICLE VII

ALTERATIONS, ADDITIONS, OR IMPROVEMENTS

Section 1. By the Board of Managers.

Whenever in the judgment of the Board of Managers the Common Elements require alterations or improvements (but not maintenance or necessary repairs) costing more than \$25,000.00, and the making of such alterations or improvements have been approved by votes of Unit Owners

representing at least fifty-one percent (51%) of the Common Interest at a duly constituted meeting, the Board of Managers must assess each Unit Owner with his proportionate share of the cost of such alterations or improvements as part of the Common Charges. Any alteration costing less than \$25,000.00 may be made by the Board of Managers without approval of Unit Owners, and the cost thereof will constitute part of the Common Expenses.

Section 2. By the Unit Owners.

A Unit Owner may not make any structural addition, alteration, or improvement in or to his or her Unit (including the exterior doors and windows) without prior written consent thereto of the Board of Managers, nor impair or structurally change the Building. The Board of Managers must answer any written request by a Unit Owner for approval of a proposed structural addition, alteration, or improvement in such Unit Owner's Unit within thirty (30) days after such request, and failure to do so within the stipulated time constitutes a consent by the Board of Managers to the proposed structural addition, alteration, or improvement. Any application to the Building Department of the village of Fairport for a permit to make a structural addition, alteration, or improvement in or to any Unit must be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, or to any person having any claim for injury to person or damage to property arising therefrom.

ARTICLE VIII

PAYMENT OF COMMON CHARGES

Section 1. Common Expenses.

The Board of Managers must from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and must send a copy of such budget to every Unit Owner. The Board must determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance of the Common Elements, and other operating expenses, as well as charges to cover any deficits from prior years. The total annual requirements must be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interests appurtenant to such Units. Said assessments are payable monthly in advance on the first day of each month as ordered by the Board of Managers. Special assessments, if the same should be required, must be levied and paid in the same manner as herein provided for regular assessments. A Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his Unit. After the 15th day of any calendar month, the Board of Managers may assess a \$25.00 late fee to the delinquent Unit Owner's account. This fee may be amended by the Board from time to time.

Section 2. Failure to Pay Common Charges.

Any Unit Owner who fails to pay the monthly assessment imposed by the Board of Managers by the end of the month in which it is due, is also be liable for any expenses incurred by the Condominium in collecting said monthly assessment including interest at the rate of ten percent

(10%) per annum and reasonable attorneys' fees, whether or not a suit is brought. The Board must take action to collect any Common Charge assessment due from any Unit Owner which remains unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with the provisions of Section 339-aa of the Real Property Law, as the same may be amended from time to time, or by an action to recover a money judgment for the same.

No Unit Owner is liable for any Common Charges which accrue against his Unit subsequent to a sale, transfer, or other conveyance by him of his Unit. A purchaser of a Unit (other than a mortgagee or a purchaser at a foreclosure sale) is liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Foreclosure of Liens for Unpaid Common Charges,

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner must pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action is entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, has the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not vote the votes appurtenant to), convey, or otherwise deal with the same. The Board of Managers may sue to recover a money judgment for unpaid Common Charges without foreclosing or waiving the lien securing the same.

Section 4. Statement of Common Charges.

Upon written request of any Unit Owner or his mortgagee, the Board of Managers must promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner. A reasonable fee may be charged for such statement.

Section 5. Operating Account.

There must be an "Operating Account," into which the operating portion of all monthly and special assessments as fixed and determined for all Units are deposited. Disbursements from said account must be for the general needs of the operation, including, but not limited to, wages, repairs, betterments, maintenance, and other operating expenses of the Common Elements and for the purchase, lease, sale, or other expenses resulting from the purchase or lease of Units. Excess assessments, if any, will be applied against the succeeding year's expenses, established as a reserve, or refunded to the Unit Owners, as may be decided by the Board of Managers.

Section 6. Other Accounts.

The Board of Managers may maintain any other accounts it deems necessary to carry out its purposes.

Section 7. Services.

Dissatisfaction with the level or quality of services provided by the Condominium is not a justification for failure to pay Common Charges.

ARTICLE IX

RULES AND REGULATIONS

Section 1. Rules and Regulations.

