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Pine Knoll Condominium

Northbridge, Massachusetts

Declaration of Trust and By-Laws (containing Rules and Regulations)

June 12, 2006

J & F Marinella Development Corporation, Declarant
Pine Knoll Condominium Management Corporation, Original Trustee

From the Office of:

Attorney Douglas W. Resnick
DOUGLAS W. RESNICK, P.C.
77 Main Street, Hopkinton, MA 01748
TEL: (508) 435-8600 ... FAX: (508) 435-3355

(29)

RETURN TO:
Douglas W. Resnick, P.C.
77 Main St., 3rd Floor
Hopkinton, MA 01748

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**Declaration of Trust
and
By-Laws
of the
Pine Knoll Condominium Trust**

This Declaration of Trust is made this on June 12, 2006 by *J & F Marinella Development Corporation*, a duly organized and existing Massachusetts corporation having a principal place of business at 26 Tia Place (P.O. Box 629), Franklin, MA 02038 (the "*Declarant*"), which term and any pronoun referring thereto shall be deemed to include its successors and assigns and shall mean the Trustee hereunder wherever the context so permits.

**Article 1
Name of Trust**

The Trust hereby created shall be known as the *Pine Knoll Condominium Trust* (hereinafter referred to as the "Trust"). Under that name, so far as legal, convenient, and practicable, all business shall be conducted by the Trustee and all instruments in writing shall be executed by the Trustee.

**Article 2
The Trust Purposes**

Section 2.1 - General Purpose. All of the rights and powers in and with respect to the Common Areas and Facilities of the Pine Knoll Condominium (hereinafter the "Condominium") established by a Master Deed recorded herewith at the Worcester South District Registry of Deeds (hereinafter the "Master Deed" and the "Registry of Deeds") which are by virtue of Massachusetts General Laws, Chapter 183A, as amended (hereinafter "Chapter 183A"), conferred upon or exercisable by the organization of the Unit Owners of said Condominium, and all property, real and personal, tangible and intangible, conveyed to the Trustee hereunder shall vest in the Trustee, in trust, to exercise, manage, administer, and dispose of the same, and to receive the income thereof (a) for the benefit of the owners of record from time to time of the Units of the Condominium in the Common Areas and Facilities according to the Schedule of Undivided Beneficial Interest set forth in Article 4 hereof (hereinafter the "Beneficial Interest"), and (b) in accordance with the provisions of Section 10 of Chapter 183A for the purposes therein set forth. * Book 39173
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This Trust is the organization of Unit Owners established pursuant to the provisions of Chapter 183A for the purposes therein set forth.

Section 2.2 - Not a Partnership. It is hereby declared that a Trust and not a partnership has been created, and that the Unit Owners are beneficiaries and not partners or associates nor in any other relation whatever between themselves with respect to the Trust property, and hold no relation to the Trustee, other than of beneficiaries, with only such rights as are conferred upon them as such beneficiaries hereunder and pursuant to the provisions of Chapter 183A.

Article 3
The Trustees

Section 3.1 - Number. After the Operating Event as hereinafter described, there shall at all times be Trustees consisting of such number, not less than three (3) nor more than seven (7), as shall be determined by vote of more than fifty percent (50%) of the beneficial interest hereunder. Until *J & F Marinella Development Corp.*, or its successor or assign, the Declarant, owns less than two (2) Units in the Condominium, including as units for the purposes of this Section 3.1 only, all units the Declarant has a right to construct in accordance with Paragraph 11 of the Master Deed (the "Operating Event"), there shall be not more than two (2) Trustees, and both such Trustees shall be designated, appointed, and/or elected by the Declarant. The Declarant designates *Pine Knoll Condominium Management Corporation* as the *Sole Initial Trustee*.

Within sixty (60) days after the occurrence of the Operating Event, the Trustees then in office shall tender their respective resignations, and their respective offices shall be deemed vacant so as to permit such vacancies to be filled in the manner hereinafter provided. In the event that said resignations are not tendered pursuant to the preceding sentence, then said offices shall automatically be deemed vacant on the seventy-fifth (75th) day after the Operating Event, and such vacancies shall be filled in the manner hereinafter provided.

Section 3.2 - Term. Subject to the rights of the Declarant to appoint Trustees prior to the Operating Event as provided for in Section 3.1 hereof, the term of each Trustee shall be for one (1) year from the annual meeting of Unit Owners (or special meeting in lieu thereof). At such annual meeting, such Trustee's successor is due to be appointed; except that the term of any Trustee appointed to fill a vacancy in an unexpired term shall end when his or her predecessor's term would, but for the vacancy, have ended.

Section 3.3 - Vacancies; Appointment and Acceptance of Trustees. If and whenever any Trustee's term is to expire, or for any other reason, including, without limitation, removal, resignation, or death of the Trustee, the number of Trustees shall be less than the number established under Section 3.1 hereof, a vacancy or vacancies shall be deemed to exist.

Subject to the provisions of Section 3.1 and 3.2 hereof, such vacancy shall be filled by:

- (a) an appointment of a natural person to act as such Trustee
 - (1) by an instrument signed by the Declarant, or
 - (2) if after the Operating Event, by the vote of Unit Owners holding more than fifty percent (50%) of the beneficial interest hereunder, or
 - (3) if after the Operating Event, Unit Owners holding such percentage have not, within thirty (30) days after the occurrence of any such vacancy made such appointment, by a majority of the then remaining Trustees, or by the remaining Trustee, if only one;
 - and
- (b) the acceptance of such appointment, signed and acknowledged by the person so appointed, shall be recorded at the Registry of Deeds.

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Such appointment shall become effective upon the filing with the Registry of Deeds of a certificate of such appointment signed (1) by the Declarant, or (2) if after the Operating Event, by a majority of the then remaining Trustees or by the sole remaining Trustee, if only one, setting forth the fact and basis of compliance with the provisions of this Section 3.3, together with such acceptance; and such person shall then be and become such Trustee and be vested with the title to the Trust property jointly with the remaining or surviving Trustee(s) without the necessity of any act or transfer of conveyance.

If there shall be no remaining Trustee and a vacancy in the office of Trustee shall continue for more than sixty (60) days and shall at the end of that time remain unfilled, a Trustee or Trustees to fill such vacancy or vacancies may be appointed by any court of competent jurisdiction upon the application of any Unit Owner, and notice to any Unit Owners, and to such other, if any, parties in interest to whom the court may direct that notice be given.

The foregoing provisions of this Section notwithstanding, despite any vacancy in the office of Trustee, however caused and for whatever duration, the then remaining or surviving Trustee(s) shall continue to exercise and discharge all of the powers, discretions and duties hereby conferred or imposed upon the Trustee(s).

Section 3.4 - Trustee Action. In any matter relating to the administration of the Trust hereunder or the exercise of the powers hereby conferred, the Trustees shall act by majority vote of those present at any duly called meeting. The Trustee(s) may act without a meeting in any case by unanimous written consent; and, in cases requiring, in the sole judgment of the Trustee(s), response to an emergency, the Trustee(s) may act without a meeting by majority written consent.

Notwithstanding the preceding language, any instrument signed by a majority of the Trustee(s), appearing from the Instruments recorded at the Registry of Deeds to be such, shall be conclusive evidence in favor of every person relying thereon or claiming thereunder, that, at the time of delivery thereof, the execution and delivery of that Instrument was duly authorized by all Trustees; and any Instrument signed by any one or more Trustees which contains or is accompanied by a certification that such Trustee or Trustees were, by appropriate vote of the Trustees, authorized to execute and deliver the same, shall, in like manner, be conclusive evidence in favor of every person relying thereon or claiming thereunder.

Section 3.5 - Resignation; Removal. Any Trustee may resign at any time by Instrument in writing which has been signed and duly acknowledged by that Trustee. Resignations shall take effect upon the recording of such Instrument with the Registry of Deeds.

Section 3.6 - Bond or Surety. No Trustee, whether an original, substitute, or successor Trustee, shall be obliged to give any bond or surety or other security for the performance of any of his or her duties hereunder; provided, however, that Unit Owners entitled to more than sixty percent (60%) of the beneficial interest of this Trust may require at any time, by Instrument in writing signed by them and delivered to the Trustee(s) affected, that any one or more of the Trustees shall give bond in such amount and with such sureties as shall be specified in such Instrument. All expenses incident to any such bond shall be charged as a common expense of the Condominium.

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Section 3.7 - Compensation of Trustees. With the approval of a majority of the Unit Owners, each Trustee may receive such reasonable remuneration for his/her services and also additional reasonable remuneration for extraordinary or unusual services, legal or otherwise, rendered by him/her in connection with the Trust, all as shall be from time to time fixed and determined by the Trustees, and approved by a majority of the Unit Owners, and such remuneration shall be a common expense of the Condominium. No compensation to Trustees may be voted by the Trustees with respect to the period before the Operating Event.

