

BELMONT CONDOMINIUM TRUST

DECLARATION OF TRUST
AND
RULES AND REGULATIONS
Annexed to Them

Revised through:
Amendment 2 to Declaration of Trust
Amendment 1 to Rules and Regulations

June 30, 1990

DECLARATION OF TRUST
OF
THE BELMONT CONDOMINIUM TRUST

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DECLARATION OF TRUST
OF
THE BELMONT CONDOMINIUM TRUST

THIS DECLARATION OF TRUST made this 19th day of November, 1979, at Boston in the County of Suffolk and Commonwealth of Massachusetts, by the following:

NEIL GLYNN of Barnstable, Massachusetts, ALAN J. GREEN of Newton, Massachusetts, and DONALD K. KURSON of Brookline, Massachusetts; (hereinafter called the "Trustees", which term and any pronoun referring thereto shall be deemed to include their successors in trust hereunder and to mean the trustee or the trustees for the time being hereunder, wherever the context so permits).

ARTICLE I - NAME OF TRUST

The Trust hereby created shall be known as "The Belmont Condominium Trust" (sometimes hereinafter called the "Trust") and under that name, so far as legal, convenient and practicable, shall all business carried on by the Trustees be conducted and shall all instruments in writing by the Trustees be executed.

ARTICLE II - THE TRUST AND ITS PURPOSE

Section 1. All of the rights and powers in and with respect to the common areas and facilities of The Belmont Condominium, Belmont Avenue, Harwich, Massachusetts, (The "Condominium"), established by a Master Deed of even date and recorded herewith which are by virtue of provisions of Chapter 183A of the Massachusetts General Laws conferred upon or exercisable by the organization of unit owners of the Condominium, and all property, real and personal, tangible and intangible, conveyed to the Trustees hereunder shall vest in the Trustees as joint tenants with right of survivorship as Trustees of this Trust, in trust to exercise, manage, administer and dispose of the same and to receive the income thereof for the benefit of the owners of record from time to time of the Residential Units (the "Residential Units") or Cabana Units (the "Cabana Units") of said Condominium, according to the percentages of beneficial interest referred to in Article IV, Section 1, hereof, and in accordance with provisions of said Chapter 183A, this Trust being the organization of the Unit Owners established pursuant to provisions of said Chapter 183A for the purposes therein set forth. Owners of Residential Units and Cabana Units are sometimes hereinafter collectively referred to as the "Unit Owners", and Residential Units and Cabana Units are sometimes hereinafter collectively referred to as the "Units" or the "Condominium Units". All references herein to Cabana Units, or to the Buildings in which the Cabana Units are located, or to the common areas and facilities to be included therein, shall be construed to relate to such Cabana Units, Buildings or facilities after such time as same have been included in the Condominium, pursuant to the provisions of the Master Deed.

Section 2. It is hereby expressly declared that a trust and not a partnership has been created and that the Unit Owners are cestuis que trustent, 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 Trustees other than of cestuis que trustant, with only such rights as are conferred upon them as such cestuis que trustent hereunder and under and pursuant to provisions of said Chapter 183A of the General Laws.

ARTICLE III - THE TRUSTEES

Section 1. There shall at all times be a Board of Trustees hereunder consisting of such number, not less than three nor more than nine, as shall be determined from time to time by a majority of the Unit Owners present in person or by proxy at the annual meeting of the Unit Owners (as provided in Article V, Section 7B hereof); provided, however, that until: (a) Green Belmont, Inc., a Massachusetts corporation, the Declarant of said Master Deed (hereinafter the "Declarant", which term and any pronoun referring thereto herein shall be deemed to mean said corporation and its successors and assigns) ceases to own five percent (5%) or more of the Residential Units in the Condominium (including for these purposes Residential Units in Part 1 of the Condominium as well as all Residential Units currently contemplated to be added to the Condominium pursuant to Section 9 of the Master Deed, whether or not construction of such additional Residential Units has yet commenced) or (b) the 1986 annual meeting of Unit Owners (the "annual meeting"), whichever of (a) or (b) shall first occur, the number of Trustees shall be three persons consisting of the original Trustees or other persons designated by Declarant, and thereupon the terms of office of the original Trustees or such other persons so designated shall be deemed vacant, but shall not expire until such vacancies have been filled in the manner hereinafter set forth.

Thereafter, the terms of office of the Trustees shall, except as hereinafter provided, be three years, and such terms shall be staggered so that insofar as possible the terms of one-third of the Trustees shall expire each year; provided, that in order to establish and maintain such staggering of terms, the terms of the persons first appointed as Trustees after the 1986 annual meeting shall be one year, two years and three years, respectively, determined by lot, and thereafter upon any increase or decrease of the number of Trustees, the terms of any then newly appointed Trustee or Trustees shall be one year, two years, or three years, determined insofar as necessary by lot, so as to maintain such staggering of terms insofar as possible.

If and whenever the number of such Trustees shall become less than three or less than the number of Trustees last determined as aforesaid, a vacancy or vacancies in said office shall be deemed to exist. Each such vacancy shall be filled by an instrument in writing setting forth (a) the appointment of a natural person to act as such Trustee(s), signed (i) by the Declarant if the vacancy is in the office of a Trustee chosen by the Declarant, or by a majority of the Trustees then in office, or the sole remaining Trustee, if only one, if the vacancy is in the office of a Trustee not chosen by the Declarant, certifying that such appointment was made by a majority of Unit Owners present in person or by proxy at a duly held meeting of Unit Owners (as provided in Article V, Section 7B hereof), or (ii) if the Declarant or such a majority of Unit Owners, as the case may be, has 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 sole remaining Trustee if only one, and (b) the acceptance of such appointment signed and acknowledged by the person so appointed.

If for any reason any 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 or by notice to all Unit Owners and Trustees and to such other, if any, parties in interest to whom the court may direct that notice be given.

With respect to each person appointed or elected as aforesaid to be a Trustee hereunder, there shall promptly be recorded with the Barnstable County Registry of Deeds a certificate of such appointment or election signed by any one or more of the Trustees hereunder and an acceptance of such appointment signed by the person so appointed, and such appointment or election shall take effect upon such recording. The person so appointed or elected thereupon shall be and become such Trustee and shall be vested with the powers and titles of the Trustees, jointly with the remaining or surviving Trustees or Trustee, without the necessity of any act of transfer or conveyance.

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

Section 2. In any matters relating to the administration of the Trust hereunder and the exercise of the powers hereby conferred, the Trustees may act by a majority vote at any duly called meeting at which a quorum is present as provided in paragraph A of Section 7 of Article V; provided, however, that in no event shall a majority consist of less than two (2) Trustees hereunder, and, if and whenever the number of Trustees hereunder shall become less than two (2), the then remaining or surviving Trustees, if any, shall have no power or authority whatsoever to act with respect to the administration of the Trust hereunder or to exercise any of the powers hereby conferred except as otherwise provided in Section 1 of Article III; and except that the remaining Trustee may act as to such matters by their nature require immediate action. The Trustees may also act without a meeting by instrument signed by a majority of their number.

Section 3. Any Trustee may resign at any time by instrument in writing, signed and acknowledged in the manner required in Massachusetts for the acknowledgement of deeds and such resignation shall take effect upon the recording of such instrument with said Registry of Deeds "unless specified to be effective at some other time." After reasonable notice and opportunity to be heard before the Board of Trustees, a Trustee (except a Trustee chosen by the Declarant) may be removed from office with or without cause by an instrument in writing signed by a majority of Unit Owners present in person or by proxy at a duly held meeting of Unit Owners (as provided in Article V, Section 7B hereof), such instrument to take effect upon the recording thereof with said Registry of Deeds.

Section 4. Except as otherwise provided in Article V, Section 3 hereof, no Trustee named or appointed as hereinbefore provided, whether as original Trustee or as successor to or as substitute for another, shall be obliged to give any bond or surety or other security for the performance of any of his duties hereunder, provided, however, that Unit Owners may at any time by instrument in writing signed by a Unit Owners holding at least fifty-one percent (51%) of the Beneficial Interest present in person or by proxy at a duly held meeting of Unit Owners (as provided in Article V, section 7B hereof), and delivered to the Trustee or Trustees affected, require 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.