The rules and regulations in this section apply to the operation, occupancy, and use of the Property and are subject to Article XIII of these By-laws.

1. The Property must not be used other than for residential purposes that are consistent with the zoning ordinance of the village of Fairport.
2. A Unit Owner is responsible for his or her conduct and that of his or her family members, guests, invitees, agents, and tenants, including their compliance with the applicable provisions of the Declaration, By-laws, Rules and Regulations, and policies governing the Property.
3. A Unit Owner must not do anything or keep anything, or allow another to do or keep anything, on the Property that would be illegal, noxious, or offensive, or that would be a nuisance to another occupant.
4. A Unit Owner must not do anything or keep anything in a Unit or the Common Elements that would increase the rate of insurance on the Building or its contents or that would result in the cancellation of insurance on the Building or its contents.
5. Neutral window treatments will be provided with the purchase of a unit and may not be added to or changed without the approval of the Board of Managers.
6. A Unit Owner must appropriately dispose of trash, garbage, rubbish, and other refuse by:
 - i. Using the trash chutes on each floor;
 - ii. Placing such in an appropriate receptacle on the property provided by the Board of Managers for the purpose; or
 - iii. Discarding it in such other manner as the Board of Managers may from time to time direct.
7. A Unit Owner may keep as a pet or pets only:
 - i. One or two dogs each weighing less than 35 pounds;
 - ii. One or two cats each weighing less than 30 pounds; or
 - iii. One dog weighing less than 35 pounds and one cat weighing less than 30 pounds.

Any dog or cat on the Property must be properly licensed, if required. A dog weighing 35 pounds or more or a cat weighing 30 pounds or more is not allowed on the Property under any circumstances. Breeding is not permitted. A dog or cat outside a Unit (including on a balcony or patio) must not be left unattended, and, if outside and not on a balcony or patio, must be leashed. A Unit Owner is responsible for disposal of a pet's droppings and for repair of any damages done by his or her pet or that of his or her guest or tenant. A pet is allowed in the Plaza area only when in direct transit to or from a unit.

8. Use of a parking space in the garage is limited to the owners or occupants of a Unit. A Unit Owner may not sell or lease an assigned parking space to anyone who is not an Owner or an occupant of a Unit.
9. An owner or occupant absent from his or her Unit during the heating season must keep the thermostat set at 60 degrees or higher to avoid the freezing of pipes and resulting damage.
10. Furniture containing liquid, such as a water bed, is not allowed on the Property.
11. Children younger than 12 years old are not allowed on a balcony, patio, or roof without adult supervision.
12. Smoking, vaping, and similar activities are allowed only within a Unit.
13. Soliciting is not permitted anywhere on the Property.
14. Recessed lighting is not allowed in a Unit under the local fire code.

Section 2. Power of the Board of Managers to Adopt Rules and Regulations.

The Board of Managers may, on its own initiative, adopt, amend, and repeal additional rules and regulations (whether referred to as rules and regulations, house rules, policies, or by some other name) governing the operation, occupancy, and use of the Property.

Section 3. Rules and Regulations Deemed Adopted by the Board of Managers.

To the extent that they do not conflict with section 1 of this Article, the Rules and Regulations in force on August 18, 2020, as set out in Appendix A of this By-laws, are continued as Rules and Regulations of the Board of Managers and are deemed adopted thereby pursuant to Section 2 of this Article until amended or repealed, in whole or in part, by the Board of Managers.³

Section 4. Consents and Permissions.

Any consent, approval, or permission of the Board of Managers given in connection with the rules and regulations established or authorized by this article may be added to, altered, or withdrawn by resolution of the Board of Managers.

Section 5. Fines.

Article III, section 2, paragraph M applies to rules and regulations whether adopted under sections 1, 2, or 3 of this article.

ARTICLE X

SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales, Leases, and Mortgages.

(a) Any Unit Owner may sell, lease, transfer title to, or mortgage his Unit at any time without the consent of the Board of Managers, provided that a lease must be for a term of at least twelve (12) months and provided further that any such sale, transfer, mortgage, or lease must not violate the

³ The Board of Managers repealed the whole of the rules and regulations deemed adopted by this section effective January 1, 2022, and replaced them with a set of House Rules that are contained in a separate document.