Section 3.8 - No Personal Liability. No Trustee shall, under any circumstances or in any event, be held liable or accountable out of his/her personal assets or be deprived of compensation, if any, by reason of any action taken, suffered, or omitted in good faith, or be liable, accountable, or deprived by reason of honest error(s) of judgment or mistake(s) of fact or law or by reason of the existence of any personal or adverse interest, or by reason of anything except his/her own personal and willful malfeasance and defaults.

Section 3.9 - Trustees May Deal with Condominium. No Trustee shall be disqualified by his office from contracting or dealing with the Trustees or with one or more Unit Owners (whether directly or indirectly because of his interest individually or the Trustees' interest or any Unit Owner's interest in any corporation, firm, trust, or other organization connected with such contracting or dealing or because of any other reason), as vendor, purchaser, or otherwise, nor shall any such dealing, contract, or arrangement entered into in respect of this Trust in which any Trustee shall be interested in any way be avoided, nor shall any Trustee so dealing or contracting or being so interested be liable to account for any profit realized by any such dealing, contract, or arrangement by reason of such Trustee's holding office or of the fiduciary relation hereby established, provided the Trustee shall act in good faith and shall disclose the nature of his interest before entering into the dealing, contract, or arrangement.

Section 3.10 - Indemnity of Trustees. The Trustees or any one of them shall be entitled to indemnity by both the Trust property and by the Unit Owners against any liability incurred by them or any one of them in the execution hereof, including, without limiting the generality of the foregoing, liabilities in contract and in tort and liabilities for damages, penalties, or fines, all as provided in Chapter 183A, and, acting by majority, may purchase such insurance against such liability as they shall determine is reasonable and necessary, the cost of such insurance to be a common expense of the Condominium. Each Unit Owner shall be personally liable for all sums lawfully assessed for his/her share of the common expenses of the Condominium and for his/her proportionate share of any claims involving the Trust property in excess thereof, all as provided in Sections 6 and 13 of Chapter 183A. Nothing in this paragraph shall be deemed to limit in any respect the powers granted to the Trustee(s) in this Declaration of Trust.

Article 4

Beneficiaries and the Beneficial Interest of the Trust

Section 4.1 - Beneficial Interest. The beneficiaries of this Trust shall be the owners of Units in the Condominium as they may be from time to time. The beneficial interest in this Trust shall be divided among the Unit Owners in the percentage of undivided beneficial interest pertaining to the Units of the Condominium as stated in the Master Deed of the Condominium in effect and as it may be amended from time to time.

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Section 4.2 - Each Unit to Vote by One Person. The beneficial interest of each Unit of the Condominium shall be held and exercised as a Unit and shall not be divided among several owners of any such Unit. To that end, whenever any Unit is owned of record by more than one person, the several owners of such Unit shall (a) determine and designate which one of such owners shall be authorized and entitled to cast votes, execute instruments, and otherwise exercise the rights appertaining to such Unit hereunder, and (b) notify the Trustee(s) of such designation by a notice in writing signed by all of the record owners of such Unit. Any such designation shall take effect upon receipt by the Trustee(s) and may be changed at any time, and from time to time, by notice as aforesaid. In the absence of any such notice or designation, the Trustee(s) may designate any one such owner for such purpose.

Article 5
By-Laws

The provisions of this Article 5 shall constitute the By-Laws of this Trust (hereinafter the "By-Laws") and the organization of Unit Owners established hereby:

Section 5.1 - Powers of the Trustees. The Trustee(s) shall have 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 the Master Deed or by these By-Laws may not be delegated to the Trustee(s), which powers and duties shall include, but shall not be limited to the following:

- (a) provisions for the operation, care, upkeep, and maintenance of the Common Areas and Facilities of the Condominium;
- (b) determination of the common expenses required for the affairs of the Condominium, as set forth in Section 5.4;
- (c) collection of the common charges from the Unit owners, including, but not limited to, the common expenses set forth in subparagraph (b) of this Section 5.1;
- (d) opening of bank accounts on behalf of the Condominium and designating the signatory(ies) required therefor;
- (e) leasing and otherwise dealing with such community facilities as may be provided for in the Master Deed or as may be created by the Declarant or the Trustees as being Common Areas and Facilities;
- (f) owning, conveying, encumbering, leasing, and otherwise dealing with Units conveyed to it or purchased by it as the result of enforcement of the lien for common expenses, or otherwise;
- (g) obtaining of insurance for the property pursuant to the provisions hereof;
- (h) 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;

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- (i) enforcement of obligations of the Unit Owners;
- (j) adoption of rules and regulations relating to the use, upkeep, or preservation of the property, including but not limited to Exclusive Use Areas as established pursuant to the Master Deed; and.
- (k) the Trustees shall have both the power and the duty to enforce the occupancy restrictions set forth in Sections 10(a) through 10(d) of the Master Deed on behalf of all the Unit Owners.

Section 5.2 - Maintenance and Repair of Units. Any Unit Owners shall be responsible for the proper maintenance and repair of his/her respective Unit, and the maintenance, repair, and replacement of utility fixtures therein serving the same, including, without limitation, interior finish walls, ceilings, and floors; windows and interior window trim; doors, door frames, and interior door trim; plumbing and sanitary waste fixtures and fixtures for water and other utilities; electrical fixtures and outlets; and all wires, pipes, drains, and conduits for water, sewerage, electrical power and light, telephone and any other utility services which are contained in or serve such Unit exclusively. If the Trustee(s) shall at any time in their reasonable judgment determine that the interior of any Unit is in such need of maintenance or repair that the market value of one or more other Units is being substantially and adversely effected or that the condition of a Unit or fixtures, furnishings, facilities, or equipment therein is hazardous to any other Unit or the occupant(s) thereof, the Trustees shall in writing request the Unit Owner to perform the needed maintenance, repair, or replacement or to correct the hazardous condition, and in case such work shall not have been commenced within fifteen (15) days (or such reasonable shorter period in case of emergency as the Trustee(s) shall determine) of such request and thereafter diligently brought to completion, the Trustee(s) shall be entitled to have the work performed for the account of such Unit Owner and to enter upon and have access to such Unit for that purpose. The reasonable cost of such work shall constitute a lien upon such Unit, and the Unit and the Unit Owner shall be personally liable therefor.

Section 5.3 - Maintenance, Repair, and Replacement of Common Areas and Facilities; Parking Spaces; Assessment of Common Expenses. The Trustee(s) shall be responsible for the proper maintenance, repair, and replacement of all Common Areas and Facilities of the Condominium, as those terms are defined in the Master Deed, including, without limitation, all parking spaces and facilities. The above may be performed by a managing agent, as hereinafter provided, and any two Trustees, or if there is only one Trustee, one Trustee, or the managing agent or any others who may be so designated by the Trustee(s). The expenses of all such maintenance, repair and replacement shall be assessed to the Unit Owners as common expenses of the Condominium at such times and in such amounts as provided in Section 5.4 hereof. Each Unit Owner shall be responsible for all costs and expenses relating to the proper maintenance and appearance of all applicable Exclusive Easement Areas.

Section 5.4 - Common Expenses Funds. The Unit Owners shall be liable for common expenses and, subject to the Trustee(s)' judgment as to reserve and contingent liability funds stated below, shall be entitled to surplus accumulations, if any, among the Unit Owners according to their beneficial interest in the Common Areas and Facilities. The Trustee(s) may, to the extent such Trustee(s) deem advisable, set aside common funds for reserve or contingent liabilities, and may use the funds so set aside for reduction of indebtedness or other lawful capital purpose, or, subject to the provisions of the following Sections 5.4.2 and 5.4.3, for repair, rebuilding, or restoration of the Trust property or for improvements thereto, and the funds so set aside shall not be deemed to be common profits available for distribution.

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In addition to the foregoing, and not in substitution thereof, in order to ensure that this Trust will have the funds to meet unforeseen expenditures or to purchase any additional equipment or services, there shall be a working capital fund at least equal to two (2) months' estimated common charges for each Unit. Any amount paid into this fund shall not be considered as advance payment of regular assessments. Each Unit's share of the working capital funds shall be collected at the time the sale of the unit is closed.

Section 5.4.1 - Reserve Fund. In addition to the foregoing, and not in substitution thereof, the Trustee(s) may, to such extent as such Trustee(s) deem advisable, set aside common funds of the Condominium as additional reserves and may use the funds so set aside for reduction of indebtedness or other lawful capital purposes, and for repair, rebuilding or restoration of the Condominium, or for improvements thereto, and for replacement of the common areas and facilities, and other proper contingencies, and the funds so set aside shall not be deemed to be common profits available for distribution.

