

THE VILLAGES AT QUAIL RUN  
CONDOMINIUM AMENDMENT TO THE BY-LAWS

Reference is hereby made to those certain By-Laws recorded June 30, 2008, and recorded with the Middlesex County South District Registry of Deeds in Book 51379, Page 419, as amended, which are the By-Laws of, pursuant to Massachusetts General Laws, Chapter 183A, The Villages at Quail Run Condominium Association, the organization of Unit Owners of The Villages at Quail Run Condominium, a condominium established pursuant to Massachusetts General Laws, Chapter 183A, by a Master Deed dated June 14, 2002, and recorded with the Middlesex County South District Registry of Deeds in Book 35747, Page 213, as may be amended.

WHEREAS said By-Laws have heretofore been amended.

WHEREAS the Unit Owners entitled at least sixty-six and two thirds percent (66 2/3 %) of the Beneficial Interest desire to further amend said By-Laws as provided in Article XIII thereof.

WHEREAS no other consents are required.

NOW THEREFORE said By-Laws are hereby further amended in accordance with the provisions of said Article XIII by deleting Article IX in its entirety, and by inserting in place thereof the following:

## ARTICLE IX INSURANCE

### SECTION 1. INSURANCE.

The Governors and the Unit Owners shall obtain and maintain the following insurance policies:

A. Casualty Insurance. The Governors shall obtain and maintain, to the extent reasonably obtainable and permitted by applicable law, so-called master policies of casualty insurance providing fire-with-extended coverage and so-called all risk coverage insurance, insuring the Condominium, including, without limitation, the Common Areas and Facilities, all of the Units with all fixtures, additions, alterations and improvements thereof, all heating and cooling equipment and other service machinery, apparatus, equipment and installations comprised in the Common Areas and Facilities, and also all such portions normally deemed to constitute part of the buildings and customarily covered by such insurance, but not including any furniture, furnishings or household and personal property belonging to and owned by individual Unit Owners or Tenants, in an amount equal to the full replacement cost thereof (as that term is used for insurance purposes), subject to such reasonable deductible as the Governors may determine, and which shall include, if available at a reasonable cost, so-called Agreed Amount, Inflation Guard, Construction Code and Replacement Cost Endorsements. The Governors may purchase a so-called "blanket" policy covering all of the buildings, if there be more than one, if they deem it advisable. In determining full replacement value, the Governors may reasonably rely upon the advice of the insurer or their agent. The name of the insured under such policy shall be stated in form, substance and effect similar to the following: "Governors of The Villages at Quail Run Condominium Association for use and benefit of the Unit Owners of The Villages at Quail Run Condominium and their mortgagees as their interests may appear". Such insurance shall contain the standard mortgagee clause and shall name the Governors as Insurance Trustees for the use and benefit of all Unit Owners of The Villages at Quail Run Condominium and their mortgagees as their interest may appear, with losses payable to and adjusted by the Governors as Insurance Trustees in accordance with the provisions of these By-Laws. The Governors may insure against such other hazards or risks of casualty as the Governors from time to time in their discretion shall determine to be appropriate, including, but not limited to, vandalism, malicious mischief, windstorm and water damage, earthquake, flood and machinery or damage.

**B. Liability Insurance.** The Governors shall obtain and maintain, to the extent obtainable and/or applicable, master policies of insurance with respect to the Common Areas and Facilities for the benefit and protection of the Association and, all Unit Owners for: (i) comprehensive public liability insurance in such limits as the Governors may, from time to time, determine but in no case less than \$1,000,000/1,000,000 in coverage, covering the Association, the Governors; the Property Manager, if any, and each Unit Owner with respect to liability arising out of ownership, maintenance or repair of the Common Areas and Facilities of the Condominium, such insurance providing for cross claims by the coinsureds, and containing a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Condominium Unit Owner because of negligent acts of the Association, the Governors or other Unit Owners, and other provisions commonly referred to as a "Special Condominium Endorsement" or its equivalent; (ii) worker's compensation and employee's liability insurance; (iii) if applicable, boiler and machinery insurance in such limits as the Governors may, from time to time, determine but in no case less than \$2,000,000 or the insurable value of the building(s) housing the boiler or machinery, whichever is less; (iv) non-owned automobile liability' insurance with the same limits as item (i) and (y) such other liability insurance as the Governors may from time to time deem appropriate and desirable, including 'non-owned ' automobile liability insurance.