Section 5. No Trustee hereinbefore named or appointed as hereinbefore provided shall under any circumstances or in any event be held liable or accountable out of his personal assets or be deprived of compensation by reason of any action taken, suffered or omitted in good faith or be so liable or accountable for more money or other property than he actually receives, or for allowing one or more of the other Trustees to have possession of the Trust books or property, or be so liable, accountable or deprived by reason of honest errors of judgment or mistakes of fact or law, or by reason of existence of any personal or adverse interest, or by reason of anything except his own personal and willful malfeasance and defaults or such other conduct as would exempt him from indemnification as provided in the following Section 7.

Section 6. 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 Trustee's 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 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 the dealing, contract or arrangement is entered into.

Section 7. The Trust shall, to the extent legally permissible, indemnify each of its Trustees against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceedings, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office, or thereafter, by reason of his being or having been such a Trustee, except with respect to any matter as to which he shall have been adjudicated in any proceeding to have acted in bad faith or with wilful misconduct or reckless disregard of his duties or not to have acted in good faith in the reasonable belief that his action was in the best interests of the Trust. The right of indemnification hereby provided shall not be exclusive of or affect any other rights to which any Trustee may be entitled herein or by contract or otherwise under law. As used in this Section, the term "Trustee" includes his respective heirs, executors and administrators. Nothing in this Section shall, however, be deemed to limit in any respect the powers granted to the Trustees in this instrument.

ARTICLE IV - BENEFICIARIES AND THE BENEFICIAL INTEREST IN THE TRUST

Section 1. The cestuis que trustent or beneficiaries shall be the Unit Owners of the Condominium for the time being. The beneficial interest in the Trust hereunder shall be divided among the Unit Owners in the percentage of undivided beneficial interest appertaining to the Units of the Condominium as follows:

A. For so long as the only Units in the Condominium are those comprised in Part 1 of the Condominium as defined in said Master Deed, the percentages set forth for such Units in Exhibit E annexed to the Master Deed, which is hereby incorporated herein and made a part hereof.

B. From and after the inclusion in the Condominium of Part 2 and other Additions(s) to the Condominium as defined in said Master Deed, the beneficial interest hereunder of each Unit then included in the Condominium shall be equal to the percentage of interest appertaining to such Unit as determined and specified pursuant to provisions of Section 9 of said Master Deed.

Section 2. 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 of said Units 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 Trustees 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 Trustees and may be changed at any time and from time to time by notice as aforesaid. In the absence of any such notice of designation, the Trustees may, by majority vote, designate any one such owner for such purposes.

ARTICLE V - BY-LAWS

The provisions of this Article shall constitute the By-Laws of this Trust and the organization of Unit Owners established hereby, to wit:

Section 1. POWERS OF THE TRUSTEES

The Trustees shall, subject to and in accordance with all applicable provisions of said Chapter 183A and said Master Deed, have the absolute control, management and disposition of the Trust property (which term as herein used shall insofar as apt be deemed to include the common areas and facilities of the Condominium) as if they were the absolute owners thereof, free from the control of the Unit Owners and, without by the following enumeration limiting the generality of the foregoing or of any item in the enumeration, with full power and uncontrolled discretion, subject only to the limitations and conditions hereof and of provisions of said Chapter 183A and said Master Deed, at any time and from time to time, and without the necessity of applying to any court or to the Unit Owners for leave so to do:

(i) To retain the Trust property, or any part or parts thereof, in the same form or forms of investment in which received or acquired by them so far and so long as they shall think fit, without liability for any loss resulting therefrom;

(ii) To sell, assign, convey, transfer, exchange, and otherwise deal with or dispose of, the Trust property, or any part or parts thereof, free and discharged of any and all trusts, at public or private sale, to any person or persons, for cash or on credit, and in such manner, on such items and for such considerations and subject to such restrictions, stipulations, agreements and reservations as they shall deem proper, including the power to take back mortgages to secure the whole or any part of the purchase price of any of the Trust property sold or transferred by them, and to execute and deliver any deed or other instrument in connection with the foregoing;

(iii) To purchase or otherwise acquire title to, and to rent, lease or hire from others, for terms which may extend beyond the termination of this Trust, any property or rights to property, real or personal, and to own, manage, use and hold such property and such rights;

(iv) To borrow or in any other manner raise such sum or sums of money or other property as they shall deem advisable in any manner and on any terms, and to evidence the same by notes, bonds, securities or other evidence of indebtedness, which may mature at a time or times, even beyond the possible duration of this Trust, and to execute and deliver any mortgage, pledge, or other instrument to secure any such borrowing;

(v) To enter into any arrangement for the use or occupation of the Trust property, or any part or parts thereof, including, without thereby limiting the generality of the foregoing, leases, subleases, easements, licenses, or concessions, upon such terms and conditions and with such stipulations and agreements as they shall deem desirable, even if the same extend beyond the possible duration of this Trust;

(vi) To invest and reinvest the Trust property, or any part or parts thereof and from time to time and as often as they shall see fit to change investments, including power to invest in all types of securities and other property, or whatsoever nature and however denominated, all to such extent as to them shall seem proper, and without liability for loss, even though such property or such investments shall be of a character or in an amount not customarily considered proper for the investment of trust funds, or which does or may not produce income;

(vii) To obtain and maintain such casualty and liability insurance on and with respect to the Trust property as they shall deem necessary or proper;

(viii) To incur such liabilities, obligations and expenses, and to pay from the principal or the income of the Trust property in their hands all such sums, as they shall deem necessary or proper for the furtherance of the purposes of the Trust;

(ix) To determine as to all sums of money and other things of value received by them, whether and to what extent the same shall be deemed to be and shall be accounted for as principal or as income, and as to all charges or expenses paid by them, whether and to what extent the same shall be charged against principal or against income, including, without hereby limiting the generality of the foregoing, power to apportion any receipt or expense between principal and income, and power to determine what portion, if any, of the actual income received upon any asset purchased or acquired at a premium or any wasting investment shall be added to principal to prevent a diminution thereof upon the maturity or exhaustion of such asset or investment;

(x) To vote in such manner as they shall think fit any or all shares in any corporation or trust which shall be comprised in the Trust property, and for that purpose to give proxies, to any person or persons or to one or more of their number, to vote, waive any notice or otherwise act in respect of any such shares;

(xi) To guarantee performance of the obligations of others in any cases where they shall deem that it is to the advantage of this Trust that they give such guaranty;

(xii) To maintain such offices and other places of business as they shall deem necessary or proper and to engage in business in Massachusetts or elsewhere;

(xiii) To provide and contract for maintenance, repair, cleaning and other services to owners of Units in the Condominium;

(xiv) To enter and have such access into Units in the Condominium as shall be reasonably necessary to the performance and exercise of the duties, obligations, rights and powers of the Trustees hereunder;

(xv) To employ, appoint and remove such agents, managers, officers, board of managers, brokers, employees, servants, assistants and counsel (which counsel may be a firm of which one or more of the Trustees are members) as they shall deem proper, for the purchase, sale or management of the Trust property, or any part or parts thereof, or for conducting the business of the Trust and may define their respective duties and fix and pay their compensation, and the Trustees shall not be answerable for the acts and defaults of any such person. The Trustees may delegate to any such agent, manager, officer, board, broker, employee, servant, assistant or counsel any or all of their powers (including discretionary power, except that the power to join in amending, altering, adding to, terminating or changing this Declaration of Trust and the trust hereby created shall not be delegated) all for such times and purposes as they shall deem proper. Without hereby limiting the generality of the foregoing, the Trustees shall, at least as often as annually, designate from their number a Chairman, a Treasurer, a Secretary, and such other officers of the Board of Trustees as the Trustees deem fit, and may from time to time designate one or more of their own number to be the Managing Trustee or Managing Trustees, for the management and administration of the Trust property and the business of the Trust, or any part or parts thereof; and

(xvi) Generally, in all matters not herein otherwise specified, to control, manage and dispose of the Trust property as if the Trustees were the absolute owners thereof and to do any and all acts, including the execution of any instruments, which by their performance thereof shall be shown to be in their judgment for the best interest of the Unit Owners; and the Trustees shall have, without limitation, all of the rights and powers set forth in said Chapter 183A and the Trustees shall by the exercise and fulfillment of the powers and provisions set forth in this Article V provide for the necessary work of maintenance, repair and replacement of the common areas and facilities and payments therefor, including the approval of payment vouchers.

