York Condominiums
Homeowners' Energy Policy Statement

1. General Terms.

   a. No Co-Owner shall be permitted to install a solar energy system (the "System") or make any energy-saving improvement or modification ("Improvements") to the Unit *except* those provided for in the Michigan Homeowners Energy Policy Act (the "Act").

   b. Improvements and the System shall be defined according to Section 3 of the Act.

   c. Any installation, maintenance, repair, or operation of a System or Improvement shall be substantially in accordance with the Master Deed for York Condominiums, originally recorded November 10, 1998 at Liber 493, Page 193 et seq., in Leelanau County Records, as subsequently amended and restated ("Master Deed") and condominium bylaws attached to the Master Deed as subsequently amended and restated ("Bylaws").

   d. Any installation of a System or Improvement to any Common Elements, as defined by the Master Deed, or a Shared Roof is prohibited. A Shared Roof is defined under the Act as a roof that serves more than one (1) Unit, including but not limited to, a contiguous roof that serves adjacent Units.

   e. Co-Owners shall comply with all state and local building codes and permit requirements when replacing, maintaining, installing, or operating an Improvement or System.

   f. Co-Owners must bear the full financial burden of the installation, maintenance, operation, or repair of any System or Improvement undertaken by the Co-Owner.

   g. Co-Owners must assume all liability related to the installation, maintenance, replacement, or operation of any System or Improvement.

   h. Any Co-Owner who desires to install a System shall submit an application for review to the Board of Directors in accordance with Section 6 below.

2. Damage. If the Unit, Common Elements, or adjacent Unit(s) become damaged during the installation, maintenance, repair, or operation of a System or Improvement, it shall be the responsibility of the Co-Owner to restore the property and repair such damage in compliance with the Master Deed and Bylaws.

3. Nuisance. No Improvement or System shall create, maintain, or cause a disturbance or nuisance to any Co-Owner. No unreasonably noisy activity related to such Improvement or System shall be carried on in or at any Unit, in accordance with Article VI, Section 4 of the Bylaws.

4. Licensing and Insurance.

    a. It shall be the responsibility of the Co-Owner to ensure that any business, entity, or individual hired by a Co-Owner to install, operate, maintain, or repair an Improvement or System maintains a current license according to Michigan law and obtains any permit as may be required by Leelanau County.

    b. It shall be the responsibility of the Co-Owner to ensure that any business, entity, or individual hired by a Co-Owner to install, operate, maintain, or repair an Improvement or System maintains general liability insurance, business automobile insurance, Workers Compensation, and a personal injury coverage endorsement.

5. Indemnity. To the fullest extent permitted by law, any Co-Owner installing a System or Improvement shall agree to indemnify, hold harmless, and defend the Association and its Board of Directors, from any and against all claims, damage, liability, expenses or losses, including but not limited to attorney's fees, to the extent arising out of or attributable to (1) bodily injury, illness, or death; (2) damage to or destruction of tangible property at the Unit or the surrounding Units; and/or (3) any fines or penalties incurred by reason of Co-Owner or a contractor installing, repair, maintaining, or operating an Improvement or System.

6. Installation of a System

    a. Application. Co-Owners must submit a written application to be approved by the Board of Directors for installation or operation of any System. The application must include:
        i. the Co-Owner's name,
        ii. street address where the System would be installed,
        iii. name and contact information of the person installing the System,
        iv. a layout of the System on the Co-Owner's Unit, and
        v. a description of the System to be installed.

    Co-Owners who desire to install a System in or on their Unit shall comply with the above requirements, as provided for in the Act under Section 11(1). Co-Owners shall not submit an application for a System to be installed or operated in or on a Common Element or a Shared Roof.

    b. Application Process Generally. The Board of Directors will not deny a Co-Owner's application to install a System based on the identity of the entity that owns the System, or the financing method chosen by the Co-Owner. In the case of a denial, Co-Owners may resubmit a written application to install a System in accordance with Section 11(4) of the Act.
        i. The approval of an adjacent Co-Owner is not required to approve an application for installation of a System on a Co-Owner's Unit.
        ii. The Board of Directors will not: (a) inquire into a Co-Owner's energy usage, impose conditions that impair the operation of a System or negatively

impact any component industry standard warranty, (b) require post-installation reporting, (c) require a fee for submitting an application to install a System, or (d) prohibit a Co-Owner from resubmitting a written application to install a System after a written application was denied by the Board of Directors.

c. Application Review. Applications to install a System may be denied or removal of a System may be required if:
   i. either a court has found the installation of the System violates a law;
   ii. the System does not substantially conform with the Co-Owner's approved application to install the System;
   iii. the Board of Directors determines the System: (a) will be installed on the roof of a dwelling and will either extend above or beyond the Unit roof by more than 6 inches, (b) the System does not conform to the slope of the roof and has a top edge that is not parallel to the roof line, or (c) the System has a frame, support bracket, or visible conduit or wiring that is not silver, bronze, or black tone that are commonly available in the marketplace;
   iv. the Board of Directors has determined that both (a) the System will be installed in a fenced yard or patio rather than the roof of a dwelling and (b) the System will be taller than the fence line; or
   v. the System is in or on a Common Element or a shared roof.

d. Sale of a Unit. In the event that a Co-Owner sells their Unit, they will be responsible for removing any Improvements made to the Unit and/or a System approved by the application process above. Alternatively, the Co-Owner may come to an agreement with the purchaser of their Unit that the purchaser shall repair and maintain the installed System and/or Improvements. The Co-Owner shall provide written acknowledgement of such agreement to the Board of Directors.