**C. Fidelity Coverage.** The Governors shall obtain fidelity coverage against dishonest acts on the part of the Governors, the Property Manager, if any, employees or volunteers responsible for handling funds belonging to the Association or administered by , the Governors. This fidelity insurance shall name The Villages At Quail Run Condominium Association as the named insured and shall be written in an amount equal to the maximum amount that will be in the custody of the Association at any one time, but in no event less than three months Common Expenses plus all reserves. In connection with such coverage, an appropriate endorsement to the policy to cover persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

D. Directors And Officers Liability Insurance. The Governors shall obtain Directors and Officers Liability Insurance in such amounts and upon such terms as they deem appropriate, but at least equal to their general liability policy limits provided above.

E. FHLMC And FNMA Insurance Requirements. If the Federal Home Loan Mortgage Corporation (FHLMC) or the Federal National Mortgage Association (FNMA) or any other so-called Secondary Mortgage Market Agency holds any interest in one or more mortgages on Units of which the Governors have received notice, the Governors shall obtain and maintain, to the extent reasonably obtainable, such other insurance as may be required from time to time by whichever of FHLMC, FNMA or other 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, FNMA or other holds such interest.

F. Unit Owners' Insurance. Unit Owners shall carry insurance for their own benefit insuring their furniture, furnishings: and other personal property located within their respective Units or its appurtenances, and for such as is not covered by the Condominium master policies - particularly any deductible - and that they ensure that the existence and application of the , deductible on the Condominium master policy shall be treated as if there was no insurance coverage for the purposes of the application of any so-called other insurance clause on a Unit Owner's individual policy; provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Governors shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner, or if so effected, it shall be deemed that the Unit Owners' insurance coverage has been assigned to the Association to the extent of such effect. Unit Owners shall in all events maintain liability insurance covering damage to the Property in such reasonable amounts as the Governors may determine and, upon request, provide evidence thereof to the Governors.

G. Terms And Conditions Of Policies. Policies for casualty insurance, and to the extent applicable, such other policies of insurance, shall provide: (i) that the insurance company waive any right of subrogation against the Governors, their agents and employees, and the Unit Owners, their respective employees, agents, tenants and guests to the extent they are not specifically obligated hereunder; (ii) that the insurance shall not be prejudiced by any, act , or neglect of any: Unit Owners

or occupants or any other person or firm (including employees and agents of the Governors) when such act or neglect is not within the control of the Governors (or Unit Owners collectively) or by failure of the Governors (or Unit Owners collectively) to comply with any warranty or condition with regard to any portion of the premises over which the Governors (or Unit Owners collectively) have no control; (iii) that such policies may not be canceled or substantially modified without at least twenty (20) days' prior written notice to all, Unit Owners and mortgagees of Units to whom certificates of insurance have been issued; (iv) that recovery thereunder shall not be affected on account of the availability of proceeds under any policies obtained by individual Unit Owners covering their Units; and (v) if obtainable, that the company shall waive any right it may have under the policy to repair or restore damage should the Unit Owners elect to terminate the Condominium because of such damage.

Such insurance policies may provide for a reasonable deductible from the coverage thereof as determined by the Governors in their sole discretion. In the event of any loss which relates in part to insurable portions of a Unit, or Units, and/or in part to the Common Elements, the Governors shall apportion the deductible amount directly proportional to the amount of such loss related to such Unit, or Units, and/or the amount of the loss related to the Common Areas and Facilities. Where such loss is solely to a Unit, the deductible amount shall be borne solely by the Unit Owner thereof. Where such loss is solely to the Common Elements, such shall be borne from the common funds. Additionally, all costs of adjusting and/or administering a loss shall be so apportioned and deducted from the insurance proceeds.