Section 5.4.2 - Estimates of Common Expenses and Assessments. At least thirty (30) days prior to the commencement of each fiscal year of this Trust, the Trustees shall estimate the common expenses expected to be incurred during the next fiscal year together with a reasonable provision for contingencies and reserves; and, after taking into account any undistributed surplus accumulations from prior years, the Trustee(s) shall determine the assessment to be made for the next fiscal year. The Trustee(s) shall promptly render statements to the Unit Owners for their respective shares of such assessment, according to their beneficial interest in the Common Areas and Facilities, and such statements shall, unless otherwise provided therein, be due and payable within thirty (30) days after the same are rendered. In the event an annual assessment is not made as required above, an assessment shall be presumed to have been made in the amount of the last prior assessment. In the event that the Trustee(s) shall determine during any fiscal year that the assessment so made is less than the common expenses actually incurred, or, in the reasonable opinion of the Trustee(s), likely to be incurred, the Trustee(s) shall make a supplemental assessment or assessments and render statements therefor in the manner aforesaid, and such statements shall be payable and take effect as aforesaid. The Trustee(s) may, in their discretion, provide for payments of statements in monthly or other installments. The amount of each such statement shall be a personal liability of each Unit Owner (jointly and severally among the owners of each Unit) and, if not paid when due, or upon the expiration of such grace period as the Trustee(s) may (but need not) designate, shall carry a late charge in such amount or at such rate (which amount or rate need not be in proportion to the beneficial interest in this Trust) as the Trustee(s) shall determine and, together with any such late amount or charge and attorneys' fees for collection as hereinafter provided, shall constitute a lien on the Unit, which the Unit Owner, by acceptance of a Unit Deed, agrees to pay, including all costs and expenses and reasonable attorney(s)' fees incurred by the Trustees in the collection of said assessments for common expenses and the enforcement of said lien.

Section 5.4.3 - Application of Common Funds. The Trustees shall expend common funds only for the purposes permitted by this Trust and by Chapter 183A.

Section 5.4.4 - Notice of Default to Mortgagees. Upon written request addressed to the Trustee(s) by a First Mortgagee of any Unit, the Trustee(s) shall notify such Mortgagee of any default by the Mortgagor of such Unit in the performance of the Mortgagor's obligations under the Master Deed or this Declaration of Trust.

Section 5.5 - Rebuilding and Restoration, Improvements.

Section 5.5.1 - Determination of Scope of Loss. In the event of any casualty loss to the Trust property, the Trustee(s) shall determine, in such Trustee(s) reasonable discretion, whether or not such loss exceeds ten percent (10%) of the value of the Condominium immediately prior to the casualty, and shall notify all Unit Owners of such determination. If such loss as so determined does not exceed ten percent (10%) of such value, the Trustee(s) shall proceed with the necessary repairs, rebuilding, or restoration in the manner provided in paragraph (a) of Section 17 of Chapter 183A. If such loss as so determined exceeds ten percent (10%) of such value, the Trustee(s) shall forthwith submit to all Unit Owners (a) a form of agreement (which may be in several counterparts) among the Unit Owners authorizing the Trustee(s) to proceed with the necessary repair, rebuilding, or restoration, and (b) a copy of the provisions of Section 17 of Chapter 183A; and the Trustee(s) shall thereafter proceed in accordance with and take such further action as they may in their discretion deem advisable in order to implement the provisions of paragraph (b) of said Section 17.

Section 5.5.2 - Submission to Unit Owners of Proposed Improvements. If and whenever the Trustee(s) shall propose to make any improvement to the Common Areas and Facilities of the Condominium, or shall be requested in writing by the Unit Owners holding twenty-five percent (25%) or more of the beneficial interest in this Trust to make any such improvement, the Trustee(s) shall submit to all Unit Owners (a) a form of agreement (which may be in several counterparts) specifying the improvement or improvements proposed to be made and the estimated cost thereof, and authorizing the Trustee(s) to proceed to make the same, and (b) a copy of the provisions of Section 18 of Chapter 183A. Upon the receipt by the Trustee(s) of such agreement signed by the Unit Owners holding seventy-five percent (75%) or more of the beneficial interest or the expiration of ninety (90) days after such agreement was first submitted to the Owners, whichever shall first occur, the Trustees shall notify all Unit Owners of the aggregate percentage of beneficial interest held by Unit Owners who have then signed such agreement. If such percentage exceeds seventy-five percent (75%), the Trustee(s) shall proceed to make the improvement or improvements to all the Unit Owners. The agreement so circulated may also provide for separate agreement by the Unit Owners that if more than fifty percent (50%), but less than seventy-five percent (75%), of the beneficial interest so consent, the Trustee(s) shall proceed to make such improvement or improvements and shall charge the same to the Unit Owners so consenting.

Section 5.5.3 - Arbitration of Disputed Trustee Action. Notwithstanding anything in Sections 5.5.1 and 5.5.2 hereof, in the event that any Unit Owner, by written notice to the Trustee(s), shall dissent from any determination of the Trustee(s) with respect to the value of the Condominium or any other determination or action of the Trustee(s) under this Section 5.5, and such dispute shall not be resolved within thirty (30) days after such notice, then either the Trustee(s) or the dissenting Unit Owner(s) shall submit the matter to arbitration. For that purpose, one arbitrator shall be designated by the Trustee(s), one by the dissenting Unit Owner(s), and a third party chosen by the two arbitrators so designated. Such arbitration shall be conducted within Worcester County in accordance with the rules and procedures of the American Arbitration Association and shall be binding upon all parties. The request for arbitration as provided herein shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen and shall not be made after the date when institution of legal proceedings based on such claim, dispute, or other matter in question would be barred by the applicable statute of limitations or barred by the Limited Warranty attached hereto as *Exhibit B* and made a part hereof. The Trustee(s)' decision that work constitutes a repair, rebuilding, or restoration other than an improvement shall be conclusive. The

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Trustee(s) shall in no event be obliged to proceed with any repairs, rebuilding, or restoration or any improvement, unless and until they have received funds in an amount equal to the Trustee(s)' estimate of all costs thereof.

Section 5.6 - Administrative Rules and Regulations. The Trustees may from time to time adopt, amend, and rescind administrative rules and regulations governing the operation and use of the Common Areas and Facilities, and such restrictions on and requirements respecting the use and maintenance of the Units and the use of the Common Areas and Facilities as are consistent with the Master Deed and are designed to prevent unreasonable interference with the use by the Unit Owners of their Units and of the Common Areas and Facilities. The Trustee(s) do hereby adopt the initial Rules and Regulations annexed to this Declaration of Trust as *Exhibit A*. The Trustees may enforce the Rules and Regulations by imposition of fines previously established or in any other manner permitted by law, including, without limitation, by court action for injunctive relief and damages.

Section 5.7 - Managing Agent. The Trustee(s) may, at the discretion of the Trustee(s), appoint a manager or managing agent to administer the management and operation of the Condominium, including the incurring of expenses, and making of disbursements and the keeping of accounts, as the Trustee(s) shall from time to time determine. The Trustee(s) or such manager or managing agent may appoint, employ, and remove such additional agents, attorneys, accountants, or employees as the Trustee(s) shall determine.

Section 5.8 - Insurance.

Section 5.8.1 - Basic Insurance. The Trustee(s) shall obtain and maintain, to the extent available at reasonable cost, master policies of insurance of the following kinds, insuring the interests of the Trust, the Trustees, and all Unit Owners and their mortgagees, as their interests may appear:

- (a) Casualty or physical damage insurance on the buildings and all other insurable improvements forming part of the Condominium (including all of the Units but not including furniture, furnishings, and other personal property of the Unit Owners therein), now existing or as they may from time to time be increased by amendment to the Master Deed, together with the service machinery, apparatus, equipment, and installations located in the Condominium and existing for the provision of central services or for common use, in an amount not less than eighty percent (80%) of their full replacement value (exclusive of foundations) as determined by the Trustee(s) in their judgment against (1) loss or damage by fire and other hazards covered by the standard extended coverage endorsement, together with coverage for the payment of common expenses with respect to damaged Units during the period of reconstruction, and (2) such other hazards and risks as the Trustee(s) from time to time in the discretion of such Trustee(s) shall determine to be appropriate, including, but not limited to, vandalism, malicious mischief, windstorm and water damage, boiler and machinery explosion or damage, and plate glass damage. All policies of casualty or physical damage insurance shall provide (to the extent such clauses are so obtainable) (i) that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including each Unit Mortgagee, and (ii) that the coverage thereof shall not be terminated for nonpayment of premiums without twenty (20) days' notice to all of the insureds, including each Unit Mortgagee. Certificates of such insurance and all renewals thereof, together with proof of payment of premiums, shall be delivered by the Trustee(s) to Unit Owners and their mortgagees upon request.

