

BYLAWS

PARAGRAPH I  
DEFINITIONS

Section 1. "Club" shall mean and refer to the Monmouth Heights at Freehold Recreational Association, Inc., a nonprofit corporation organized and existing under the laws of the State of New Jersey.

Section 2. "The Properties" shall mean and refer to those lands described in Exhibit A attached to and forming part of a certain Declaration of Covenants, Restrictions, Easements, Charges and Liens, made by Levitt and Sons, Incorporated on March 25, 1969 and recorded in the Office of the Clerk of Monmouth County, New Jersey in Book 3660 at page 714, hereinafter referred to as "The Declaration"; and those lands described in two certain Supplemental Declarations of Covenants, Restrictions, Easements, Charges and Liens made by Levitt and Sons, Incorporated on July 1, 1969 and on July 21, 1970, respectively, and recorded in Monmouth County Clerk's Office in Book 3661 at page 275 and in Book 3699 at page 126, respectively.

Section 3. "Common Areas" shall mean and refer to those areas of land described in a certain Supplemental Declaration of Covenants, Restrictions, Easements, Charges and Liens made by Levitt and Sons, Incorporated on July 20, 1970 and recorded in the Monmouth County Clerk's Office in Book 3699 at page 131.

PARAGRAPH II  
LOCATION

Section 1. The principal office of the Club shall be c/o Monmouth Heights at Freehold Recreational Assoc., Inc., P.O. Box 763, Freehold, New Jersey 07728.

PARAGRAPH III  
MEMBERSHIP

Section 1. Membership in the Club shall be governed by Article III, Section 1 of the Declaration.

Section 2. The rights of the membership are subject to the payment of annual and special assessments levied by the Club, the obligation of which assessments is imposed against each owner of land and becomes a lien upon the property against which such assessments are made as provided by Article V of the aforesaid Declaration to which the Properties are subject.

Section 3. The membership rights of any person whose interest in The Properties is subject to assessment as herein provided, may be suspended by action of the Trustees during the period when any such assessment remains unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Trustees have adopted and published rules and regulations governing

the use of the common properties and facilities, and the personal conduct of any person thereon, as provided in Paragraph IX, Section 1 hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

PARAGRAPH IV  
VOTING RIGHTS

Section 1. Voting rights shall be as provided in Article III, Section 2 of The Declaration.

PARAGRAPH V  
PROPERTY RIGHTS AND RIGHTS OF  
ENJOYMENT OF COMMON AREAS

Section 1. Each member shall be entitled to the use and enjoyment of the Common Areas and facilities as provided by Article IV of the Declaration.

Section 2. Membership shall be on a family basis and members shall be deemed to include husband, wife, and the unmarried children of either of them residing in their home. The Board of Trustees may establish guest fees for others, including other residents in members' homes. Any member may delegate his rights of enjoyment in the Common Areas to any of his tenants who reside upon the Properties under a leasehold interest for a term of one (1) year or more. Such member shall notify the Secretary in writing of the name of any such person. The rights and privileges of such person are subject to suspension under Paragraph III, Section 3 hereof, to the same extent as those of the member.

PARAGRAPH VI  
CLUB PURPOSES AND POWERS

Section 1. The Club has been organized for the purposes set forth in Article II of its Certificate of Incorporation.

Section 2. The Club may be dissolved only in accordance with Article V of its Certificate of Incorporation.

Section 3. The Club shall have power to mortgage its properties only as and to the extent authorized under The Declaration.

Section 4. The Club shall have the power to dispose of its real properties only as authorized under The Declaration.

PARAGRAPH VII  
BOARD OF TRUSTEES

Section 1. The business and conduct of the Club shall be regulated by a Board of Trustees, composed of nine (9) individuals who need not be members of the Club. However, the Board of Trustees, for the first year of the Club's existence, shall consist of three (3) persons, who shall hold office until their successors are elected and qualify.

Section 2. Vacancies in the Board of Trustees shall be filled by the Majority of the remaining Trustees, any such appointed Trustees, to hold office until his successor is elected by the members at the next annual meeting of the members, or at any special meeting duly called for that purpose.

Section 3. A Trustee position will be considered vacant if the Trustee resigns, moves or is absent for three (3) consecutive regularly scheduled meetings as provided for in Paragraph X, Section 1.

PARAGRAPH VIII  
ELECTION OF TRUSTEES: NOMINATIONS

Section 1. At each Annual Meeting the members shall elect three (3) Trustees for a term of three (3) years.

Section 2. The election for the Board of Trustees shall be held at the Annual Meeting.

Section 3. Election to the Board of Trustees shall be by written ballot as hereinafter provided. At such election, the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of The Declaration Applicable to The Properties. The names receiving the largest number of votes shall be elected.

Section 4. Every nomination for election to the Board of Trustees must be made in writing, signed by at least three (3) members and accepted in writing by the person nominated. All such nominations must be received by the Secretary of the Club at least twenty (20) days prior to the meeting at which the election is to be held. The Secretary shall prepare and publish a list of the nominees in the Club Newsletter in accordance with Paragraph XIII, Section 3, hereof: No nominations may be made from the floor.

Section 5. Each member entitled to vote shall receive as many ballots as he has votes. Notwithstanding the fact that a member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon.

PARAGRAPH IX  
POWERS AND DUTIES OF  
THE BOARD OF TRUSTEES

Section 1. The Board of Trustees shall have power:

(a) To appoint and remove all officers, agents and employees of the Club; prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed to prohibit the employment of any Member, Officer or Trustee of the Club in any capacity whatsoever.

(b) To establish, levy and assess, and collect the assessments or charges referred to in Paragraph III, Section 2 hereof.

