

**BY-LAWS
RULES AND REGULATIONS**

OF

THE CASTILLE CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

DEFINITIONS AND DESCRIPTION

Section 1.01. Unless the context shall clearly indicate some other meaning, all words and terms used in these By-Laws, Rules and Regulations which are defined in the Declaration of Condominium Ownership for The Castille Condominiums registered in the office of the Clerk of Court for the Parish of Orleans, State of Louisiana, shall, for all purposes of these By-Laws, have the respective meanings given to them in said Declaration.

The Castille Condominium is located on the following described property:

ONE CERTAIN LOT OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Sixth District of the City of New Orleans, in Square 181, Avart, bounded by Constance, Soniat, Laurel and Robert Streets, designated as Lot 17-A on the plan of resubdivision made by Gilbert, Kelly & Couturie, Inc., Surveying & Engineering, dated March 21, 2011, registered in CIN 492677, according to which said lot forms the corner of Constance and Soniat Streets and measures 89.35 feet front on Constance Street, the same width in the rear, by a depth of 144 feet between equal and parallel lines. Said Lot 17-A is composed of the whole of original Lots 18 and 19 and a portion of original Lot 17.

Municipal no. 5030 Constance Street, New Orleans, LA 70115

And consists of one building made up of eight (8) condominium units having a total square footage of 12,188.18 sq. feet which units are described as follows:

3050 Constance Street, New Orleans, LA 70115

Unit 1	1,148.27 sq. ft.
Unit 2	1,038.98 sq. ft.
Unit 3	731.32 sq. ft.
Unit 4	1,346.62 sq. ft.
Unit 5	2,008.06 sq. ft.
Unit 6	2,032.97 sq. ft.
Unit 7	1,940.98 sq. ft.
Unit 8	1,940.98 sq. ft.

ARTICLE II

MEMBERS (UNIT OWNERS)

Section 2.01. As provided in the Articles of Incorporation (the "Articles") of The Castille, Condominium Association, Inc. (the "Association"), each Unit Owner shall be a member of the Association. Each such Unit Owner's respective membership interest in the Association shall be in accordance with his respective percentage of ownership interest in the Common Elements but shall be entitled to only one vote per Unit owned regardless of percentage interest owned.

3050 Constance Street, New Orleans, LA 70115

Unit 1	1,148.27 sq. ft.	9.42%
Unit 2	1,038.98 sq. ft.	8.52%
Unit 3	731.32 sq. ft.	6.00%
Unit 4	1,346.62 sq. ft.	11.05%
Unit 5	2,008.06 sq. ft.	16.48%
Unit 6	2,032.97 sq. ft.	16.68%
Unit 7	1,940.98 sq. ft.	15.93%
Unit 8	1,940.98 sq. ft.	15.93%



Section 2.02. The membership in the Association of each Unit Owner shall automatically terminate when he ceases to be a Unit Owner and upon the conveyance, transfer or other disposition of a Unit Owner's ownership in the Property, said Unit Owner's membership in the Association shall automatically be transferred to the next Unit Owner succeeding to such ownership interest.

Section 2.03. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to as a "voting member"). Such voting member may be the Owner or one of the group composed of all the Owners of a Unit Ownership, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Owner or Owners. Any or all of such Owners may be present or represented by proxy at any meeting of the voting members and (those constituting a group acting as they among themselves determine) may vote or take any other action as a voting member either in person or by proxy, but in no event shall more than one (1) vote be cast with respect to any one Unit.

ARTICLE III **MEETINGS**

Section 3.01. Meetings of the voting members shall be held at the Property or at such other place in the Parish wherein the Property is situated, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such meeting.

Section 3.02(a). The initial meeting of the voting members shall be held not less than thirty (30) nor more than sixty (60) days after Developer has sold one-hundred percent (100%) of the Units in the Project and upon ten (10) days' written notice given by the Developer to the voting members. In each succeeding year after the year in which the initial meeting is held, there shall be an annual meeting of the voting members on the first Monday of October, or within thirty (30) days thereafter, and written notice of the date, time and place of each annual meeting shall be mailed to or delivered to the voting members not less than ten (10) days prior to the date fixed for said meeting.