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- (b) Comprehensive public liability insurance in such amounts and forms as shall be determined by the Trustee(s) covering the Trust, the Trustee(s), the Unit Owners, and any manager or managing agent of the Condominium, with limits of not less than a single limit of One Million Dollars (\$1,000,000) for claims for bodily injury or property damage arising out of one occurrence.
- (c) Workmen's compensation and employer's liability insurance covering any employees of the Trust.

The Trustee(s) may, in the sole discretion of such Trustee(s), purchase such other insurance as they shall determine.

Section 5.8.2 - Payment to Trustee(s) in Case of Loss. Such master policies shall provide that all casualty loss proceeds thereunder shall be paid to the Trustee(s) as insurance trustees under these By-Laws. The duty of the Trustees as such insurance trustees shall be to receive such proceeds as are paid and to hold, use and disburse the same for the purposes stated in this Section and Section 5.5 hereof. If repair or restoration of the damaged portions of the Condominium is to be made, all insurance loss proceeds shall be held in shares for the Trust and the Owners of damaged Units in proportion to the respective costs of repair or restoration of the Common Areas and Facilities and damaged Units, with each share to be disbursed to defray the respective cost of repair or restoration of the damaged Common Areas and Facilities and damaged Units, and with any excess of any such share of proceeds above such costs of repair or restoration to be paid to the Trust or Unit Owners, which shall be held upon completion of repair or restoration to the satisfaction of the Trustee(s); but if, pursuant to Section 5.5 hereof, restoration or repair is not to be made, all insurance loss proceeds shall be held as common funds of the Trust and applied for the benefit of Unit Owners in proportion to their beneficial interests in the Trust if the Condominium is totally destroyed, and, in the event of a partial destruction, after payment for such restoration of the Common Areas and Facilities as the Trustees may determine to those Unit Owners who have suffered damage in proportion to the damage suffered by them. Such application for the benefit of Unit Owners shall include payment directly to a Unit Owner's mortgagee, if the mortgage with respect to such Unit so requires.

Section 5.8.3 - Other Provisions. In addition to the coverage and provisions set forth in Section 5.8.1 hereof, the Trustee(s) shall, in the sole discretion of such Trustee(s), see that all policies of physical damage insurance (a) shall contain waivers of subrogation by the insurer as to claims against the Condominium, the Trustee(s), their employees, Unit Owners, and members of the family of any Unit Owner who reside with said Unit Owner, except in cases of arson and fraud; (b) shall contain a waiver of defense of invalidity on account of the conduct of any of the Unit Owners over which the Trustee(s) have "no control"; (c) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Unit Owners or their mortgagees; and (d) shall exclude policies obtained by individual Unit Owners from consideration under any "no other insurance" clause. The Trustee(s) may include a deductible provision, up to Five Thousand Dollars (\$5,000), in their own discretion and in such greater amounts as the owners of all Units may authorize in writing, in any of such insurance policies.

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Section 5.8.4 - Owner's Insurance and Responsibility for Increase in Premiums of Master Policy. Each Unit Owner may obtain additional insurance for his or her benefit at his or her own expense. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Trustee(s) pursuant to Section 5.8.1 above, and each Unit Owner hereby assigns to the Trustee(s) the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms of this Section 5.8 as if produced by such coverage. Copies of all such policies (except policies covering only personal property of individual Unit Owners) shall be filed with the Trustee(s).

Section 5.8.5 - Notice of Unit Owner Improvements. Each Unit Owner shall notify the Trustee(s) of all improvements to his or her Unit (except personal property other than fixtures) which exceed a total value of One Thousand Dollars (\$1,000) within twenty (20) days after the commencement of construction of such improvements and, upon receipt of such notice, the Trustee(s) shall notify the insurer under any policy obtained pursuant to Section 5.8.1 hereof of any such improvements. The Trustee(s) may create a special assessment applicable only to the Unit Owner which has improved his/her Unit for any increase in premium attributable to such improvement.

Section 5.8.6 - Insurance a Common Expense. The cost of insurance purchased pursuant to Section 5.8 hereof shall be a common expense assessable and payable as provided in Section 5.4 hereof.

Section 5.9 - Meetings.

Section 5.9.1 - Meetings of Trustees. The Trustees shall meet annually on the date of the annual meeting of the Unit Owners and at such meeting may elect a Chairman, Treasurer, Secretary, and any other officers they deem expedient. Other meetings may be called by any Trustee (if there be no more than two then in office) or by any two Trustees (if there be no more than three then in office) and in such other manner as the Trustees may establish; provided, however, that written notice of each meeting stating the place, day, and hour thereof shall be given at least two (2) days before such meeting to each Trustee.

Section 5.9.2 - Meetings of Unit Owners. There shall be an annual meeting of the Unit Owners on the **second Wednesday in May each year at 7:00 p.m.** at such reasonable place as may be designated by the Trustees by written notice given by the Trustees to the Unit Owners at least seven (7) days prior to the date so designated. Special meetings (including a meeting in lieu of a passed annual meeting) of the Unit Owners may be called at any time by the Trustees and shall be called by them upon the written request of Unit Owners entitled to more than thirty-three percent (33%) of the beneficial interest of the Trust. Written notice of any special meeting, designating the place, day, and hour thereof, shall be given by the Trustees to the Unit Owners at least seven (7) days prior to the date so designated.

Section 5.9.3 - Notice of Certain Matters; Quorum; Majority Vote. Whenever at any meeting the Trustees propose to submit to the Unit Owners any matter with respect to which specific approval of, or action by, the Unit Owners is required by law or this Trust, the notice of such meeting shall so state and reasonably specify such matter. Unit Owners entitled to more than twenty-five percent (25%) of the beneficial interest of this Trust shall constitute a quorum at all meetings. Any action voted at a meeting shall require the vote of more than twenty-five percent (25%) of the beneficial interest in the Trust, except where the other provisions of this Trust or Chapter 183A require a larger percentage.

Section 5.10 - Notices to Unit Owners. Every notice to any Unit Owner required under the provisions of this Trust which may be deemed by the Trustee(s) necessary or desirable in connection with the execution of the trust created hereby or which may be ordered in any judicial proceedings shall be deemed sufficient and binding if in the writing addressed to the Owner of such Unit last appearing on the Trustee(s)' records, postage prepaid, to such person at his address last appearing on the Trustee(s)' records, if other than the Unit, or else mailed or delivered to the Unit, at least seven (7) days prior to the date fixed for the happening of the matter, thing, or event of which notice is given. The Owner or Owners of such Unit shall have the responsibility of providing the Trustee(s) with the correct names of the present Owners of the Unit and any address other than the Unit to which they desire notices to be mailed as to which matters the Trustee(s) shall have no duty of inquiring beyond their records.

Section 5.11 - Inspection of Books; Reports to Unit Owners. Books, accounts, and records of the Trustee(s) shall be open to inspection to any one or more of the Trustee(s) and the Unit Owner and First Mortgagee of any Unit at all reasonable times. The Trustee(s) shall, as soon as reasonably possible after the close of each fiscal year, or more often if convenient to them, submit to the Unit Owners a report of the operations of the Trust for such year. If the Trustee(s) so determine, or if any Unit Owner so requests in writing to the Trustee(s), the report shall include financial statements by a certified public accountant which may, but need not, be certified, as the Trustee(s) shall determine, and shall be in such summary form and in only such detail as the Trustee(s) shall deem proper. Any person who has been furnished with such report and shall have failed to object thereto by notice in writing to the Trustee(s) given by registered mail within a period of one month of the date of his or her receipt of the report shall be deemed to have assented thereto.

Section 5.12 - Checks, Notes, Drafts and Other Instruments. Checks, notes, drafts, payment vouchers, and other instruments for the payment of money drawn or endorsed in the names of the Trustees or of the Trust may be signed by any two Trustees (or by one Trustee if there is only one), or by any person or persons to whom such power may at any time or from time to time have been delegated by not less than a majority of the Trustees.

Section 5.13 - Fiscal Year. The fiscal year of the Trust shall be the year ending with the last day of December or such other date as may from time to time be determined by the Trustees.