Section 2. COMMON EXPENSES, PROFITS AND FUNDS

A. The Unit Owners shall be liable for common expenses and entitled to common profits of the Condominium in proportion to their respective percentages of beneficial interest as described in Article IV hereof and as set forth in said Exhibit A, except that separate provision has been made in Section 4 of said Master Deed for the payment of or reimbursement for certain costs and expenses relating to those common areas and facilities of the Condominium the exclusive use of which is reserved to one or more (but not all) of the owners of Residential Units pursuant to Section 4 of said Master Deed. The Trustees may at any time or times distribute common profits among the Unit Owners in such proportions. The Trustees may, to such extent as they deem advisable, set aside common funds of the Condominium as reserve or contingent funds, 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 3 and 4, 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.

B. At least thirty (30) days prior to the commencement of each fiscal year of this Trust, and within thirty (30) days after the execution hereof with respect to the portion of a fiscal year then remaining, the Trustees shall estimate the common expenses expected to be incurred during such fiscal year together with a reasonable provision for contingencies and reserves, and after taking into account any undistributed common profits from prior years, shall determine the assessment to be made for such fiscal year. The Trustees shall promptly render statements to the Unit Owners for their respective shares of such assessments, according to their percentages of interest in the common areas and facilities, and such statements shall, unless otherwise provided herein, be due and payable within thirty (30) days after the same are rendered. In the event that the Trustees 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 Trustees likely to be incurred, the Trustees 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 Trustees may in their discretion provide for payments of statements in monthly or other installments; provided, however that in such case as a Unit Owner is persistently delinquent in such monthly or installment payments, as the Trustees in their discretion determine, the Trustees upon unanimous vote may require payment in full as aforesaid.

In the event any Unit Owner shall fail to make prompt payment of his common expenses, such Unit Owner shall be obligated to pay interest of 1 1/2% per month on such unpaid common expenses computed from the due date thereof, together with all late charges as imposed by the Trustees and the Trust's expenses, including, without limitation, attorneys' fees, paid or incurred in any proceeding brought to collect such unpaid common expenses or in an action to enforce the lien on such Unit arising from such unpaid common expenses, and all of the foregoing shall constitute common expenses for such Unit and shall be secured by a lien on such Unit. The Trustees shall have the right to institute all proceedings deemed necessary or desirable by the Trustees to recover such unpaid common expenses together with interest thereon computed as aforesaid late charges imposed as aforesaid and the expenses paid or incurred in connection with any such proceeding as aforesaid.

If, in any action brought by the Trustees to enforce a lien on a Unit because of unpaid common expenses, the lien shall be foreclosed, then for such period as the Unit Owner shall continue to use such Unit, the Unit Owner shall be required to pay a reasonable rental for the use of this Unit and the plaintiff in such action shall be entitled to the appointment of a receiver to collect the same. The Trustees, acting on behalf of all Unit Owners shall have the power to purchase such Unit at the foreclosure sale and to hold, lease, mortgage, convey or otherwise deal with the same, except as otherwise provided in this Trust. A suit to recover a money judgment for unpaid common expenses shall be maintainable without enforcing or waiving the lien securing the same.

The foregoing provisions of this Paragraph B shall also apply to certain costs and expenses which relate to those common areas and facilities of the Condominium, the exclusive use of which is reserved to one or more (but not all) of the Owners of Residential Units pursuant to Section 4 of said Master Deed.

The foregoing provisions, as to interest, late fees, costs and expenses, shall likewise apply to any proceeding wherein a Unit Owner seeks to avoid the payment of common expenses due; and, in any proceeding involving the collection of common expenses it shall not be an argument or defense that the costs and expenses of the Trust are excessive when considered in light of the amount in controversy.

C. The Trustees shall expend common funds only for common expenses and lawful purposes permitted hereby and by provisions of said Chapter 183A.

D. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him of such Unit. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Expenses, convey his Unit to the Trustees and in such event be exempt from Common Expenses thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Expenses assessed and unpaid against such Unit prior to the acquisition by him of such Unit, except that a purchaser of a Unit at a foreclosure sale of such Unit by a first mortgagee or any first mortgagee who comes into possession of the Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit.

E. Upon the written request of the holder of any mortgage upon a Unit, the Trustees shall notify such holder of any default by a Unit Owner in the payment of his share of the Common Expenses.

Section 3. INSURANCE

A. The Trustees shall obtain and maintain, to the extent available, master policies and casualty and physical damage insurance for the benefit and protection of the Trustees and all of the Unit Owners, naming as the named insureds, and with loss proceeds payable to, the Trustees hereunder, or one or more of the Trustees hereunder designated by them, as Insurance Trustees for all of the Unit Owners collectively of the Condominium and their respective mortgagees, as their interests may appear, pursuant to such standard condominium property endorsement form as may from time to time be customarily used in Massachusetts, such insurance to cover the building and all other insurable improvements forming part of the common areas and facilities, including the elevator, heating equipment and other service machinery, apparatus, equipment and installations comprised in the common areas and facilities, and also all such portions and elements of the Units as are for insurance purposes normally deemed to constitute part of the Buildings and customarily covered by such insurance; but not including (i) the furniture, furnishings or other personal property of the Unit Owners, or (ii) improvements within a Unit made by the Owners thereof subsequently to the first sale of such Unit by the Declarant of said Master Deed, as to which it shall be the separate responsibility of the Unit Owners to insure.

Such insurance shall insofar as practicable be maintained in an amount equal to not less than one hundred percent (100%) of the full replacement cost (exclusive of land and foundations), as determined by the Trustees (who shall review such value at least as often as annually), of the insured property, and shall insure against (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and (b) such other hazards or risks as the Trustees from time to time in their discretion shall determine to be appropriate, including, but not limited to, vandalism, malicious mischief, windstorm and water damage, and machinery explosion or damage.

Such insurance may provide for a reasonable deductible amount from the coverage thereof, as determined by the Trustees in their reasonable discretion. In the event of any loss which relates solely to the common areas and facilities, such deductible amount may be assessed to all Unit Owners as a special assessment of common expenses hereunder. In the event of any loss which relates in whole or in part to insurable improvements forming part of a Unit, which loss is covered by such insurance, the Trustees may assess to the Unit Owners of such Unit, as a special assessment, all or part of such deductible amount, such special assessment being in an amount directly proportional to the amount of such loss related to such Unit improvements and the amount of the loss related to the common areas and facilities. Unit Owners shall be liable for such special assessments in addition to their respective shares of the common expenses, and until such charges are paid by such Unit Owners, the same shall constitute a lien against their Units pursuant to the provisions of Section 6 of said Chapter 183A.

B. All policies of casualty or physical damage insurance shall insofar as practicable provide (a) that such policies may not be cancelled, terminated or substantially modified as to amount of coverage or risks covered without at least thirty (30) days' written notice to the insureds, (b) that, notwithstanding any provisions thereof which give the insurer the right to elect to restore damage in lieu of making a cash settlement, such election may not be exercisable without the approval of the Trustees and may not be exercisable if in conflict with the terms of said Chapter 183A, the Trust or these By-Laws, (c) for waiver of subrogation as to any claims (except claims involving arson or fraud) against the Trust, the Trustees, the manager, agents, employees, the Unit Owners and their respective employees, agents and guests, (d) for waivers of any defense based upon the conduct of any insured, and (e) in substance and effect that the insurer shall not be entitled to contribution as against any casualty insurance which may be purchased separately by Unit Owners.