(c) To adopt and publish rules and regulations as to the use of the Common Areas and facilities by the members and their guests, and governing the personal conduct of the members and their guests thereon.

(d) To exercise for the Club all powers, duties and authority vested in or delegated to this Club, except those reserved to the members by The Declaration.

Section 2. It shall be the duty of the Board of Trustees:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such is requested in writing by one-third (1/3) of the voting membership, as provided in Paragraph XIII, Section 2 hereof.

(b) To supervise all officers, agents and employees of this Club, and to see that their duties are properly performed.

(c) As more fully provided in Article V of The Declaration applicable to The Properties:

(1) To fix the amount of the assessment against each Lot for each assessment period.

(2) To prepare a roster of The Properties and assessments applicable thereto which shall be available for inspection by any member.

(3) To send written notice of each assessment to every owner subject thereto.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

PARAGRAPH X  
TRUSTEES' MEETINGS

Section 1. Except as provided by Section 2, the Board of Trustees shall meet in open meeting once a month in a regularly scheduled meeting with dates published in the Club Newsletter.

Section 2. The Board of Trustees shall meet at such time as it may deem necessary. Meetings of the Board of Trustees shall be held when called by any officer of the Club or by any two (2) Trustees, after not less than three (3) days notice to each Trustee.

Section 3. The transaction of any business at any meeting of the Board of Trustees, however, called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice of a quorum is present and if either before or after the meeting each of the Trustees not present at such meeting signs a written waiver of notice, or a consent to the holding of such meeting, of an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meetings.

Section 4. The majority of the Board of Trustees shall constitute a quorum thereof.

PARAGRAPH XI  
OFFICERS

Section 1. The officers shall be: President  
Executive Vice-President  
Secretary  
Treasurer  
Vice President-Membership

and also, if when they may be appointed by the Board of Trustees: additional Vice Presidents, Assistant Secretary and Assistant Treasurer.

Section 2. The officers shall be appointed by majority vote of the Trustees. Any of the officers may be members of the Board of Trustees.

Section 3. Each officer shall hold office for a period of one (1) year, except that any officer appointed to fill a vacancy occurring during the pendency of a term, shall hold office only for the unexpired portion of such term. Any officer may be removed by the Board of Trustees for cause.

Section 4. The President shall preside at all meetings of the Board of Trustees and shall see that orders and resolutions of the Board are carried out. He shall sign all contracts, approved by the Board, in excess of two thousand five hundred (\$2,500) dollars.

Section 5. The Executive Vice-President shall perform the duties of the President in his absence.

Section 6. The Secretary shall be ex officio. The Secretary of the Board of Trustees, shall record the votes and keep the minutes of all proceedings. He shall keep the records of the Club. He shall co-sign all contracts in excess of two thousand five hundred (\$2,500) dollars.

Section 7. The Vice President-Membership shall keep a record of the names of all members of the Club, together with their addresses.

Section 8. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Club and shall disburse such funds as directed by resolution of the Board of Trustees.

Section 9. The Treasurer shall keep proper books of account. He shall cause an annual audit of the Club's financial statements to be made and completed not later than November 30 by a certified public accountant at the completion of each fiscal year ending October 31. He shall prepare an annual budget and an annual balance sheet statement shall be presented to the membership at its regular Annual Meeting. The budget shall, however, be approved by the newly elected Board not later than the succeeding regular February meeting.

PARAGRAPH XII  
COMMITTEES

Section 1. The Board of Trustees may, from time to time, appoint such committees as it deems desirable, to advise the Board and to perform such other functions as the Board, in its discretion, determines.

PARAGRAPH XIII  
MEETING OF MEMBERS

Section 1. The Annual Meeting of the members shall be held each calendar year the second week of December at a time and place designated by the Board of Trustees.

Section 2. Special meetings of the members for any purpose (including a recall of election of the Board of Trustees) may be called at any time by the President, by any five (5) or more Trustees, or upon written request of the members who have the right to vote at least one third (1/3) of all the votes of the Class A Membership.

Section 3. Written notice of any meeting shall be given by the Secretary to all persons who have been members of the Club (as defined in The Declaration) for at least five (5) days as of the date on which such notice is given, and whose membership is then in effect. Notice may be given to the member either personally, or by depositing a copy of the notice in a United States mail box or post

office, postage thereon fully prepaid, addressed to such members address as it shall appear on the records of the Club. Notice of any meeting shall be given or mailed at least seven (7) days but not more than twenty (20) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, and further provided that if the business of any meeting shall involve any action governed by the Certificate of Incorporation or by The Declaration, notice of such meeting shall be given as in the case of an election meeting, an official proxy listing all candidates will be sent with the notice. (Individual proxies can also be used.)

Section 4. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership, shall constitute a quorum for any action governed by these Bylaws. Any action governed by the Certificate of Incorporation or by The Declaration shall require a quorum as therein provided.

PARAGRAPH XIV  
PROXIES

Section 1. At all corporate meetings of members, each member may vote in person or by proxy.

Section 2. All proxies shall be in writing, dated, signed by the member, shall contain the name of the person who is empowered to act pursuant to the authority contained in the proxy and must be filed with the Secretary prior to the meeting. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date, but any proxy shall automatically cease upon sale by the member of his home or other interest in The Properties.

PARAGRAPH XV  
AMENDMENTS

Section 1. These Bylaws may be amended by the Board of Trustees, provided that those provisions which are governed by the Certificate of Incorporation of this Club may not be amended except as provided in the Certificate of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by The Declaration, may not be amended except as provided in such Declaration.

PARAGRAPH XVI  
CONSTRUCTION

Section 1. In the case of any conflict between the Certificate of Incorporation and these Bylaws, the Certificate shall control; and in the case of any conflict between The Declaration and these Bylaws, The Declaration shall control.