Article 6

Rights and Obligations of Third Parties Dealing with the Trustees

Section 6.1 - Reliance on Identity of Trustees. No purchaser, mortgagee, lender, or other person dealing with the Trustees as they then appear on record in the Registry of Deeds shall be bound to ascertain or inquire further as to the persons who are then Trustees under this Trust, or be affected by any notice, implied or actual, otherwise than by a certificate thereof, and such record or certificate shall be conclusive evidence of the personnel of the Trustees and of any changes therein. The receipts of the Trustees, or any one or more of them, for monies or things paid or delivered to them or him shall be effectual discharges therefrom to the persons paying or delivering the same, and no person from whom the Trustees, or any one or more of them, shall receive any money, property, or other credit shall be required to see to the application thereof. No purchaser, mortgagee, lender, or other person dealing with the Trustees or with any real or personal property which then is or formerly was Trust property shall be bound to ascertain or inquire

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as to the existence or occurrence of any event or purpose in or for which a sale, mortgage, pledge, or charge is herein authorized or directed, or otherwise as to the purpose or regularity of any of the acts of the Trustees, and any instrument of appointment of a new Trustee or resignation or removal of an old Trustee purporting to be executed by the Trustees, Unit Owners, or other persons required by this Trust to execute the same, shall be conclusive in favor of any such purchaser or other person dealing with the Trustees of the matters therein recited relating to such discharge, resignation, removal, or appointment or the occasion thereof.

Section 6.2 - Personal Liability Excluded. No recourse shall at any time be had under or upon any note, bond, contract, order, instrument, certificate, undertaking, obligation, covenant, or agreement, whether oral or written, made, issued, or executed by the Trustees or by any agent or employee of the Trustees, or by reason of anything done or omitted to be done by or on behalf of them or any of them, against the Trustees individually, or against any such agent or employee, or against any beneficiary, either directly or indirectly, by legal or equitable proceedings, or by virtue of any suit or otherwise, and all persons extending credit to, contracting with, or having any claim against the Trustees shall look only to the Trust property for any debt, damage, judgment, or decree, or of any money that may otherwise become due or payable to them from the Trustees, so that neither the Trustees nor the beneficiaries, present or future, shall be personally liable thereof; provided, however, that nothing herein contained shall be deemed to limit or impair the liability of Unit Owners under provisions of Section 3.10 of this Trust or under provisions of Chapter 183A.

Section 6.3 - All Obligations Subject to This Trust. Every note, bond, contract, order, instrument, certificate, undertaking, obligation, covenant, or agreement, whether oral or written, made, issued, or executed by the Trustees, or by any agent or employee of the Trustees, shall be deemed to have been entered into subject to the terms, conditions, provisions, and restrictions of this Trust, whether or not express reference shall have been made to this instrument.

Section 6.4 - Further Matters of Reliance. This Declaration of Trust, and any amendments to this Trust, and any certificate required by the terms of this Trust to be recorded, and any other certificate or paper signed by the Trustees, or any of them, which it may be deemed desirable to record shall be recorded with the Registry of Deeds, and such record shall be deemed conclusive evidence of the contents and effectiveness thereof according to the tenor thereof; and all persons dealing in any manner whatsoever with the Trustees, the Trust property, or any beneficiary thereunder shall be held to have notice of any alteration or amendment of this Declaration of Trust, or change of Trustee or Trustees, when the same shall be recorded with said Registry of Deeds. Any certificate signed by two Trustees in office at the time (or by one Trustee if there is only one at the time), setting forth as facts any matters affecting the Trust, including statements as to who the beneficiaries are, as to what action has been taken by the beneficiaries, and as to matters determining the authority of the Trustees, or any one of them to do any act, when duly acknowledged and recorded with the Registry of Deeds shall be conclusive evidence as to the existence of such alleged facts in favor of all third persons, including the Trustees, acting in reliance thereon. Any certificate executed by any Trustee hereunder, or by a majority of the Trustees hereunder, setting forth the existence of any facts, the existence of which is necessary to authorize the execution of any instrument or the taking of any action by such Trustee or majority, as the case may be, shall, as to all persons acting in good faith in reliance thereon be conclusive evidence of the truth of the statements made in such certificate, the existence of the facts therein set forth, and the existence of the authority of such one or more Trustees to execute and deliver the designated instrument on behalf of the Trust.

Section 6.5 - Common Expenses in Event of Unit Mortgage Foreclosure. Any First Mortgagee, in the event of foreclosure of its mortgage, shall take such Unit free of any claims for unpaid common expenses or assessments against such Unit to the extent provided by law.

Section 6.6 - Common Expense Certificates. Notwithstanding any other provision of this Article 6, any certificate setting forth the amount of unpaid common expenses assessed against any Unit Owner as provided by subsection (d) of Section 6 of Chapter 183A shall be conclusive evidence of the facts stated therein if signed by any two Trustees then in office (or by one if there is only one in office).

Article 7 **Amendments and Termination**

Section 7.1 - Amendments. The Trustees, with the consent in writing of Unit Owners entitled to not less than seventy-five percent (75%) of the beneficial interest in this Trust, may at any time and from time to time amend, alter, add to, or change this Declaration of Trust in any manner or to any extent, the Trustees first, however, being duly indemnified to their reasonable satisfaction against outstanding obligations and liabilities; provided always, however, that no such amendment, alteration, addition, or change (a) according to the purport of which the percentage of the beneficial interest hereunder of any Unit Owner would be altered to or in any manner or to any extent whatsoever modified or affected so as to be different from the percentage of the individual interest of such Unit Owner in the Common Areas and Facilities as set forth in the Master Deed, and any amendment thereto, or (b) which would render this Trust contrary to or inconsistent with any requirements or provisions of Chapter 183A, or (c) which would limit the force and effect of the occupancy restrictions set forth in Sections 10(a) through 10(d) of the Master Deed, or (d) which would limit the force and effect of those affordable housing restrictions set forth in the Regulatory Agreement and Declaration of Restrictive Covenants for Ownership Projects to be recorded hereafter at the Worcester South District Registry of Deeds, and in Deed Riders provided for by said Regulatory Agreement, shall be valid or effective. Any amendment, alteration, addition, or change pursuant to the foregoing provisions of this Section 7.1 shall become effective upon the recording with the Registry of Deeds of an instrument of amendment, alteration, addition, or change, as the case may be, signed, sealed, and acknowledged in the manner required in Massachusetts for the acknowledgment of deeds by any two Trustees, if there be at least two of them in office (or one Trustee if there is only one in office), setting forth in full the amendment, alteration, addition, or change, and reciting the consent of the Unit Owners required by this Trust to consent thereto. Such instrument, so executed and recorded, shall be conclusive evidence of the existence of all facts and of compliance with all prerequisites to the validity of such amendment, alteration, addition, or change, whether stated in such instrument or not, upon all questions as to title or affecting the rights of third persons and for all other purposes. Nothing in this paragraph shall be construed as making it obligatory upon the Trustees to amend, alter, add to, or change the Declaration of Trust upon obtaining the necessary consent as hereinbefore provided.

Section 7.2 - Termination. The Trust hereby created shall terminate only upon the removal of the Condominium from the provisions of Chapter 183A in accordance with the procedure therefor set forth in Section 19 thereof.

Section 7.3 - Disposition of Trust Property Upon Termination. Upon the termination of this Trust, the Trustees may, subject to and in accordance with any provisions of Chapter 183A, sell and convert into money the whole of the Trust property, or any part thereof, and, after paying or retiring all known liabilities and obligations of the Trustees and providing for indemnity against any other outstanding liabilities and/or obligations, shall divide the proceeds thereof among, and distribute at valuations made by them which shall be conclusive, all other property then held by them in trust hereunder, to the Unit Owners according to their respective beneficial interests stated in this Trust. In making any sale under this Section 7.3, the Trustees shall have power to sell by public auction or private sale or contract and to buy in or rescind or vary any contract of sale and to resell without being answerable for the loss and, for said purposes, to do all things, including the execution and delivery of instruments, as may by their performance thereof be shown to be in their judgment necessary or desirable in connection therewith. The powers of sale and all other powers herein given to the Trustees shall continue as to all Trust property at any time remaining in their hands or ownership, even though all times herein fixed for distributions of Trust property may have passed.

Section 7.4 - Consent of Mortgagees. Notwithstanding the foregoing provisions of this Section 7, unless at least seventy-five percent (75%) of the First Mortgagees (based on one vote for each mortgage owned) of Units have given their prior written approval, neither the Trustees nor the Unit Owners shall (a) by act or omission seek to abandon or terminate the Condominium regime; (b) change the percentage interest of any Unit for (1) purposes of levying assessments or allocating distributions of hazard insurance proceeds or condemnation awards, or for (2) determining the percentage interest of ownership of each Unit in appurtenant real estate and any improvements thereto which are owned by the Unit Owners in the Condominium in undivided interests ("Common Areas and Facilities"); (c) partition or subdivide any Unit; (d) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Areas and Facilities (but the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas and Facilities shall not be deemed a transfer within the meaning of this clause); (e) use hazard insurance proceeds for losses to any Condominium property (whether to Units or to Common Areas and Facilities) for other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in the case of substantial loss to the Units and/or Common Areas and Facilities of the Condominium.

