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acquisition by him which are unpaid as of the time of said acquisition, whether or not such assessments are then due, except that a first mortgagee or other purchaser at the foreclosure sale of a first mortgage lien or at a sale in lieu of such foreclosure, and a purchaser from a first mortgagee who purchases at such foreclosure sale or such a sale in lieu of foreclosure, shall not be liable for the payment of assessments unpaid and due as of the time of his acquisition but shall be liable for unpaid assessments becoming due thereafter.

A lien for unpaid Common Expenses or other assessments shall be subordinate to any first mortgage lien of record and to certain tax liens, as provided in Section 6 of the Act.

ARTICLE VII

INSURANCE AND VOTING IN THE EVENT OF DAMAGE OR DESTRUCTION

Section 1. Insurance to be Obtained. The Board of Directors shall obtain and maintain, to the extent obtainable, the following insurance:

- (a) Fire insurance with extended coverage, vandalism and malicious mischief endorsements insuring the building containing the Units and any other insurable improvements forming part of the Common Area (including without limitation all such portions of the Units as are for insurance purposes normally deemed to constitute part of the building and customarily covered by such insurance such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, floor coverings, bathroom and kitchen cabinets and fixtures, and heating and lighting fixtures, except for improvements made by individual Owners which exceed a total value of One Thousand Dollars (\$1,000.00) and are not reported to the Insurer) in behalf of the Owners and their mortgagees, as their respective interests may appear, and payable to the Board as Trustee for the Owners, in an amount equal to the full insurable replacement value of said property.
- (b) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000.00) for bodily injury and property damage per occurrence, insuring each member of the Board and the Owners with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against the individual liability of an Owner for negligence occurring within his own Unit or within the Limited Common Area of which he has exclusive use.

- (c) Workmen's Compensation insurance as required by law.
- (d) A Fidelity Bond insuring against wrongful acts of the person who may be responsible for handling the funds of the Association, which shall name the Association as the insured and shall be in an amount at least equal to the total of three (3) months common expense plus the amount of its reserve fund.
- (e) Such other insurance as the Board may determine.

Section 2. General Insurance Provisions.

- (a) The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for under this Article and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review to include an appraisal of improvements within the Indian Ridge and shall make any necessary changes in the policy provided for under Section 1(a) above (prior to the expiration date set forth in any agreed amount endorsement contained in said policy) in order to meet the coverage requirements of such Section.
- (b) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under this Article: (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees, members of the Board, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity on account of the conduct of any of the Owners over which the Association has "no control"; (iii) shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days written notice to all of the insureds thereunder and all mortgagees of Condominiums in Indian Ridge; (iv) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and (v) shall exclude policies obtained by individual Owners from consideration under any "no other insurance" clause.
- (c) Each Owner may obtain additional insurance for his own benefit and at his own expense. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to this Article, and each Owner hereby assigns to the Board the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof, as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Indian Ridge Condominium Association.

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- (d) Each Owner should obtain insurance for his own benefit and at his own expense insuring all personal property presently or hereafter located in his Unit and all improvements to his Unit which exceed a total value of One Thousand Dollars (\$1,000.00) and which are not reported in writing to the Board.
- (e) Each Owner, within twenty (20) days after the commencement of construction of such improvements, shall notify the Board of all improvements to his Unit (except personal property) which exceed a total value of One Thousand Dollars (\$1,000.00) and upon receipt of such notice, the Board shall notify the insurer, under any policy obtained pursuant to Section 1(a) hereof, of any such improvements.

Section 3. Procedure in the event of Damage or Destruction.
In the event of damage to or destruction of all or part of the Indian Ridge, as a result of fire or other casualty:

- (a) The Board shall arrange for the prompt repair and restoration of the damaged or destroyed portion of Indian Ridge and the Board shall disburse any insurance proceeds to the contractors engaged in such repair and restoration in appropriate progress payments, unless Indian Ridge is damaged or destroyed to the extent of 10% or more of its total replacement value and 75% of the Owners do not, within one hundred twenty (120) days of the date of such damage or destruction, determine to repair, reconstruct or restore said damaged or destroyed property. Any cost of such repair and restoration in excess of said insurance proceeds shall constitute a Common Expense and the Board may assess all the Owners for such excess in the same manner as Common Expenses are assessed; provided, however, that if Indian Ridge is damaged or destroyed to the extent of 10% or more of its total replacement value and 75% of the Owners agree to proceed with the necessary repair or restoration and if the amount by which the cost of rebuilding Indian Ridge exceeds any available common funds then held by the Association, including any insurance proceeds to which the Board is entitled, by more than 10% of said total replacement value, any Owner who did not so agree may apply to the Superior Court of Middlesex County on such notice to the Board of Directors as the Court shall direct, for an order directing the purchase of his Unit by the Board of Directors at the fair market value thereof as approved by the Court. The cost of any such purchase shall be a Common Expense. If the cost of such repair and restoration is less than the amount of said insurance proceeds, then the excess of said insurance proceeds over said cost shall be added to the Indian Ridge reserve for contingencies and replacements, or in the discretion of the Board, distributed to the Owners and their mortgagees, as their interest may appear, in accordance

with the percentages set forth in Appendix B hereto.