Section 3.02(b). Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of the Declaration require the approval of all or some of the voting members, or for any other reasonable purpose. Said meeting shall be called by written notice, authorized by a majority of the Board, and delivered not less than ten (10) days or, in the case of a meeting called to fill a vacancy on the Board, five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

Section 3.02(c). Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote at such meetings, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

ARTICLE IV **BOARD OF DIRECTORS**

Section 4. The operation, maintenance, of owner or unsold units and administration of the Property shall be vested in a Board of Directors consisting of no less than two (2) persons, nor more than five (5) who shall be elected in the manner hereinafter provided; except that the first board provided for in the Articles of Incorporation of the Association (the "First Board") shall be appointed by the "Declarant". The Declarant shall retain the right to appoint the Board of Directors until one hundred twenty (120) days after one-hundred (100%) percent of the Units in the project have been sold. After such time the First Board will continue to serve until its successors are elected by the Unit owners. Each member of the Board (other than members of the First Board) shall be a Unit Owner; provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

Section 4.02. At the initial meeting, the voting members shall elect a Board to consist of two (2) persons to replace the First Board provided for in the Articles. Subject to such limitations, if any, as may be set forth in the Articles, in all elections for members of the Board, each voting member shall be entitled to vote, with each member's vote being counted as one vote. The candidate(s) who

shall receive the highest number of all the votes cast at said or any election for such office(s) shall be declared elected. A majority of the total number of members on the Board shall constitute a quorum. Members of the Board elected at the initial meeting shall serve until the first annual meeting or until their successors have been duly elected and qualified. At the first annual meeting, and at each successive annual meeting thereafter, members of the Board shall be elected for a term of one (1) year. The voting members having at least seventy (70%) percent of the total votes may from time to time increase or decrease such number of persons on the Board or may increase the term of office of Board members at any annual or special meeting, provided that such number shall be not less than two (2) Members of the Board nor more than five (5) and shall receive no compensation for their services, unless expressly authorized by the Board. Any vacancy occurring on the Board as selected by the voting members, by death, resignation or otherwise, shall be filled by election for the unexpired term, at a special meeting of the Board to be called upon five (5) days' written notice. Any vacancy occurring on the First Board, by death, resignation or otherwise, shall be filled by election for the unexpired term, at a special meeting of the Declarant and the Board to be called upon five (5) days' written notice. Should the number of directors be reduced below two (2), by virtue of death, resignation, sale of property or otherwise, the remaining director(s) shall elect successor(s) so that the Board will have at least two (2) directors. The term(s) of director(s) so elected shall expire on the date of the next special meeting called for the purpose of filling vacancies on the Board. Except as otherwise provided in these By-Laws, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum, which is a majority of the directors in person or by proxy, exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

Section 4.03. The Board shall elect from among its members a President who shall preside over both its meetings and those of the voting members and who shall be the chief executive officer of the Board, a Secretary who shall keep the minutes of all meetings of the Board and of the voting members and who shall, in general, perform all of the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. One person may not hold any two offices except the office of Secretary/Treasurer. The Board may elect an Assistant Secretary and/or an Assistant Treasurer who need not be members of the Board to hold office for such period, have such authority and perform such duties as the Board may determine and shall be subject to removal at the pleasure of the Board.

Section 4.04. Any Board member may be removed from office by affirmative vote of the voting members having at least seventy (70%) percent of the total votes remaining after deducting the vote of the member to be removed, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

Section 4.05. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President and countersigned by the Secretary or any Assistant Secretary of the Board.

Section 4.06. The Board shall have the following additional powers and duties:

- (a) to engage the services of who shall manage and operate the Property for all the Unit Owners upon such terms and with such authority as the Board may approve; provided, however, that the First Board shall have authority to ratify and approve a management agreement between the Association and a corporation, which may be a corporation related to the Declarant, to act as Managing Agent for the Property for a period of one year from the date of recordation of the Declaration of Condominium;
- (b) to formulate policies for the administration, management and operation of the Property;
- (c) to adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, maintenance, operation, use, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Unit Owners, and to amend such rules and regulations from time to time;
- (d) to provide for any construction, alteration, installation, maintenance, repair, painting and replacement for which the Board is responsible under the Declaration and By-Laws and for such purposes to enter and to authorize entry into any Unit and/or Limited Common elements, causing as little inconvenience to the Unit Owners as practicable and requiring any damage caused by any such entry to be paid as an expense of a fund to be established for such purposes;

- (e) to provide for the designation, hiring and removal of employees and other personnel, including lawyers and accountants, and to engage or contract for the services of others, and to make purchase for the maintenance, repair, replacements, administration, management and operation of the Property and to delegate any such powers to the Managing Agent (and any such employees or other personnel as may be employees of the Managing Agent);
- (f) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses as hereinafter provided;
- (g) to pay out of the maintenance fund hereinafter provided for the following:
 - (i) water, waste removal, electricity and telephone and other necessary utility services for the Common Elements and (if not separately metered or charged) for the Units.
 - (ii) the services of a Managing Agent or any other person or firm engaged or employed by the Board.
 - (iii) maintenance, repair and replacement of the Common Elements;
- (h) to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for common expenses under the Act, or at a sale pursuant to an order or direction of a court, or other involuntary sale, a foreclosure unless paid in full, must be returned to the mortgage holder, upon the consent or approval of Unit Owners owning not less than seventy (70%) percent in the aggregate in interest of the undivided ownership of the Common Elements, exclusive of the interest of the Unit Owner in question;
- (i) to comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners;
- (j) to exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Declaration, these By-Laws or the Acts of the State of Louisiana.