H. Insurance Appraisal. The Governors may obtain an appraisal of the full replacement cost 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/or may rely thereon, or upon the advice of the Association's insurance agent as to the amount of necessary coverage. If the Governors 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.

Governors As Insurance Trustees. The Governors (i) shall have exclusive authority to negotiate all losses as herein provided for, (ii) shall collect and receive all loss insurance

proceeds, and (iii) shall hold, use, apply and disburse the same in accordance with the applicable provisions of these By-Laws for the benefit of the Unit Owners and their respective mortgagees respect to losses which affect portions or elements covered by such insurance of more than one Unit and/or the Common Elements to different extends, the proceeds relating thereto 'shall be' used, applied and disbursed by the Governors in their judgment in a fair and equitable manner, primarily based upon the relative losses.

J. Authorized Insurance Representative. Notwithstanding any of the forgoing provisions and requirements, to the contrary relating to physical damage or liability insurance, there may be named as an insured, on behalf of the Governors, the Governors' authorized representative, including any Governor, with whom such Governors may enter into any Insurance Trust Agreement or any successor to such Governors (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such physical damage or public liability insurance. Each Unit Owner appoints the Governors, or any Insurance Trustee or substitute Insurance Trustee designated by the Governors, as his attorney-in-fact for the purpose of purchasing, maintaining and administering such insurance, including without limitation the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose:

K. Notification Of Mortgagees. The Governors, shall, when requested by mortgagees of Units, give written notice to such mortgagees of such loss to the Common Areas and Facilities, or to the Unit mortgaged, as the mortgagee requests.

L. Certificates Of Insurance. Certificates of insurance with proper mortgagee endorsements, when requested, shall be issued to Unit Owners or their designees. The Governors may charge a reasonable fee for issuing such certificates.

M. Notification To Governors Of Improvements. Each Unit Owner shall notify the Governors in writing of all improvements to his/her Unit (except personal property, other than fixtures) which exceed a total value of Twenty Thousand (\$20,000.00) Dollars within twenty (20) days after the commencement of construction or installation of such improvement, and upon receipt of such notice, the Governors shall notify the insurer under any casualty policy obtained pursuant to this Section of such improvements and shall, if necessary, purchase additional casualty insurance in such amounts



as may be required under this Section. Any premium increase caused by insuring such improvements may be assessed to the Owner of the improved Unit as a Common Expense attributable to such Unit. No Unit Owner shall be entitled to receive insurance proceeds for repair, replacement or restoration : of any such improvement not so reported to the Governors,. unless otherwise consented to the Governors.

N. Waiver Of Claims. To the extent the Governors maintain the casualty insurance herein provided for, the Unit Owners shall be precluded from making any claim against the Association and/or its Governors for property damage to the Units and/or the property of the Unit Owner kept within the Condominium and the Unit Owners shall look solely to such property insurance as they may, personally maintain.

IN WITNESS WHEREOF we, the undersigned being a majority of the Governors of The Villages at Quail Run Condominium Association having first received the affirmative vote of the Unit Owners entitled to at least sixty-six and two thirds percent (66 2/3 %) of the Beneficial Interest have set our hands and seals this 21<sup>st</sup> day of January, 2009.

Richard F. Ebens  
Governor

Robert Freedman  
Governor

Evelyn Spears  
Governor

COMMONWEALTH OF MASSACHUSETTS

Middlesex County, ss.

On this 21<sup>st</sup> day of January, 2009, before me, the undersigned notary public, personally appeared Richard Ebens, Robert Freedman, and Evelyn Spears proved to me through satisfactory evidence of identification, being (check whichever applies):  driver's license or other state or federal governmental document bearing a photographic image, oath or witness known to me who knows the above signatory,  or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her voluntarily for its stated purpose, as Governors of said The Villages at Quail Run Association.

Notary Public

My Commission Expires:

Print Notary Public's Name:

Qualified in the State/Commonwealth of MASSACHUSETTS



my Commission Ends May 17, 2013