Declaration or By-laws. If the Condominium suffers any loss or damage occasioned by any Tenant, the Unit Owner is liable to the Condominium for the same. Notwithstanding the foregoing, however, no more than 25% of the Residential Units may be leased at any one time.⁴ Leases to immediate family members of Unit Owners such as parents, children, siblings, or grandparents are exempted from this calculation.

(b) All leases must be approved by the Board of Managers. Unit Owners must provide a copy of the executed lease, all tenant contact information, and all automobile information to the Board. The Unit Owner is responsible for any damage done by the tenant or the tenant's family, visitors, or pets. The Unit Owner is also liable for any fines imposed on his tenant for violations of the Declaration, By-laws, or rules and regulations promulgated by the Board. Such fines will be collectible in the same manner as delinquent common charges.

(c) Notwithstanding anything herein to the contrary, to the extent that any provision set forth in the Declaration, By-laws and/or Rules and Regulations is inconsistent with the requirement(s) of guaranteed or direct loan programs of the United States Department of Veterans Affairs, as set forth in chapter 37 of title 38, United States Code, or part 36 of title 38, Code of Federal Regulations ("DVA Financing"), such provision does not apply to any Unit that is (i) encumbered by DVA Financing or (ii) owned by the Department of Veterans Affairs.

Section 2. No Severance of Ownership.

A Unit Owner must not execute any deed, mortgage, or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, is deemed and taken to include the interests so omitted even though the latter does not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred, or otherwise disposed of except as part of a sale, transfer, or other disposition of the Unit to which such interests are appurtenant, or as a part of a sale, transfer, or other disposition of such part of the Appurtenant Interests of all Units.

Section 3. Financing of Purchase of Units by Board of Managers.

In the event any of the Units are offered for sale to the Board of Managers, or its designee, and the Board of Managers elects to purchase such Unit on behalf of all Unit Owners, such purchase may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner in proportion to his ownership in the Common Elements, as a Common Charge, which assessment is enforceable in the same manner as provided in Sections 2 and 3 of Article VIII or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit provided, however, that no financing may be secured by an encumbrance or hypothecation of

⁴ This sentence is inconsistent with an amendment to the Declaration adopted on August 26, 2022. Article VII of the Declaration now reads, "The Units will be used for residential purposes only. However, no short term leases of fewer than twelve (12) months in duration shall be made in the Units. No more than six (6) Units may be leased at any one time." As stated, the Declaration controls. An amendment to this section is pending.

any property other than the Unit together with the Appurtenant Interests, so to be acquired by the Board of Managers.

Section 4. Gifts and Devises.

Any Unit Owner is free to convey or transfer his Unit by gift, or to devise his Unit by Will, or to pass the same by intestacy, without restriction.

Section 5. Waiver of Right of Partition with Respect to Such Units as Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners as Tenants in Common.

In the event that the Board of Managers, or its designee, acquires a Unit on behalf of all Unit Owners as tenants in common, all such Unit Owners are deemed to have waived all rights of partition with respect to such Unit.

Section 6. Payment of Assessments.

A Unit Owner must not convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he or she has paid in full to the Board of Managers all unpaid Common Charges (including special assessments) theretofore assessed by the Board of Managers against his Unit and until he or she has satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 7. Mortgage of Units.

A Unit Owner must not mortgage his Unit except by mortgages made to a commercial or savings bank, trust company, insurance company, savings and loan association, pension fund, governmental agency, or other institutional lender or to the seller of such Unit by a purchase money mortgage made upon a resale of any Unit.

ARTICLE XI CONDEMNATION

Section 1. Condemnation of Eminent Domain Proceedings.

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings must be paid to the Insurance Trustee if the award is \$100,000.00 or more and to the Board of Managers if the award is less than \$100,000.00. If seventy-five percent (75%) or more of the Unit Owners in Common Interest duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers must arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, must disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Unit Owners in Common Interest do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers, or the Insurance Trustee, as the case may be, must disburse the net proceeds of such award in the same manner as

they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 2 of Article VI of these By-Laws.

Section 2. Condemnation of Part of a Unit.