ARTICLE V **ASSESSMENTS**

Section 5.01. Each year on or before December 1st, the Board shall estimate the total Common Expenses, including all amounts necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year of the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or before December 15th, notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit "D" attached to the Declaration. On or before the first day of each month of the insuring year, each Unit Owner shall pay the Board or as the Board may direct, one-twelfth (1/12) of the assessment made pursuant to this paragraph. No later than March 15th of each year the Board shall supply to all Unit Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves.

Section 5.02. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Extra ordinary expenditures not originally included in the annual estimate, which may become necessary during the year, shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage ownership in the Common Elements. The Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the next monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount.

Section 5.03. The Association shall establish a working capital fund for the initial months of the Project operation equal to at least two (2) months' estimated Common Element charges for each Condominium. Each owner's share of the working capital shall (i) be collected and transferred to the Association at the time of closing of the sale of each Condominium and (ii) be maintained in the segregated account for the use and benefit of the Association. The contribution to the working capital fund for each unsold Condominium shall be paid to the Association within sixty (60) days after the date of conveyance of the first Condominium in the Project. Declarant shall then reimburse itself for

this payment from the funds collected at the closing of each Unit. The Unit Owner's estimated annual assessment shall be paid to the Board or as the Board may direct in equal monthly installments commencing on the first day of the month next succeeding the month in which the deposit is made and ending in the month of December.

Section 5.04. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owners shall not constitute a waiver or release in any manner of the Unit Owner's obligations to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owners shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the next monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 5.05. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting expenses of the Common Elements and any other expenses incurred. Such records and the vouchers authorizing the payment shall be available for inspection by any Unit Owners or any representative of a Unit Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Unit Owners. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner. The Board shall also have an annual audit of the Association's books prepared and open to inspection by Unit owners.

Section 5.06. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board may bring suit for and on behalf of the Association to enforce collection thereof or to foreclosure the lien therefor as hereinafter provided and there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorney's fee to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Unit Ownership of the Unit Owner involved then payable and may be foreclosed by any action brought in the name of the Board as in the case of foreclosure of liens against real estate. Said lien shall take effect and be enforced when and as provided in the Act. Any mortgagee of a Unit Ownership may from time to time request in writing a written statement from the Board setting forth the unpaid common expenses with respect to the Unit Ownership encumbered by such mortgage and unless the request shall be complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance.

Section 5.07. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Unit.

ARTICLE VI

GENERAL PROVISIONS - RULES AND REGULATIONS

Section 6.01. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, nor shall anything be placed or stored in or upon the Common Elements without the prior consent of the Board except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

Section 6.02. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, or contents thereof, applicable for the intended uses thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements.

Section 6.03. The sidewalks, entrances and passages must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises.

Section 6.04. No sign, advertisement, notice or other letting shall be exhibited, inscribed, painted or affixed by any Unit Owner on any part of the outside or inside of the premises of or the Building without the prior written consent of the Association.

Section 6.05. Awnings will be allowed above the front, rear, and side of entrances to the building and will be maintained and replaced by the Association at its expense. Deck sunshades for the roof top area adjacent to the penthouse units may be installed at the unit owner's expense.

Section 6.06. No personal property such as velocipedes, motor bikes or bicycles, nor inoperable vehicles shall be allowed to stand in the Common Elements or Limited Elements areas of the Building or grounds.

Section 6.07. Children shall not play in the common driveways or parking areas.

Section 6.08. Servants and or employees of the Unit Owners may not gather or lounge in the public areas of the condominium or grounds.

Section 6.09. The Association may retain a pass keys to the individual units or common premises. The Association is authorized to enter into the Unit of any Unit Owner, when the Unit Owner is absent from his Unit, in the case of emergency. No Unit Owner shall alter any lock or install a new lock on any door of the premises without the written consent of the Association or the Association's agent. In case such consent is given, the Unit Owner shall provide the Association with an additional key for the use of the Association pursuant to its right of access to the demised premises.

Section 6.10. No Unit Owner shall allow anything whatever to fall from the windows or doors of the premises.

Section 6.11. No garbage cans, supplies or other articles (trash, cigar or cigarette butts, bottles, cans, etc.) shall be placed in the common limited areas unless approved by the board, nor shall anything be hung from the windows, or porches, or placed upon the window sills. Neither shall any linens, cloths, clothing, curtains, rugs or mops be shaken or hung from any of the windows, doors or porches. No fire exits shall be obstructed in any manner.