C. The Trustee or Trustees hereunder designated as Insurance Trustee or Trustees as aforesaid, shall collect and receive all casualty loss insurance proceeds and shall hold, use, apply and disburse the same in accordance with applicable provisions of the following Section 4 of this Article V. With respect to losses which affect portions or elements covered by such insurance of a Unit, or of more than one Unit to substantially the same or to different extents, the proceeds relating thereto shall be used, applied and disbursed by the Trustees in a fair and equitable manner.

D. The Trustees shall also so obtain and maintain, to the extent available, master policies of insurance with respect to the common areas and facilities, for the benefit and protection of the Trustees and all of the Unit Owners, for (a) comprehensive public liability, (b) workmen's compensation and employees' liability with respect to any manager, agent or employee of the Trust, but excluding any independent agent or manager, and (c) such other risks as the Trustees in their discretion deem it appropriate to insure. All such insurance shall be in such amounts and forms as the Trustees shall in their discretion deem appropriate, and shall insofar as practicable, contain provisions as above set forth with respect to non-cancellation, waiver of subrogation, waiver of defense based on conduct of any insured, and non-contribution.

E. The cost of all such insurance obtained and maintained by the Trustees pursuant to provisions of this Section 3, shall be a common expense.

F. Unless waived by unanimous vote of all Trustees then in office, the Trustees shall obtain, at least annually, an independent appraisal of the full replacement value of the property to be insured in accordance with the foregoing provisions of this Section, without deduction for depreciation, for the purpose of determining the amount of insurance to be maintained pursuant to this Section, and the amount of such insurance shall in no event be less than the full replacement value as so determined. If the Trustees in their discretion deem it necessary, they shall upon notification of improvements to be made to a Unit by a Unit Owner increase the insurance coverage afforded by said master policy.

G. The Trustees shall obtain fidelity coverage against dishonest acts on the part of the Trustees, Property Manager, if any, employees or volunteers responsible for handling funds belonging to Trust or administered by the Trustees. The fidelity bond or insurance shall name the Belmont Condominium Trust as the named insured and shall be written in an amount sufficient to provide protection against possible loss (coverage equal to three months common area expenses and reserves shall be deemed sufficient). In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

H. The Trustees shall obtain so-called Directors and Officers liability insurance providing coverage in reasonable amounts for the Trustees hereunder.

I. If the Federal Home Loan Mortgage Corporation (FHLMC) or the Federal National Mortgage Association (FNMA) holds any interest in one or more mortgages on Units of which the Trustees have received notice, the Trustees shall obtain and maintain, to the extent obtainable, such other insurance as may be required from time to time by whichever of FHLMC or FNMA holds any interest in one or more mortgages on Units. All such policies shall be in such amounts and contain such terms as may be required from time to time by whichever of FHLMC or FNMA holds such interest.

J. Trustees, on behalf of the organization of Unit Owners, shall give written notice to all mortgagees of which the Trustees have received notice, of any loss to the Common Areas and Facilities if such loss exceeds Ten Thousand dollars (\$10,000), and in addition, if the loss to any Unit exceeds One Thousand dollars (\$1,000), then the Trustees shall give written notice of such loss to such mortgagees listed as holding mortgages on that Unit.

K. Certificates of insurance with proper mortgagee endorsements, when requested, shall be issued to each Unit Owner. The certificates of insurance shall show the amount of insurance covering the Unit and its interest in the Common Areas and Facilities. The Trustees may charge a reasonable fee for issuing such certificates.

Section 4. REBUILDING AND RESTORATION, IMPROVEMENTS

A. In the event of damage to or destruction of the Condominium as the result of fire or any other casualty the Trustees shall proceed as follows:

i. Where such damage or destruction is solely to a Unit, or Units, the Trustees shall promptly adjust and collect the loss and disburse the master policy insurance proceeds in appropriate progress payments with appropriate retainage to the Unit Owner(s) affected so as to facilitate and insure the repairs and restoration of the Unit, or Units, so damaged or destroyed. In such case as an affected Unit Owner should fail to promptly take such action as the Trustees deem appropriate to insure the repair or restoration of his Unit, the Trustees may proceed thereto for his account as herein provided and utilize the said insurance proceeds accordingly. The affected Unit Owner(s) shall bear any cost or expense for such repairs and restoration in excess of the available insurance proceeds under the master policy, including any excess resultant from the application of any deductible thereon. Where more than one Unit is so damaged or destroyed, said proceeds and deductible shall be apportioned based upon the basis of the relative damage to each Unit; provided, however, that in such case as such damage or destruction is caused by the acts or omissions of a Unit Owner, his family, servants, agents, employees, invitees, licensees or lessees, any deficiency in the insurance proceeds shall be borne solely by such Unit Owner. The extent to which the cost is in excess of the insurance proceeds is due to the acts or omissions as aforesaid shall be determined by the Trustees in their reasonable discretion.

ii. Where such damage or destruction is solely to the Common Elements, or to both the Common Elements and Units, the Trustees, in their reasonable discretion, shall forthwith determine whether or not the loss to the Common Elements exceeds ten percent (10%) of the value of the Condominium immediately prior to the casualty loss and thereupon notifying all Unit Owners of such determination. In furtherance thereof the Trustees may employ such persons, firms or entities as are, in their judgment appropriate, to assist in such determination.

a. If the loss to the Common Elements as so determined is less than, or equals, ten percent (10%) of the value of the Condominium immediately prior to the loss, the Trustees shall proceed as provided in Subsection i above provided that the Common Elements shall be repaired and restored by the Trustees and any deficiency thereto relating shall be borne from common funds.

b. If the loss to the Common Elements as so determine exceeds ten percent (10%) of the value of the Condominium immediately prior to the loss, the Trustees shall seek the agreement of the Unit Owners holding seventy-five percent (75%) of the Beneficial Interest by submitting to the Unit Owners a form of agreement (the Restoration Agreement) whereby the Unit Owners authorize the Trustees to proceed with the necessary repair and restoration.

(1) If such percentage of Unit Owners agree (by executing the Restoration Agreement) to proceed to the necessary repair and restoration, then the Trustees shall proceed thereto as provided in Subparagraph ii.a. above; provided that the cost of such repair and restoration in excess of available insurance proceeds shall be a Common Expense payable from common funds or by special assessment, if necessary and appropriate; and further provided, however, that any Unit Owners who did not so agree may apply to the Superior Court of the County in which the Condominium is located on such notice to the Trust as the Court shall direct, for an order directing the purchase of their Units by the Trust at the fair market value thereof as approved by the Court. The cost of any such purchase shall be a Common Expense.

(2) If such percentage of Unit Owners do not, within one hundred twenty (120) days of the occurrence of such loss, agree to proceed with the repair and restoration (by executing the Restoration Agreement and timely returning the same to the Trustees), a Unit Owner's proportionate share of the insurance proceeds with respect to the Common Areas and Facilities, together with the portion of the insurance proceeds allocated to any Unit as a result of a loss to such Unit due to the casualty shall, to the extent permitted by law, be paid first to the holder of the first mortgage of such Unit, if any, up to, but not in excess of, the then principal balance secured thereby and any accrued interest and other charges then due the holder of the first mortgage, and thereafter to the Unit Owners, and if first mortgagees, of which the Trustees have received notice, holding mortgages on Units having at least fifty-one percent (51%) of the Beneficial Interest approve a suit for partition then the Condominium shall be subject to partition at the suit of any Unit Owner. Such Unit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. The net proceeds of a partition sale together with common funds of the Trust (adjusted for insurance proceeds paid or payable to mortgagees as aforesaid) shall be divided all as provided by law, distribution thereof with respect to the amounts respectively secured thereby, and thereafter to the Unit Owners. Upon such sale, the Condominium shall be deemed remove from the provisions of Chapter 183A.

The Trustees may perform emergency work essential to the preservation and safety of the Property or the safety of persons, or required to avoid the suspension of any essential service to the Condominium without having first adjusted the loss or obtained proceeds of insurance or otherwise having complied herewith.