Article 8

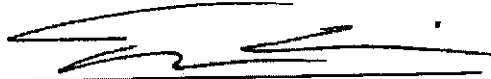
Construction and Interpretation

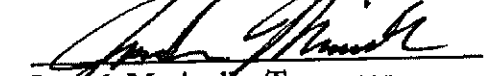
In the construction hereof, whether or not so expressed, words used in the singular or in the plural respectively include individuals, firms, associations, companies (joint stock or otherwise), trusts, and corporations unless a contrary intention is reasonably required by the subject matter or context. The title headings of different parts hereof are inserted only for convenience for reference and are not to be taken to be any part hereof or to control or affect the meaning, construction, interpretation, or effect hereof. All the trusts, powers, and provisions herein contained shall take effect and be construed according to the laws of the Commonwealth of Massachusetts. Unless the context otherwise indicates, words defined in Chapter 183A shall have the same meaning here.

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In Witness Whereof, the said Declarant has hereunto set its hand and seal on June 12, 2006.

Declarant
J & F Marinella Development Corporation

By: 
Frank Marinella, President

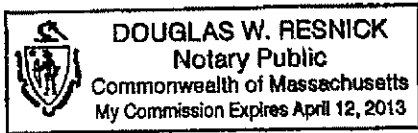
By: 
Joseph Marinella, Treasurer

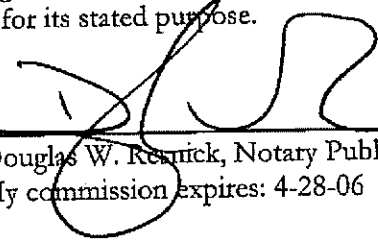
Commonwealth of Massachusetts

Middlesex, SS.

June 12, 2006

On June 12, 2006, before me, the undersigned Notary Public, personally appeared Frank Marinella and Joseph Marinella, President and Treasurer of J & F Marinella Development Corporation, as aforesaid, proved to me through satisfactory evidence of identification, which were Massachusetts Drivers Licenses to be the persons whose names are signed on the preceding or attached document, and acknowledged to me that they each signed it voluntarily for its stated purpose.





Douglas W. Resnick, Notary Public
My commission expires: 4-28-06

Exhibit "A"

Rules and Regulations

The degree to which residents respect each other's rights will ultimately shape the quality of life at the Pine Knoll Condominium. Rules, regulations and restrictions are necessary to preserve your right to the quiet enjoyment of your community. However, the Declarant wishes to balance the need for rules with the flexibility of living in a single-family condominium home. Unit Owners are encouraged to resolve disputes in an informal manner. The following Rules and Regulations will clarify the policy and procedures in place at the Pine Knoll Condominium and these Rules may be amended if deemed necessary and desirable.

1. **Emergency Telephone Numbers:** Northbridge Police/Fire Department: 911
2. **Organizational Structure:** The organizational structure of the Condominium revolves around a Board of Trustees initially selected by the Declarant and then elected by the Unit Owners. Unit Owners have empowered the Trustees with the responsibility of managing the maintenance and administrative activities; however, the input of Unit Owners and residents is encouraged.
3. **Meetings:** The Board of Trustees meets periodically to review condominium business. Should you wish to address the Board on a particular issue you may request to be placed on the agenda by contacting the Trustees.
4. **Requests and Complaints:** Questions, suggestions, comments or complaints about the management should be communicated in writing to the Trustees. The Trustees encourage Unit Owners to communicate their feelings and suggestions regarding the community to the Board.
5. **Parking Restrictions:** Unregistered vehicles may be kept on the property but *only* if kept in the garage. All vehicles shall be parked in spaces and areas designated by the Master Deed or the Board of Trustees or by the Town of Northbridge. Vehicles that park in violation of this rule will be subject to towing and storage at the vehicle owner's expense due primarily to concerns of the Town of Northbridge relating to parking in Fire Lanes or impeding the access of fire trucks. The ability of the Trust or of Owners to tow vehicles is subject to certain requirements of the state law in conjunction with the Town of Northbridge Chief of Police.
6. **Residential Use Only:** The Condominium property is for residential purposes but may be used, if approved by the Town of Northbridge, for home occupations. If permitted, no such home occupation shall have any in-house employees or clients or customers who visit the Unit.

7. **Decks and Patios:** Each Unit Owner or resident is responsible to keep their decks, patios and privacy areas in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors and windows thereof, any dirt or other substance. Seasonal decorations, excluding lights, may be hung or attached to the exterior walls of the building subject to the approval of the Trustees. Decks, patios and privacy areas may be used for seasonal furniture and for pots, flower boxes, container gardening, but shall not be used for storage. The curbside appeal of the property has a tremendous effect on property values and Unit Owners are encouraged to augment the landscaping in front of their Units with their own plantings. With the approval of the Trustees, hot tubs may be installed on decks.
8. **Fire Hazards:** All radios, televisions or other electrical equipment of any kind or nature installed or used in each Unit must comply with all the rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction. The Unit Owner or his/her resident alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit. No Unit Owner or resident or any of his/her agents, servants, employees, licensees or visitors shall at any time bring into or keep in his/her Unit any flammable, combustible or explosive fluid, material, chemical or substance, except such lighting and cleaning fluids as are customary for residential use.
9. **Snow Removal:** The Board of Trustees contracts each year with a snow removal company to plow, shovel and sand the site. During a snow storm, the contractor is required to keep the main lanes open. Once snow has stopped, they will begin the cleanup of parking spaces. Residents and Unit Owners should keep an eye out the morning after a storm for the plow. Once the plows arrive on site, all vehicles must be moved to allow for roads and driveways to be cleared. If vehicles are not moved, the Board cannot be held responsible for the snow mounds that will build up on each side of the parking area and behind the vehicle. Unit Owners are responsible for shoveling their own walkways.
10. **No Illegal Activity:** Unit Owners and residents are prohibited from engaging in any activities which would be considered illegal or unreasonably offensive. Generally, noise should not be of an unreasonable level and residents should respect the rights of other residents. Of course, ordinary household noise is permitted and neighbors should also be tolerant of such noises in order to provide for mutual enjoyment of the condominium homes.
11. **Renovations, Construction and Improvements within the Unit:** Although certain renovations are encouraged, they may only be done with prior written approval of the Trustees. The Trustees may request plans, drawings, specifications, details regarding common areas to be affected, hours of operation, contractor names, contractor addresses, contractor certificates of insurance, a personal bond and a schedule of work progress. As a part of the approval process, the Board may solicit comments from the abutting Unit Owners and appropriate professionals. Unit Owners are encouraged to do renovations within Units, including finishing basements, as long as prior written approval is obtained, and provided that in no event may any renovation increase the number of bedrooms contained within the Unit.
12. **Pets:** Customary house pets may be kept in any Unit only with the prior written permission of the Board of Trustees, provided such pets do not create a nuisance and that all pets are on a leash when in or about the Common Areas. Breeding of pets is not permitted. Please refer to Exhibits A-A (Pet Rules and Regulations) and A-B (Pet Registration Forms) of these Rules and Regulations for additional information.

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13. **Insurance:** Unit Owners and residents are not permitted to do or keep anything in any Unit or in the Common Areas and Facilities which will increase the rate of insurance or cause cancellation of the insurance coverage of the Condominium or violate any local, county or state law pertaining to such act or storage. Owners and residents should review Article V of the Declaration of Trust and Exhibit A-D of these Rules and Regulations regarding the insurance requirements. *All Owners and residents must carry insurance to dovetail with the Master Policy. At a minimum, all Owners must carry a Homeowners Policy.* Owners should also add an endorsement which extends perils insured from a "named peril" basis to so-called "all risk," although some limitations still remain. This coverage will provide the Owner with coverage for the Association's deductible. You should also carry an endorsement which covers Loss Assessment. Do not wait until a claim occurs to investigate this matter. The cost of the insurance is minimal. Regardless of the cause of the loss, certain portions of each claim are the responsibility of the Unit Owner or resident and not the Condominium Trust.