Section 6.12. No Unit Owner shall make or permit any disturbing noises in the Building by himself, his employees' agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Unit Owners.

Section 6.13. No exterior radio or television antennae installation shall be made without the written consent of the Association. Any antennae erected on the roof or exterior walls of any building without the consent of the Association, in writing, is liable to removal without notice.

Section 6.14. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in a clean and sanitary manner in strict accordance with the rules and regulations adopted or approved by the Board from time to time.

Section 6.15. No Unit Owner shall overload the electrical wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the prior written consent of the managing agent, acting in accordance with the Board's direction.

Section 6.16. Leasing of the Unit by Unit Owner is permitted and all leases shall be in writing; however, no Unit shall be leased for a period of less than six (6) months with the exception of "short term rentals" if done in compliance with the terms and restrictions of the City of New Orleans ordinance covering same. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board.

The foregoing regulation shall not apply to the Developer, or any person, firm or corporation as provided in the Declaration.

Section 6.17. During any period of renovation or construction of the Building on the Property by the Developer, the Developer and its contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress and egress to the Building and the Property as may be required in connection with said renovation or construction. Until all of the Units have been sold by the Developer, the Developer may use or show one or more unsold Units as a model Unit or Units and sales offices, and may maintain customary signs in connection therewith.

Section 6.18 No child under the age of sixteen (16) is allowed in the common areas without an adult present and supervising.

Section 6.19 Each owner of an owner occupied Unit will be allowed to own pets as a privilege. However, this pet privilege will be cancelled if any of the following occur:

- a) Owner does not properly dispose of its pet's waste.
- b) Owner allows it's pet to remain unleashed in any area other than the Owner's Unit.
- c) If the pet damages any common areas.
- d) If the pet creates any disturbance or nuisance for any other owner or tenant.

Section 6.20 Each owner shall be responsible for the continual acquisition and maintenance of electrical, gas, water, and sewerage services as supplied by appropriate vendors.

Section 6.21 Water spigots on the exterior of the building are common elements, the maintenance and use costs of which will be a common expense paid by the Association.

Section 6.22 Parking places on the property are assigned as limited common elements for each unit.

Section 6.23 The planting or garden areas of the Condominium property as shown on the survey in Exhibit B shall be a common element to be maintained by the Association, but any party using such shall be responsible for cleaning such and repairing any damage caused.

Section 6.24 Each Unit shall enjoy the exclusive use of the limited common areas as depicted on the attached survey as a limited Common Element to that Unit

ARTICLE VII AMENDMENTS

Section 7.01. These By-Laws may be amended or modified from time to time by action of the Board with the approval of the voting members having at least seventy (70%) percent of the votes, or such greater share of the total votes where these By-Laws specify, provided, however, that no provision in these By-Laws may be amended or modified so as to conflict with the provisions of the Act. Such amendments shall not be recorded in the Office of the Register of Conveyance of the Parish of Orleans.

Section 7.02. In the event there is any dispute among the Unit Owners or among the members of the Board which is not reconciled by a vote pursuant to those By-Laws, such dispute shall be submitted to arbitration under the Louisiana Arbitration Act (La. R.S. 9:4201, et seq.).

ARTICLE VIII INDEMNIFICATIONS

Section 8.01. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, of any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty or willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

Fidelity Bonds.

A. The Board, on behalf of the Association, shall obtain and maintain at all times blanket fidelity bonds for all officers, directors, trustees, and employees of the Association and all other persons handling or responsible for funds of or administered by the Association. Where the Association delegates some of all of the responsibility for the handling of funds to a Managing Agent, blanket fidelity bonds shall be obtained and maintained for the officers, employees, and agents of such Managing Agent handling or responsible for funds of, or administration on behalf of, the Association.

B. The total amount of fidelity bond coverage required shall be based upon the best business judgment of the Board and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the Managing Agent, as the case may be at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all Condominiums plus reserve funds.

C. Fidelity Bonds required herein shall meet the following requirements:

- (i) fidelity bonds shall name the Association as an obligee;
- (ii) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions;
- (iii) the premiums on all bonds required herein for the Association (except for premiums on fidelity bonds maintained by a management Agent for its officers, employees, and agents) shall be paid by the Association as a common expense; and
- (iv) the bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Association or to any Insurance

Trustee appointed pursuant to the Declaration and each servicer of Mortgages
on behalf of FNMA.

ADOPTED this 15th day of March 2018.

THE CASTILLE CONDOMINIUM ASSOCIATION, INC.

BY: Mark Shreiner
Its: **President, Mark Shreiner**