If there shall have been a repair or restoration pursuant to the foregoing and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds, if any, shall be added to the Condominium's reserve account or shall be, at the option of the Trustees, divided among the Unit Owners in proportion to their respective Beneficial Interest; provided, however, that no provision herein shall be deemed to give a Unit Owner or any other party priority over any rights of the holder of a first mortgage (if any) on such Unit Owner's Unit pursuant to such mortgage in the case of a distribution to such Unit Owner of insurance proceeds for losses to Units and/or Common Elements. Mortgagees of Units will be entitled to priority with respect to any insurance proceeds distributed to their mortgagors.

Notwithstanding anything to the contrary contained in this Subsection, in the event that any Unit Owner shall dissent from any determination of the Trustees with respect to the value of the Condominium or any other determination or action of the Trustees under this Subsection by notice in writing to the Trustees within ten (10) days after such determination or action, and such dispute shall not have been resolved within thirty (30) days after such notice, then either the Trustees or the dissenting Unit Owner may submit the matter to arbitration, and for that purpose, one arbitrator shall be designated by the Trustees, one by the dissenting Unit Owner and a third by the two arbitrators so designated, and such arbitration shall be conducted in accordance with the rules and procedures of the American Arbitration Association.

Notwithstanding anything to the contrary contained in the preceding paragraphs of this Subsection, the Trustees shall not, in any event, be obliged to proceed with any repair or restoration unless and until they have received funds in an amount equal to the estimate of the Trustees of all costs thereof.

The foregoing provisions are intended to comply with Section 17 of Chapter 183A and to be, in addition, consonant with FHLMC and FNMA. To the extent there is a conflict the provisions of Chapter 183A shall control.

B. If more than ten percent (10%) of the Condominium is taken under any power of eminent domain, the taking shall be treated as a "casualty loss", and the provisions of Section 17 of Chapter 183A of Massachusetts General Laws shall apply. Where one or more Units have been substantially altered or rendered uninhabitable as a result of a partial taking, and the Unit Owners vote to restore and continue the Condominium pursuant to the provisions of Section 17 of said Chapter 183A, the Trustees shall have the authority to acquire the remaining portions of such Units for such price as the Trustees shall determine, provided that any Unit Owner of such remaining portion who does not agree with such determination may apply to the Superior Court on such notice to the Trustees as the Court shall direct, for an order directing the purchase of such remaining portion at the fair market value thereof as approved by the Court. Where as a result of a partial taking any Unit is decreased in size or where the number of Units is decreased by a partial taking, then the Trustees may make such provision for realignment of the percentage interests in the Common Areas and Facilities as shall be just and equitable subject to the provisions of the Master Deed.

In the event of a total or partial taking under the powers of eminent domain, the Unit Owners shall be represented by the Condominium acting through the Trustees. In the event of a partial taking the award shall be allocated among the affected Units according to their appurtenant Beneficial Interest, and paid first to the extent permitted by law, to the holder(s) of the first mortgage of such Unit(s), if any, up to, but not in excess of, the then principal balance secure thereby and any accrued interest and other charges then due the holder(s) of the first mortgage. In the case of a total taking of all Units and the Common Areas and Facilities, the entire award shall be payable to the Trustees to be allocated among the Units according to their appurtenant Beneficial Interest, and paid first to the extent permitted by law, to the holder(s) of the first mortgages of such Unit(s), if any, up to, but not in excess of, the then principal balance secured thereby and any accrued interest and other charges then due the holder(s) of the the first mortgage. As to any portion or portions of any award which are attributable to direct or consequential damages suffered by particular Units, they shall be payable to the owners of such particular Units and their mortgagees, as their interests may appear.

C. Whenever the estimated cost, as determined by the Trustees, of repair or restoration exceeds as to any one casualty or occurrence, ten percent (10%) of the value of the Condominium or twenty-five percent (25%) of the value with respect to any one Unit, then the Trustees shall retain a licensed architect or licensed engineer, who shall not be directly or indirectly a Unit Owner or an employee or agent of any Unit Owner or a Trustee or an employee or agent of any Trustee, to supervise the work of repair or restoration, and no sums shall be paid by the Trustees on account of such repair or restoration except upon certification to them by such architect or engineer that the work for which payment is being made has been completed in a good and workmanlike manner in accordance with approved plans and specifications, and that the estimated total cost of completion of said repair or restoration, less amounts theretofore advanced, does not exceed the undisbursed proceeds of insurance as augmented by funds obtained by any assessment levied or chargeable to the Unit Owners as a Common Expense.

D. If and whenever the Trustees 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 Trustees shall submit to all Unit Owners (a) a form of agreement (which may be in several counterparts) specifying the improvement and improvements proposed to be made and the estimated cost thereof, and authorizing the Trustees to proceed to make the same, and (b) a copy of the provisions of Section 18 of said Chapter 183A. Upon (i) the receipt by the Trustees of such agreement signed by Unit Owners holding seventy-five percent (75%) or more of the beneficial interest, or (ii) the expiration of ninety (90) days after such agreement was first submitted to the Unit Owners, whichever of said (i) or (ii) 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 Trustees shall proceed to make the improvement or improvements specified in such agreement, charging all Unit Owners in the same proportion as they contribute to the common expenses. If such percentage exceeds 50%, but is less than 75%, the Trustees shall resubmit the form agreement to those Unit Owners who originally assented thereto, and if the agreement is then signed by Unit Owners holding 50% or more of the beneficial interest, the Trustees shall proceed to make the improvement or improvements specified in such agreement, charging each Unit Owner who has so assented pro rata based upon such Unit Owner's beneficial interest in this Trust as a percentage of the aggregate percentage of beneficial interest in this Trust held by Unit Owners who have signed such agreement; for example, for purposes of illustration only, if such aggregate percentage is sixty-five percent (65%) and if an assenting Unit Owner has a beneficial interest in this Trust of .0400%, such Unit Owner shall be charged with .0615% of such improvement or improvements. For the purposes hereof, the construction, erection, alteration, modification and/or doing of any thing or things to the Common Elements, the total cost of which in each separate instance does not exceed one percent (1%) of the budgeted Common Expenses for a given fiscal year, does not require a special assessment, and which, with other such improvements does not exceed twenty thousand dollars in the aggregate shall not be considered an improvement, but rather an expense incurred in the operation, care, upkeep and maintenance of the Common Elements.

E. Notwithstanding anything in the preceding paragraphs A and B contained, (a) in the event that any Unit Owner or Owners shall by notice in writing to the Trustees dissent from any determination of the Trustees with respect to the value of the Condominium or any other determination or action of the Trustees under said paragraphs A and B, and such dispute shall not be resolved within thirty (30) days after such notice, then either the Trustees or the dissenting Unit Owner or Owners may submit the matter to arbitration, and for that purpose one arbitrator shall be designated by the Trustees, one by the dissenting Unit Owner or Owners and a third by the two arbitrators so designated, and such arbitration shall be conducted in accordance with the rules and procedures of the American Arbitration Association, and (b) the Trustees shall not in any event be obliged to proceed with any repair, rebuilding or restoration, or any improvement, unless and until they have received funds in an amount equal to the estimate of the Trustees of all costs thereof.

F. If and whenever any Unit Owner shall propose to make an improvement or alteration to or affecting the common areas and facilities of the Condominium at such Unit Owner's own expense, and the Trustees determine in their reasonable discretion that such improvement would be consistent and compatible with the provisions and intent of said Master Deed, the Trustees may, but shall not be obligated to, authorize such improvement or alteration to be made at the sole expense of the Unit Owner proposing the same, without the consent or approval of other Unit Owners, subject to such contractual undertakings of the Unit Owner proposing such improvement or alteration as the Trustees in their reasonable discretion deem to be necessary or desirable in the circumstances.