14. **Condominium Fee Payment:** Condominium fees are due the first day of each month. The fees are assessed annually based on the periodic budget adopted by the Board of Trustees. Failure to pay all open balances by the fifteenth day of the month will result in a late charge of \$25.00 per month. Owners should also be aware that for the purposes of collections, common expense assessments include all expenses incurred by the Trustees which result from failure of a Unit Owner to abide by the governing documents and for any misconduct of a Unit Owner's family members, tenants or invitees. It also includes all fees, attorneys' fees, charges, fines, costs of collection and enforcement, court costs and interest. The Trust will pursue any and all collection methods available. If applicable, this includes attaching the rent from tenants in the case of Investor Owners. The Board will also notify the mortgage holder of any fee delinquency in order to avail itself of protection under the Limited Priority Lien. Owners should also be aware that Massachusetts General Laws Chapter 183A does not allow for any offset against condominium fees as a defense for non-payment. Although this process may sound very strict, Unit Owners should keep in mind that failure to pay common expenses unfairly shifts the financial burden to all other Unit Owners.

15. **Renters and Mortgagees and Unit Owner Information:** All Unit Owners are required to provide the Trustees with the name, address and contact person of each mortgage holder for their Unit. In addition, Unit Owners are required to provide the Board with the names of Unit occupants and copies of leases where appropriate and are required to complete and return Exhibit A-C of these Rules and Regulations. Chapter 183A also requires that an Owner notify the Board of Trustees of the person responsible for the maintenance of his/her Unit.

16. **Fines:** The Trustees may levy fines of \$25.00 per violation with each day of the violation being considered a new violation and may assess costs, expenses, legal fees and court costs where authorized by the Master Deed, Declaration of Trust or Condominium Act.

17. **Flexibility of Rules:** For good cause shown, the Trustees in their sole discretion, may choose not to enforce any specific violations.

18. **Amendment:** These rules may be amended, modified or rescinded, from time to time, by the Trustees in their sole discretion.

19. **Conflict:** In the event of a conflict between these Rules and Regulations and the Master Deed, Declaration of Trust, By-Laws and the Condominium Act, the provisions of the Master Deed, Declaration of Trust, By-Laws and Condominium Act will control and prevail.

Exhibit "A-A" to Rules and Regulations

Pet Rules and Regulations

1. No pet shall reside in the Condominium without the Unit Owner first obtaining the prior written approval of the Board of Trustees for that specific pet. All pets must be registered with the Board. The Board may revoke any such approval at any time for a violation of these rules or for such other cause which the Board, in its sole discretion, determines that it interferes with the rights of other Unit Owners. The number of pets which a particular Unit Owner may maintain shall be at the discretion of the Board.
2. Residents must prevent their pets from becoming a nuisance to other residents; and to that end, they must quiet noisy pets, clean up after animals and keep pets on leashes when outside of the Unit or in the Common Area of the Condominium.
3. Pets must be kept on leashes and under the Unit Owner's or resident's physical control at all times when in any Common Area of the Condominium. "COMMON AREA" IS ANY AREA OUTSIDE OF YOUR UNIT. Pets may not be left on runs, left unattended on balconies or tied outside. Pet behavior is the sole responsibility of the Unit Owner or resident.
4. Pets are not allowed to defecate on Condominium lawns, shrubs, shrub beds or pavement. All pet accidents must be cleaned up by the pet owner immediately.
5. All dogs must be licensed by the Town of Northbridge yearly and vaccinated as required by law.
6. Pet owners are responsible for any damage caused by their pet. Charges to restore or replace the damaged property will be the responsibility of the pet owner.
7. Condominium Owners who lease/rent their Unit are liable for any violations of the Pet Rules and Regulations by their resident.
8. Any resident who witnesses a violation of these rules should send a written complaint to the site office of the Board detailing the offense. The complaint must be signed by the resident filing the complaint. The name of the complainant will not be disclosed.
9. Upon receipt of a signed complaint, the Board will immediately send written notice of the violation to the pet owner. Pet owners are entitled to review all written notices regarding the pet.

Exhibit "A-B" to Rules and Regulations

Pet Registration

PET OWNER: _____

UNIT NUMBER: _____

PET BREED: _____

PET HEIGHT: _____

PET WEIGHT: _____

PET AGE: _____

PET COLOR: _____

TOWN OF NORTHBRIDGE

DOG LICENSE #: _____

DAY TIME PHONE NUMBER OF PET OWNER: _____

I/WE CERTIFY THAT THE PET HAS BEEN VACCINATED AS REQUIRED BY LAW.

SIGNATURE OF PET OWNER: _____

DATE COMPLETED: _____

The Board shall have the right to reject a pet if such breed is generally vicious, barks excessively or if the Unit Owner or resident is unable to control the pet while on a leash.

Exhibit "A-C" to Rules and Regulations

Unit Owner Data Form

- 1. UNIT OWNER(S): _____
(Note: Please list as names appear on the Unit Deed)
- 2. UNIT OWNER(S) ADDRESS: _____
- 3. UNIT OWNER(S) MAILING ADDRESS: _____
- 4. UNIT OWNER PHONE NUMBER (DAYTIME): _____
- 5. UNIT OWNER PHONE NUMBER (EVENING): _____
- 6. MORTGAGEE(S) NAME: _____
ADDRESS: _____
LOAN NO: _____
PHONE NO: _____
- 7. OCCUPANT(S) NAME: _____
NAME: _____
NAME: _____
DAYTIME PHONE: _____
EVENING PHONE: _____
- 8. RESIDENT(S) NAME: _____
NAME: _____
NAME: _____
DAYTIME PHONE: _____
EVENING PHONE: _____
- 9. RESIDENT VEHICLE INFORMATION:
TYPE: _____ TYPE: _____
COLOR: _____ COLOR: _____
MODEL: _____ MODEL: _____
LICENSE PLATE NO: _____ LICENSE PLATE NO: _____
- 10. PET INFORMATION:
DATE OF WRITTEN APPROVAL OF BOARD: _____
DESCRIPTION OF PET: _____

Exhibit "A-D" to Rules and Regulations

Insurance Requirements

Condominium insurance is somewhat complex and, therefore, the Trustees have established these fairly detailed procedures with the hope that residents will seek competent insurance advice and coverage from his or her insurance agent or insurance advisor.

1. **Master Policy:** The Pine Knoll Condominium Trust maintains Master Policies of casualty and physical damage covering both common areas and facilities and certain items within the Units.

A certificate of the coverage maintained on behalf of the Owners' Association can be secured by contacting the current Insurance Agent for the Condominium. When you call you should have the following information available in order to expedite your request:

- 1) Unit Owner's Name or New Buyer's Name
- 2) Number of Unit
- 3) Mortgagee name and complete mailing address
- 4) Loan or reference number

2. **Home Owner Policy:** Each Home Owner is advised to carry an HO6 Policy. It is the sole responsibility of each individual condominium Unit Owner to insure his/her own personal effects/contents, personal liability, unit improvements and coverage for the Association's deductible (usually \$1,000 - \$2,500 for property damage).

All Unit Owners should purchase an HO6 Policy. The coverage must be coordinated between the individual HO6 and Master Policy. Your agent will need to know that our Master Policy provides blanket coverage and is written on a single entity basis. It includes installed fixtures, interior walls, appliances and additions, including those within a portion used exclusively by an individual Unit Owner. Installed items include wall-to-wall carpeting, domestic appliances, wallcoverings, cabinets and plumbing fixtures.

We strongly recommend the basic HO6 Policy be endorsed to add HO32 which extends perils insured from a "named peril" basis to so-called "all risk" coverage although some limitations still remain. Coverage A should be obtained to provide the Owner with coverage for the Association's deductible. Discuss particulars with your agent. Unit Owners should also consider HO35 - Loss Assessment Coverage.

These comments are intended as a guide for unit owners to assist them in developing a proper personal insurance program. We recommend to all unit owners that each review their own personal insurance requirements with their insurance agent.

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3. **Investor Units:** Liability is the responsibility of Unit Owners. Often liability may be added to the policy covering the investor's primary residence. Investors should also secure coverage for rent loss in the event that a unit becomes uninhabitable. The Master Policy and the Association will not honor any claims for loss of rents. It is also recommended that unit occupants purchase HO4 Tenant Homeowners unit policy.

4. **Insurance Claims Against The Master Policy:** The following steps should be followed when damage occurs in a unit in excess of the Association's Master Policy Deductible.

(A) **Identifying Master Policy Claims:** When a Unit Owner reports damage, a note will be made to the file. The damage will be inspected to assess the approximate cost of the damage. The Unit Owner should notify his/her Homeowners insurance agent. The Unit Owner is responsible for the Association Master Policy Deductible for items covered by the Master Policy and is also responsible for all personal property, improvements, rent loss, etc. not covered by the Master Policy. If the damage to areas covered by the Master Policy is less than the deductible, then the Association steps out of the process and the Home Owner will resolve the issue with his/her individual insurance company.

(B) **Processing a Master Policy Claim:** The following is a simple guide to filing a claim against the Master Policy.