Where part of a Unit has been taken by eminent domain, and seventy-five percent (75%) or more of the Unit Owners duly approve the repair and restoration of the Building and Common Elements, the Board of Managers must adjust such loss with the affected Unit Owner, including, but not limited to, the payment of compensation for reduction or elimination of the Unit Owner's undivided interest in the Common Elements. Any such settlement will not be effective unless approved by the mortgagee(s) of the affected Unit and a majority of the Unit Owners. In no event will the Board of Managers be required to make any payment in excess of that portion of the overall condemnation award that is reasonably attributable to the particular Unit Owner's loss. In no event will the Board of Managers be required to make any payment pursuant to the terms of this Section prior to the receipt of sufficient funds by the Board for such purpose from the condemning authority and the Insurance Trustee. However, nothing contained in this section prohibits the Board of Managers from making an advance or partial payment to such Unit Owner when the Board, in its discretion, deems such advance or partial payment to be reasonable and proper. Nothing contained in this Section relieves such Unit Owner of the obligation to contribute to repair or restoration of the Building and Common Elements, although the Board of Managers may, in a proper case, reduce the amount of such obligation or eliminate the same.

ARTICLE XII

MISCELLANEOUS

Section 1, Invalidity.

The invalidity of any part of these By-laws does not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-laws.

Section 2. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-laws, or the intent of any provision thereof.

Section 3. Waiver.

No restriction, condition, obligation, or provision contained in these By-Laws is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XIII
AMENDMENTS TO BY-LAWS

These By-Laws may be modified or amended as provided in section 5 of Article II.

ARTICLE XIV
CONFLICTS

These By-laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the state of New York. In case any of these By-laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, control.

ARTICLE XV⁵
RECORDS

1. The Board of Managers, or the managing agent, must keep detailed records of the actions of the Board of Managers and of the managing agent, including the following:

- a. minutes of the meetings of the Board of Managers;
- b. minutes of the meetings of Unit Owners; and
- c. financial records and books of account of the Condominium.

2. The financial records and books of account must include:

- a. a chronological listing of receipts and expenditures; and
- b. a separate account for each Unit reflecting:
 - i. the amounts of each assessment of Common Charges against such Unit,
 - ii. the date when due,
 - iii. the amounts paid thereon, and
 - iv. the balance remaining unpaid.

3. After the close of each fiscal year, the Board of Managers must provide to all Unit Owners an annual report of the receipts and expenditures of the Condominium reviewed by an independent certified public accountant.

4. The records of the Condominium must be kept at the office of the Board of Managers or, if there is a managing agent, at the office of the managing agent.

⁵ Amended by unit owners acting without a meeting per Resolution I of 2022.

ARTICLE XVI

MORTGAGES

Section 1. Notice to Board of Managers.

A Unit Owner who mortgages his Unit must notify the Board of Managers of the name and address of his mortgagee, and must file a conformed copy of the note and mortgage with the Board of Managers, and the Board of Managers must maintain such information in a book titled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges.

The Board of Managers, whenever so requested in writing by a mortgagee of a Unit, must promptly report any then-unpaid Common Charges due from, or any default by, the Owner of the mortgaged Unit.

Section 3. Notice of Default.

The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, must send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Managers.

Section 4. Examination of Books.

Each Unit Owner and each mortgagee of a Unit is entitled to examine the books of account of the Condominium at reasonable times, on business days, during business hours.

Section 5. Other Notices to Mortgagees.

The Board of Managers must give (a) notice of casualty loss or proposed condemnation affecting a material portion of the Property or the Unit mortgaged, (b) notice of lapse or material modification of blanket insurance and (c) notice of any amendment materially adverse to the interest of a mortgagee and, therefore, requiring mortgagee approval of 51% of mortgagees as recorded in the books of the Condominium. Notice will be sent to the Mortgagees as noted in the Condominium's records by certified mail return receipt requested. If no response is received within 30 days of receipt of the notice, a mortgagee will be deemed to have consented to the amendment.

ARTICLE XVII

NOTICES

Section 1. Definition.

Whenever under the provisions of the Declaration or these By-laws notice is required to be given the Board of Managers, or any Unit Owner, such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers or such Unit Owner at such address as appears on the books of the Condominium.