G. Notwithstanding anything to the contrary contained in this Section 4, with the consent of Cabana Unit Owners holding seventy-five percent (75%) or more of the aggregate beneficial interest of all Cabana Unit Owners in this Trust, the Trustees of The Belmont Condominium Trust may impose upon the Owners of the Cabana Units a special assessment to pay the costs of capital improvements, decorations and/or special maintenance, repair or replacement which is primarily related to the Cabana Units and their use; and with the approval of said Trustees, the Cabana Unit Owners holding sixty-six and 2/3 percent (66 2/3%) or more of the aggregate beneficial interest of all Cabana Unit Owners in this Trust, may assess upon themselves a special assessment to defray the costs of special services which they desire to provide exclusively for the use and benefit of the Cabana Units. For the purpose of the votes herein mentioned, Cabana Unit Owners shall be entitled to vote only those votes which are attributable to Cabana Units and shall not vote the votes attributable to any Residential Units owned by them.

The costs of any such special assessment shall be charged to each Cabana Unit Owner pro rata based upon such Cabana Unit Owner's beneficial interest in this Trust as a percentage of the aggregate percentage of beneficial interest in this Trust held by all Cabana Unit Owners.

Section 5. SPECIAL COMMON FACILITIES

A. Subject to the rights of the Declarant pursuant to Section 5 and 7 of the Master Deed, the Trustees may from time to time assign additional parking spaces to particular Unit Owners. Such additional parking spaces shall be so assigned for such periods and for such monthly charges as the Trustees may in their discretion determine, all such charges to constitute common funds upon receipt by the Board. All such designations and assignments shall be made on a fair and equitable basis, taking into account the reasonable needs of particular Unit Owners, provided, however, that no Unit Owner shall be assigned more than one additional parking space unless and until all Unit Owners desiring an additional space have been assigned one.

The Trustees may require Unit Owners to enter a contractual undertaking with the Trustees with respect to landscaping and gardening areas allocated to the exclusive use of Unit Owners to assure compliance by such Unit Owners with such rules, regulations and other requirements as the Trustees deem necessary or desirable as to the design, layout, care, maintenance and removal of any such landscaping or gardens. Subject to the rights of Declarant pursuant to Section 7 of the Master Deed, the Trustees may in their discretion assign lockers in Building No. 3 of the Condominium and storage spaces in the storage areas and storage rooms of the Condominium to particular Unit Owners for such periods and for such fees as said Trustees may in their reasonable discretion determine, all such charges to constitute common funds upon receipt by the Trustees, provided, however, that lockers shall not be assigned to Owners of Cabana Units.

B. The Trustees may at reasonable times and in accordance with rules and regulations from time to time adopted by the Trustees close recreational facilities or other common areas and facilities of the Condominium to common use of the Unit Owners and temporarily allocate the use thereof to the Trustees, or, upon application therefor, to any Unit Owner or Owners, for their exclusive use for meetings, social and other functions and other purposes consistent with the comfort and convenience of the Unit Owners and their enjoyment of the amenities of the Condominium, and upon payment of charges therefor from time to time established by the Trustees, which charges shall be in addition to common expenses and shall upon receipt by the Trustees constitute common funds.

Section 6. RESTRICTIONS, REQUIREMENTS, RULES AND REGULATIONS

The use of the Condominium and each Unit Owner's Unit shall be restricted to and shall be in accordance with the provisions of said Master Deed, this Trust (including the rules and regulations promulgated pursuant hereto), and all applicable laws, zoning ordinances, rules, regulations and requirements of all governmental bodies having jurisdiction over the Condominium or the use and occupancy thereof. The Trustees may eliminate any violation of any such provisions and the cost and expense of eliminating same shall constitute a common expense; except, however, that if a violation is caused in whole or in part by any Unit Owner, his family, servants, employees, agents, visitors, lessees, or licensees, the cost and expense of eliminating such violation, or such portion of such cost and expense as the Trustees may determine, shall be charged to the Unit of such Unit Owner, and shall constitute a portion of such Unit Owner's common expenses which shall be payable by the Unit Owner of such Unit upon demand and until same is paid by such Unit Owner, shall constitute a lien against such Unit pursuant to the provisions of this paragraph and section 6 of said Chapter 183A.

The Trustees has adopted the Rules and Regulations (the "Rules and Regulations"), set forth in Schedule A annexed hereto, containing 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 provisions of said Master Deed and are designed to prevent unreasonable interference with the use by Unit Owners of their Units and of the common areas and facilities. The Rules and Regulations are hereby expressly made a part of and incorporated by this reference into the By-Laws of this Trust.

The Trustees may at any time and from time to time amend, alter, add to or change the Rules and Regulations in accordance with the provisions of Section 1 of Article VII of this Trust.

The Trustees shall have the non-delegable right at any time and from time to time to adopt, amend and rescind administrative rules and regulations governing the details of the operation and use of the common areas and facilities (including without limitation common areas and facilities the exclusive benefit of which is for one or more Units) and Cabana Units, provided same are not inconsistent with the Rules and Regulations set forth in Schedule A hereto. A majority of the Unit Owners present in person or by proxy at a duly held meeting of Unit Owners (as provided in Section 7B of this Article V) may overrule the Trustees. Copies of such administrative rules and regulations and any amendments thereof shall be furnished by the Trustees to each Unit Owner not less than fifteen (15) days prior to the effective date thereof.

The Rules and Regulations, as from time to time amended, and the administrative rules and regulations of the Trustees shall be enforced by the Trustees. The Trustees may eliminate any violation of any such rules and regulations and the cost and expense of eliminating same shall be chargeable to the Unit Owner who himself or whose family, servants, employees, agents, visitors, lessees, licensees, or pets are responsible for such violation and shall constitute a portion of such Unit Owner's common expenses which shall be payable by the Unit Owner of such Unit upon demand and until same is paid by such Unit Owner shall constitute a lien against such Unit pursuant to the provisions of this paragraph and Section 6 of said Chapter 183A. The Trustees may also fine such Unit Owner for such violations and such fine shall constitute a portion of such Unit Owner's common expenses which shall be payable by the Unit Owner of such Unit upon demand and until same is paid by such Unit Owner shall constitute a lien against such Unit pursuant to the provisions of this paragraph and Section 6 of said Chapter 183A.

For the purposes of this section, a tenant at the Condominium shall be deemed a Unit Owner; provided, however, that enforcement by fine, or as otherwise provided, shall be directly against such tenant. A failure of such a tenant to pay a fine on demand shall constitute grounds for the Trustees to seek the eviction of such tenant as in the Master Deed provided.

Section 7. MEETINGS

A. The Board of Trustees shall meet annually on the date of the annual meeting of the Unit Owners and at such meeting shall elect the Chairman, Treasurer, and Secretary hereinbefore provided for. Other meetings may be called by the Chairman 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 four days before such meeting to each member of the Board of Trustees. One half of the number of Trustees shall constitute a quorum at all meetings, and such meetings shall be conducted in accordance with such rules as the Trustees may adopt.

Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all Trustees consent to the action in writing and the written consents are filed with the records of the Board. Such consents shall be treated for all purposes as a vote at a meeting.

B. There shall be an annual meeting of the Unit Owners on the first Saturday of July in each year at 10:00 A.M. at the Condominium premises or at such other reasonable place and time (not more than twenty-one (21) days before or after said date) as may be designated by the Trustees by written notice given to the Unit Owners at least fourteen (14) days prior to the date so designated. At the annual meeting of the Unit Owners, the Trustees shall submit reports of the management and finances of the Condominium.

Special meetings 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 twenty percent (20%) of the beneficial interest hereunder. Written notice of any such special meeting designating the place, day and hour thereof shall be given by the Trustees to the Unit Owners at least fourteen (14) days prior to the date so designated.

Whenever at any meeting the Trustees propose to submit to the Unit Owners any matter with respect to which approval of or action by the Unit Owners is necessary or appropriate, the notice of such meeting shall so state and reasonably specify such matter.

Each Unit Owner, or a person designated by such Unit Owner to act as proxy on his behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to his Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Trustees and shall be revocable at any time prior to the meeting at which it is to be used by written notice to the Trustees by the Unit Owner so designating. Each Unit

Owner shall be entitled to cast one vote for each .0001% of such Unit Owner's percentage beneficial interest hereunder at all meetings of the Unit Owners and for all other voting purposes hereunder. The vote of a majority of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where otherwise provided by law or by this Trust.