- (b) If Indian Ridge is damaged or destroyed to the extent of 10% or more of its total replacement value and 75% of the Owners do not, within one hundred twenty (120) days of the date of such damage or destruction, determine to repair, reconstruct or rebuild, the said property shall be subject to suit or to petition by any Owner to the Board for its sale and for partition of the net proceeds of such sale, which suit or petition shall be subject to dismissal at any time prior to entry of an order to sell or actual sale in the case of petition to the Board if an appropriate agreement to rebuild is filed. In the event that such a suit or petition is not dismissed, the said property shall be sold, as a whole or in parts and at one or more sales, upon such terms and conditions as the Court or Board, as the case may be, in its sole discretion deems in the best interest of the Owners and the net proceeds of such sale or sales, together with the net proceeds of insurance on said property, if any, shall be considered as a common fund and shall be divided by the Court or Board, as the case may be, among all the Owners in proportion to their respective percentage interests in the Common Areas of Indian Ridge, after first paying out of the share of each Owner, to the extent sufficient for that purpose, the amount of any unpaid liens relating to his Unit and undivided interest in the Common Area in the order of the priority of such liens. Upon such sale the Indian Ridge shall be deemed to be removed from the provisions of the Act.
- (c) Notwithstanding the provisions of subsections (a) and (b) hereinabove, the Owners by a vote of 75% of their total voting power may elect to sell said property, in which event the said property shall be sold and the net proceeds thereof, together with the net proceeds of insurance on said property, if any, shall be divided, in accordance with the provisions of said subsection (b). In the event of any sale or sales, either under said subsection (b) or this subsection, the members of the Board are hereby authorized to execute and deliver, in behalf of the Association and all of the Owners, any instruments necessary or required to effect such sale or sales and each Owner shall be obligated to execute and deliver such instruments and to perform such acts as may be necessary or required to effect such sale or sales.
- (d) The Board agrees to give the Federal Home Loan Mortgage Corporation, and all other first mortgagees of Units in Indian Ridge, notice in writing of any loss to or taking of the Common Area of Indian Ridge in excess of Ten Thousand (\$10,000.00) Dollars.

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ARTICLE VIIIREPAIR AND STRUCTURAL CHANGES BY OWNERS

Section 1. Owner's Obligation to Repair. Each Owner shall at his own expense maintain his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition to redecorating and keeping the interior of the Unit in good repair, each Owner shall be responsible for the maintenance, repair or replacement of any bathroom and kitchen fixtures, washers and dryers and hose attachments, plumbing fixtures, rental water heaters, heating equipment, lighting fixtures and other property which are not Common Area and which are located in his Unit. Each Owner shall immediately notify a member of the Board of any damage to or malfunction of any pipe, wire, or other utility installation which is Common Area within his Unit. No Owner shall permit any repair or other work in his Unit by anyone unless such person or entity has furnished written evidence that it has obtained reasonably adequate public liability and workmen's compensation insurance in form and amount which are satisfactory to the Board, and unless such repair or other work is performed in compliance with all governmental laws, ordinances, rules and regulations.

Section 2. Prohibition Against Structural Changes by Owner. In addition to the requirements with respect to repair or other work set forth in Section 1 above, no Owner shall, without first obtaining written consent of the Board: (i) make or permit to be made any structural alteration, improvement or addition in or to his Unit or in or to any other part of Indian Ridge, (ii) tamper with any bearing wall or take any other action or permit any action to be taken that will impair the structural soundness or integrity or safety of any building or other structure in Indian Ridge, (iii) impair any easement or right or personal property which is a part of Indian Ridge, or (iv) paint or decorate any portion of the exterior of any building or other structure in Indian Ridge or any Common Area therein.

ARTICLE IXSALES AND LEASES OF CONDOMINIUMS

Section 1. Right of First Refusal. In the event that an Owner receives a bona fide offer for the sale of his Condominium or a bona fide offer for a lease of his Condominium for a term of more than thirty (30) days including any potential renewal period, which he desires to accept, said Owner shall give notice of such offer to the Declarant, together with an executed copy of said offer including the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other