- 1) Report the damage in excess of \$1,000.00 within 72 hours to the Management Agent. Failure to report claims promptly may result in the claim being denied by the Insurance Carrier. The Trust will not honor claims that are denied by the Carrier because of failure to report in a prompt fashion. Unit Owners should also notify their Insurance Carrier at the same time.
- 2) The Management Agent will notify the Trust's Insurance Agent of the loss. Should immediate repairs need to be made in order to insure the safety of unit occupants, the Management Agent will secure approval for these repairs from the insurance carrier.
- 3) The Management Agent will instruct the Unit Owner to secure bids to repair the damage. These bids are to be submitted to the Management Agent with a cover sheet itemizing the costs and totaling the same. This sheet must contain the Unit Owner's signature. If the damage is less than the Master Policy Deductible, the Unit Owner need not submit anything further and should deal with his/her own coverage.
- 4) During the bidding and damage assessment process, the Unit Owner must work closely both with the Management Agent and the Master Policy insurance adjuster in order that the scope of work is agreed upon by all parties prior to commencement of said restoration work. This includes, but is not limited to, making the unit available for inspection, securing additional bids should the insurance adjuster request it, and promptly responding to requests made by the insurance adjuster and/or Management Agent. The Board will not be responsible for the timeliness of insurance claims being paid. If a claim payment is delayed, no interest, penalties or other claims will be honored.

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- 5) In the event there is a dispute, the final approval of costs rests with the insurance company and the Unit Owner must abide by its decision. The Management Agent will work with the Unit Owner and insurance company during this period to finalize the scope of work.
- 6) Once it is agreed by all parties what the scope and amount of the claim will be, the Unit Owner will be given permission to commence work. Unit Owners may ask that the Trust request payment of the claim in order that the Unit Owner has funds to initiate restoration work. If the insurance carrier forwards this amount to the Trust, then the Trust may pass the benefit of this early payment to the Unit Owner. The Trust will never release more than 50% of the total claim prior to the signing of a release by the Unit Owner.
- 7) Final payment will be made when:
 - 1) The insurance adjuster has had the opportunity to inspect all repair work.
 - 2) The Trust has received the final payment from the insurance carrier.
 - 3) The Unit Owner has signed a release.

Exhibit "B"**Limited Warranty**

Note: This Limited Warranty specifically excludes consequential and incidental damages. There is a limitation of one year from the date of substantial completion of the Unit or of the Common Areas, whichever is applicable.

1. **Person(s) Covered:** This Limited Warranty is given by the Trustee to the Unit Owner together with the Common Areas and Facilities, extends to the Unit Owner, only, is not transferable to or enforceable by any succeeding transferee or purchaser of the Unit.
2. **Commencement and Duration of Coverages:** Each coverage under this Limited Warranty shall commence on the date of possession of the Unit and shall continue for a period of one year thereafter.
3. **Disclaimer:** The only warranties of the Trustee are those expressed herein. This Limited Warranty is given in lieu of any and all other warranties, express or implied, including, but not limited to, warranties of merchantability, fitness for a particular purpose and habitability.
4. **General Coverages:** Excluding the matters and components covered by any manufacturers' or suppliers' warranties as referred to in Section 5 below and subject to the exclusions set forth in Section 6 below, the coverages of this Limited Warranty are as follows:
 - (A) **Roof:** The roofs of the Condominium are warranted against leakage of water due to defects in materials or workmanship. This Warranty does not apply to or cover entry of water due to flood, hurricane or similar events.
 - (B) **Structure:** The structural components of the Condominium and the Unit are warranted for structural integrity against defects in materials or workmanship.
 - (C) **Electrical Systems:** All secondary wiring and other components of electrical systems in and serving the Unit are warranted against defects in materials or workmanship.
 - (D) **Heating and Air-Conditioning System:** The heating and air-conditioning system(s) serving the Unit is/are warranted against defects in materials or workmanship.
 - (E) **Windows and Doors:** All windows and doors in the Unit are warranted against defects in materials or workmanship.
5. **Manufacturers' Warranties:** The Trustee hereby assigns, transfers and passes through to the Unit Owner each and every warranty, if any, made or furnished to the Declarant or Trustee by the manufacturer and/or supplier of each appliance and piece of equipment in the Unit and included in the sale thereof to the Unit Owner on the Closing Date. Copies of all such manufacturers' or suppliers' warranties have been and are available for the Unit Owner's inspection at the office of Pine Knoll Condominium Management Corporation, P.O. Box 629, Franklin, Massachusetts 02038, the Sole Initial Trustee of The Pine Knoll Condominium Trust.

(A) The Trustee hereby advises the Unit Owner that each such manufacturers' or suppliers' warranty may include a specific procedure which must be followed to make that warranty effective. The procedure may require notification or registration by the Unit Owner to or with the manufacturer or supplier, or the mailing of a warranty card by the Unit Owner to the manufacturer or supplier. Such notification, registration and mailing is the Unit Owner's sole responsibility, but the Trustee shall make available to the Unit Owner any warranty cards furnished by the manufacturer or supplier.

(B) The Unit Owner's failure so to notify, register or mail a warranty card according to any manufacturer's or supplier's requirement shall not create any liability of the Trustee for any express or implied warranty on any such appliances or equipment.

(C) It is the sole responsibility of the Unit Owner to follow the manufacturers' or suppliers' warranty claim procedure in the event of any defect in any item covered by such a warranty.

6. **Exclusions from Coverage:** The Trustee expressly disclaims responsibility for any of the following items, each of which is expressly excluded from this Limited Warranty, to wit:

(A) Defects of any nature in any appliance or piece of equipment which is covered by a manufacturer's or supplier's warranty;

(B) Ordinary wear and tear, light bulbs, fuses, washers and other ordinary replacement items, damage due to abusive use, misuse, or lack of proper maintenance of the Unit or its component parts or systems, or common areas and facilities, such as, but not limited to, putting inappropriate materials into water closets, garbage disposal or drains, overloading electrical or other systems, breakage, chipping or denting, loss or misplacement of removable parts and running water against the Buildings of the Condominium;

(C) Defects which are the result of characteristics common to material used or normal settling of a new building, such as, but not limited to, normal cracks due to drying, shrinking, chalking, checking and curing of concrete, plaster, caulking and weatherstripping; normal warping or deflecting of wood;

(D) Defects in items supplied, installed or worked on by the Unit Owner or anyone other than the Trustee or subcontractors at Trustee's order, damages caused by the Unit Owner and damages caused by the move-in;

(E) Failure of the heating system to provide temperatures outside the design ranges of the system;

(F) Loss or injury due to the elements, including conditions resulting from condensation on or normal expansion or contraction of materials; and

(G) Consequential or incidental damages.

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7. Claims Procedure:

(A) If a defect should appear which the Unit Owner believes is covered by Section 4 of this Limited Warranty, or if an adjustment is required under Section 5 of this Limited Warranty, the Unit Owner must promptly notify the Trustee, in writing at P.O. Box 629, Franklin, Massachusetts 02038. The Unit Owner should briefly describe the defect or required adjustment and advise the Trustee when the Unit Owner will be at the Unit so that the Trustee can schedule a service call appropriately. If the Unit Owner believes that there is an emergency and that delay may cause additional damage, the Unit Owner may telephone the Trustee at 508-234-4445 or such other telephone number as the Trustee may notify the Unit Owner.

(B) In each instance in which (a) the Trustee receives a written report (or telephone report in case of an emergency) from the Unit Owner describing an alleged defect pursuant to the foregoing Paragraph 7(A), and (b) a defect exists which is covered by Section 4 of this Limited Warranty, the Trustee will cause such defect to be repaired or the defective item to be replaced, at the choice of the Trustee, at no cost or charge to the Unit Owner.

(C) In each instance in which the Trustee receives a written report from the Unit Owner describing an adjustment which is required under Section 5 of this Limited Warranty, the Trustee will cause such adjustment to be made, at no cost or charge to the Unit Owner.

(D) Any repair or replacement and any adjustment by the Trustee pursuant to the foregoing Paragraphs 7(B) or 7(C) will be done by the Trustee or subcontractors chosen by the Trustee, and will be completed within sixty (60) days unless such completion is delayed by weather conditions, labor problems, materials shortage or other causes beyond the Trustee's reasonable control.

8. **Limited Recourse:** No Trustee or beneficial owner of Trustee shall have any personal liability for the obligations of the Trustee hereunder, Unit Owner agreeing by the acceptance of this Limited Warranty that the liability of the Trustee hereunder is limited to the trust assets.

9. **Severability:** In the event that any of the provisions of this Limited Warranty shall be held to be invalid, the remainder of the provisions of this Limited Warranty shall remain in full force and effect.

ATTEST: WORC. Anthony J. Vigliotti, Register