Except as otherwise provided in this Trust, the presence in person or by proxy of Unit Owners with fifty percent (50%) or more of the beneficial interest under the Trust shall constitute a quorum at all meetings of the Unit Owners.

For purposes of this Trust, a majority of Unit Owners present in person or by proxy at a meeting of Unit Owners shall mean Unit Owners having more than fifty percent (50%) of the total number of votes entitled to be cast by the Unit Owners present in person or by proxy at such a meeting where a quorum is present.

Section 8. FIRST REFUSAL

The right of first refusal with respect to sales of Units set forth in Section 12 of the Master Deed shall be exercised by the Trustees. In the event that the Trustees shall elect to purchase (or lease) a Unit pursuant to provisions of said Section 12, the purchase price (or rents) and the costs thereof shall constitute common expenses and the Trustees may expend common funds therefor.

Section 9. NOTICES TO UNIT OWNERS

Except as otherwise provided in this Trust, every notice to any Unit Owner required under the provisions hereof, or which may be deemed by the Trustees necessary or desirable in connection with the execution of trust created hereby or which may be ordered in any judicial proceeding shall be deemed sufficient and binding if a written or printed copy of such notice shall be given by one or more of the Trustees to such Unit Owner by leaving such notice with him at his residence in the Condominium or by mailing it, postage prepaid, and addressed to such Unit Owner at his address as it appears upon the records of the Trustees, at least seven days prior to the date fixed for the happening of the matter, thing or event of which such notice is given.

Section 10. INSPECTION OF BOOKS, REPORT TO UNIT OWNERS

Books, accounts and records of the Trustees shall be open to inspection to any one or more of the Trustees and the Unit Owners at all reasonable times. The Trustees shall, as soon as reasonably possible after the close of each fiscal year, or oftener if convenient to them, submit to the Unit Owners a report of the operations of the Trustees for such year which shall include financial statements in such summary form and only in such detail as the Trustees 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 Trustees given by registered mail within a period of six (6) months of the date of the receipt by him shall be deemed to have assented thereto.

Section 11. CHECKS, NOTES, DRAFTS, AND OTHER INSTRUMENTS

Checks, notes, drafts 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 any person or persons, to whom such power may at any time or from time to time be delegated by not less than a majority of the Trustees.

Any instrument signed by any one, or more Trustees which contains or is accompanied by a certification that said Trustee, or Trustees, are authorized to execute and deliver the same by appropriate vote of the Trustees shall be conclusive evidence in favor of every person relying thereover or claiming thereunder.

Section 12. SEAL

The seal of the Trustees shall be circular in form, bearing the inscription - "THE BELMONT CONDOMINIUM TRUST - 1979" - but such seal may be altered by the Trustees at pleasure and the Trustees may, at any time or from time to time, at their option, adopt a common or wafer seal which shall be valid for all purposes.

Section 13. FISCAL YEAR

The fiscal year of the Trust shall be the year ending with the last day of June or such other date as may from time to time be determined by the Trustees.

Section 14. ENFORCEMENT OF CHARGES, FINES, OBLIGATIONS

To the extent not otherwise herein provided, any charge, fine, or other financial obligation to, of or on any Unit Owner, and/or herein provided for shall constitute a lien upon such Unit and be enforceable to the same manner and extent as for Common Expenses provided for in this Trust and Section 6 of Chapter 183A.

Section 15. SALE OR LEASE OF UNITS

A Unit Owner may, subject to the restrictions of the Master Deed and this Trust, assign, lease, sell or otherwise transfer all of his interest in his Unit(s), together with: (i) the undivided interest in the Common Areas and Facilities appurtenant thereto; (ii) the exclusive right of such Unit Owner to use an appurtenant automobile parking space, if any, and any other portion of the Common Areas and Facilities to which said Unit Owner has an exclusive right of use; (iii) the interest of such Unit Owner in any Units theretofore acquired by the Trust or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iv) the interest of such Unit Owner in any other assets of the Condominium such Unit Owner in any other assets of the Condominium ((i), (ii), (iii) and (iv) above hereinafter collectively called the "Appurtenant Interests") in the manner set forth below:

A. Subjection to Condominium Documents. Any deed to a purchaser or lease to a lessee shall provide that the acceptance thereof shall constitute an assumption of the provisions of the Master Deed, this Trust, and the Rules and Regulations promulgated thereunder, as the same may be amended from time to time. Any such lease shall be consistent with the restrictions contained in the Master Deed and shall be deemed to provide that the Trustees shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder (i) in the event of default by the tenant in the performance of such lease, (ii) in the event of the creation, continuance or sufferance of a nuisance in or about the premises or (iii) in the event of a violation of the provisions of the Master Deed, this Trust and/or the Rules and Regulations promulgated thereunder.

B. No Partition or Severance. No Unit Owner shall execute any deed, lease, 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, lease, mortgage other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, leased, transferred or otherwise disposed of, except as part of sale, lease, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, lease, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Notwithstanding the foregoing a Unit Owner may, subject to the restrictions of the Master Deed and this Trust, rent, let or lease an appurtenant parking space(s) to a resident of the Condominium.

C. Acquisition of Units By Trustees. Acquisition of Units by the Trustees for the Trust may be made from the working capital and common funds in the hands of the Trustees, or if such funds are insufficient, the Trustees may levy an assessment against each Unit Owner in proportion to his Beneficial Interest, as a Common Charge, or the Trustees, in their 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 any property other than the Unit, together with the Appurtenant Interests, to be so acquired by the Trustees.

D. Notice of Transfer. In the event, and at the time a Unit Owner should assign, lease, sell or otherwise transfer his interest in his Unit, such Unit Owner shall notify the Trustees of the name and address of the person to whom he is so transferring whereupon the Trustees shall provide such person with copies of the Master Deed, this Trust and the Rules and Regulations promulgated thereunder, as they may then be amended. The Trustees may charge such Unit Owner a reasonable fee for the provision of said documents.

E. Payment of Common Charges on Sale; 6(d) Certificate. Notwithstanding anything herein otherwise contained, no Unit Owner may transfer by sale, conveyance, assignment or otherwise (renting, letting or leasing excepted) his Unit unless and until all outstanding Common Charges as to such Unit are paid and/or payments of such Charges are current. In such case as the Common Charges are paid and/or current as aforesaid the Trustees shall, in connection with such transfer, promptly provide such Unit Owner, or his designee, upon request, a written statement in recordable form, and in conformity with Chapter 183A, Section 6(d), specifying that there are no unpaid Common Expenses attributable to such Unit. The Trustees may in their discretion impose a reasonable fee for the provision of such statement. Such Certificate need only be signed by any one Trustee.

Section 16. INFORMATION TO BE PROVIDED BY UNIT OWNERS TO TRUSTEES

Each Unit Owner shall provide to the Trustees, at such times and in such manner and form as the Trustees may determine, such information and data as the Trustees may reasonably require in and for the efficacious performance of the Trustees duties as herein provided. Such information and data shall include, but shall not be limited to (i) such as would be necessary to contact a Unit Owner; (ii) datum including recording datum, as to the Unit Deed and all mortgages; and (iii) datum as to policies of insurance upon a Unit.

Section 17. UNIT MORTGAGES

Any Unit Owner may, without the prior written approval of the Trustees, mortgage his Unit to any person, firm or entity.

A. Notice to Trustees. A Unit Owner who mortgages his Unit, shall notify the Trustees of the name and address of his mortgagee and the Trustees shall maintain such information. The failure of a Unit Owner to so notify the Trustees shall not invalidate the mortgage or any other provisions of the rights of any holder of such mortgage.

B. Notice of Unpaid Common Charges or Other Default; Material Amendment. The Trustees, whenever so requested in writing by a mortgagee of a Unit, shall promptly report (i) any then unpaid Common Charges due from, or any other default by, the Unit Owner of the mortgaged Unit; (ii) any other default in the performance by the Unit Owner of the mortgaged Unit of any obligation under the Master Deed, this Trust or the Rules and Regulations which is not cured within sixty (60) days of notice to the Unit Owner; (iii) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a mortgage held, insured, or guarantee by a mortgage holder or insurer or guarantor, as applicable; (iv) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Trustees; (v) any proposed action which requires the consent of a specified percentage of eligible mortgage holders as specified in the Master Deed or this Declaration of Trust; and/or (vi) any proposed material amendment to this Trust which may affect such eligible mortgagee's interests or rights.

C. Assignment of Unit Owner Rights. The right of any Unit Owner to vote, to grant or withhold any consent, and to exercise any other right or option herein granted to a Unit Owner may be assigned or transferred in writing to, or restricted in favor of, any mortgagee or a mortgage covering that Owner's Unit, and the Trustees shall upon receipt of written notice thereof from such Unit Owner or mortgagee be bound by any such assignment or transfer which appears of record be in full force and effect.

Section 18. ATTORNEYS FEES AND COSTS

In such case as it is necessary for the Trustees to engage the services of an attorney, or attorneys for the purpose of enforcing against a Unit Owner, tenant, occupant, or other person bound thereby, any provision of the Master Deed, the Declaration of Trust, the Rules and Regulations, or obligations thereunder, and the Trustees should prevail thereon, said Unit Owner, tenant, occupant or other such person shall be liable for, in addition to any other liability, the fees and costs of such attorneys in so proceeding thereto. As to Unit Owners, the amount of such fees and costs shall constitute a lien upon the Unit enforceable to the same manner and extent as a lien for Common Expenses, and the Unit Owner shall be personally liable therefore.

Section 19. ACTION UPON VOTES

Upon any vote taken by the Trustees or the Unit Owners said vote shall become a nullity unless such acts and/or things so as to effectuate said vote are undertaken within six (6) months of the date of such vote or the first date of a written vote where such is other than at a meeting.

ARTICLE VI - RIGHTS AND OBLIGATIONS OF THIRD PARTIES
DEALING WITH THE TRUSTEES

Section 1. No purchaser, mortgagee, lender or other person dealing with the Trustees as they then appear of record in said Registry of Deeds shall be bound to ascertain or inquire further as to the persons who are then Trustees hereunder or be affected with any notice, implied or actual, otherwise than by a certificate thereof, and such record or certificate shall be conclusive evidence of the personnel of said Trustees and of any changes therein. The receipts of the Trustees or any one or more of them for moneys 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 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 or any one or more of them purporting to be done in pursuance of any of the provisions or powers herein contained, or as to the regularity of the resignation or appointment of any Trustee, and any instrument of appointment of a new Trustee or of an old Trustee purporting to be executed by the Trustees, Unit Owners or other persons herein required to execute the same shall be conclusive evidence in favor of any such purchaser or other person dealing with the Trustees of the matters therein recited relating to such discharge, resignation or appointment or the occasion thereof.

Section 2. 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 proceeding, 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 payment under such contract or claim, or for the payment of any debt, damage, judgment of 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 therefor; provided, however, that nothing herein contained shall be deemed to limit or impair the liability of Unit Owners under provisions of Section 7 of Article III hereof or under provisions of said Chapter 183A.

Section 3. 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 hereof, whether or not express references shall have been made to this instrument.

Section 4. This Declaration of Trust and any amendments hereto and any certificate herein required to be recorded and any other certificate or paper (including without limitation a certificate pursuant to General Laws, Chapter 183A, Section 6(d)) signed by said Trustees or any of them which it may be deemed desirable to record shall be recorded with said Registry of Deeds and such recording 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-thirds (2/3) of the Trustees in office at the time, setting forth as facts any matters affecting the Trust, including statements as to who are the beneficiaries, as to what action has been taken by the beneficiaries, and as to matters determining the authority of the Trustees to do any act, when duly acknowledged and recorded with said 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 and of the existence of the facts therein set forth.

ARTICLE VII - AMENDMENTS AND TERMINATION

Section 1. The Trustees 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, provided such amendment, alteration, addition or change is consented to in writing by a majority of the Unit Owners present in person or by proxy at a duly held meeting of Unit Owners (as provided in Article V, Section 7B hereof), or if such amendment, alteration, addition or change affects a provision then requiring more than a majority, then by such larger percentage, with 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) made without the consent of the Declarant of said Master Deed prior to (i) the date on which the Declarant ceases to own five percent (5%) or more of the Units in the Condominium (including for these purposes Residential Units in Part 1 of the Condominium as well as all Residential Units currently contemplated to be added to the Condominium pursuant to Section 9 of the Master Deed, whether or not construction of such additional Residential Units has yet commenced), or (ii) the 1986 annual meeting of Unit Owners, whichever of said (i) or (ii) shall first occur; (b) according to the purport of which, the Declarant's rights under Section 1 of Article III hereof are changed in any way; (c) according to the purport of which, the percentage of the beneficial interest hereunder of any Unit Owner would be altered, or in any manner or to any extent whatsoever modified or affected so as to be different than the percentage of the individual interest of such Unit Owner in the common areas and facilities as set forth in said Master Deed, other than by

consent of all the Unit Owners; or (d) which would render this Trust contrary to or inconsistent with any requirements or provisions of said Chapter 183A -- shall be valid or effective; provided further, however, that nothing herein contained shall be deemed or construed to vitiate or impair the rights reserved to the Declarant of the Master Deed in and by provisions of Section 9 thereof without the consent of any Unit Owner to amend said Master Deed so as to include Additions to the Condominium as therein defined and thereby to alter the percentages of beneficial interest as set forth in Article IV, Section 1, hereof.

Any amendment, alteration, addition, or change pursuant to the foregoing provisions of this Section shall become effective upon the recording with said 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 acknowledgement of deeds, by the Trustees, setting forth in full the amendment, alteration, addition, or change, and reciting the consent of the Unit Owners herein required to consent thereto. Such recitation of consent may be in the form of a certificate of the Trustees, signed, sealed and acknowledged in the manner required in Massachusetts for the acknowledgement of deeds, stating that the amendment, alteration, addition, or change was consented to in writing by a majority of the Unit Owners present in person or by proxy at a duly held meeting of Unit Owners (as provided in Article V, Section 7B hereof). Such instrument and certificate, 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.

The foregoing notwithstanding, the Trustees shall have the power coupled with the interest to, by an instrument signed by a majority of their number and duly recorded with the Barnstable County Registry of Deeds, amend this Declaration of Trust to (1) correct any scribners error made herein, or (2) to make this Declaration of Trust comply with Massachusetts General Laws, Chapter 183A, and other applicable state or federal law or regulation, or (3) to comply with rules or regulations promulgated by the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLCA), and other so-called secondary mortgage market agencies as the Trustees may deem appropriate.

Section 2. 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 of said Chapter.

Section 3. Upon the termination of this Trust, the Trustees may, subject to and in accordance with provisions of said Chapter 183A, sell and convert into money the whole of the trust property, or any part or parts thereof, and, after paying or retiring all known liabilities and obligations of the Trustees and providing for indemnity against any other outstanding liabilities and obligations, shall divide the proceeds thereof among, and distribute in kind, 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 percentages of beneficial interest hereunder. And in making any sale under this provision the Trustees shall have power to sell or vary any contract of sale and to resell without being answerable for loss and, for said purposes, to do all things, including the execution and delivery of instruments, as may be 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 property at any time remaining in their hands or ownership, even though all times herein fixed for distribution of Trust property may have passed.

ARTICLE VIII - CONSTRUCTION AND INTERPRETATION; SEVERABILITY

A. In the construction hereof, whether or not so expressed, words used in the singular or in the plural, respectively, include both the plural and the singular, words denoting males include females, and words denoting persons include individuals, firms, associations, companies (joint stock or otherwise), trusts and corporations unless a contrary intention is to be inferred from or required by the subject matter or context. The cover, title, headings of different parts hereof, the table of contents and the marginal notes, if any, are inserted only for the convenience of 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.

B. The invalidity of any provision of this Trust shall not be deemed to impair or affect the validity of the remainder of this Trust; and, in such event, all of the provisions of this Trust shall continue in full force and effect, as if such invalid provision had never been included herein.