

EXHIBIT C

FOREST GLEN ASSOCIATION BY-LAWS

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BYLAWS FOREST GLEN COMMUNITY ASSOCIATION. INC.

ARTICLE I. NAME AND ADDRESS

Section 1. The name of this Association shall be *FOREST GLEN COMMUNITY ASSOCIATION, INC.*, a New Jersey nonprofit corporation (the "Community Association" or "Association").

Section 2. Address. The office of the Community Association shall be at the place to be designated by the Board of Trustees, subject to change upon notice to the Members of the Community Association.

ARTICLE II.

APPLICABILITY

Section 1. Applicability. These Bylaws shall be applicable to the Community Association In accordance with the terms of the Declaration of Covenants, Conditions and Restrictions of FOREST GLEN Association recorded in Burlington County as may be amended from time to time (the "Declaration"), all present and future Property Owners of Homes and Lots in the Property, the Declarant, shall be Members of the Community Association (the "Members") and all Members, and all tenants, occupants, guests, licensees, servants, agents, employees and any other 'person or persons who shall be permitted to use the Community Property shall be subject to these Bylaws. Property Ownership, rental or occupancy of any Home or Lot in the Property subjected to the Declaration shall be conclusively deemed to mean that the Property Owner, tenant or occupant has accepted, ratified and will comply with these Bylaws and any rules and regulations of the Community Association.

ARTICLE III

PURPOSE

Section 1. Association Purpose. The purpose of the Community Association is to own, maintain, regulate and administer the Community Property for the use, benefit and enjoyment of the Members and lawful occupiers of the Homes or Lots in the Property. In addition, thereto, the Community Association shall provide for the orderly and economical management and maintenance of the Community Property and for the collection of any revenues necessary to effect the management and maintenance of Community Property. The Community Association shall regulate the external design, appearance, use and maintenance of the Property, including the Homes or Lots contained therein. The Community Association does not contemplate pecuniary gain or profit to its Members.

ARTICLE IV

DEFINITIONS AND INTERPRETATIONS

Section 1. Definitions. Unless it is plainly evident from the context that a different meaning is intended, the terms used herein shall have the same meanings as provided in the Declaration.

Section 2. Interpretation. , In the event of a conflict of interpretation between the provisions set forth in these Bylaws and the Declaration, the Declaration shall govern. In the event of any conflict between these Bylaws and' the Certificate of Incorporation, the Certificate of Incorporation shall control. In the event that the Internal Revenue Code is hereafter amended or changed, both the Declaration and these Bylaws shall be interpreted in a manner, which conforms to the provisions of the Internal Revenue Code with respect to nonprofit entities, it being the intention to preserve the lawful status of the Community Association as a bona-fide nonprofit entity.

ARTICLE V

Membership

Section 1. Membership. Membership in the Community Association shall be limited to (a) the Property Owners or collective co-Property Owners of a Home or Lot subject to this Declaration. All Property Owners, upon acceptance of the deed to a Home or Lot, shall become Members of the Community Association and shall then be obligated to pay all assessments levied by the Community Association.

Section 2. Voting. Votes in the Community Association are allocated among the Members pursuant to Article 13 of the Declaration. All Property Owners of a property subject to the Declaration are 'members'. Only members in good standing are entitled to vote.

Section 3. Affirmative Vote. Except as otherwise provided herein or in the Declaration, the passage of any decision or resolution shall occur upon the affirmative vote of at least a majority of the votes of the Members; either in person or by proxy, of the Community Association who are in good standing and entitled to vote; provided that any vote shall be taken at a meeting in which the quorum required in Article V, Section 6 of these Bylaws is present, either in person or by proxy. Cumulative voting shall not be permitted.

Section 4. Membership List Not less than thirty (30) days prior to the date of any annual or special meeting of the Community Association, the Secretary, and/or Board designee, shall compile and maintain at the principal office of the Community Association, a current list of Members and their last known post office addresses. These lists shall also show opposite each Member's name the address of the Home(s) he owns. The list shall be revised by the Secretary, and/or Board designee, to reflect changes in the Property Ownership of Homes occurring prior to the date of the annual or special meeting. These lists shall be open to inspection by all Members and other persons lawfully entitled to inspect the lists during regular business hours prior to the date of the annual or special meeting. The Secretary shall also keep current and retain custody of a minute book of the Community Association, which shall contain the minutes of all annual and special meetings of the Association and all resolutions of the Board of Trustees (the "Minute Book").

Section 5. Proxies. Votes may be cast in person, by mail ballot or by written proxy. To be valid, proxies must be duly executed by the Member or the appropriate person whose name appears on a certificate on file with the Community Association and must be received no later than the start of the meeting for which the proxy is specified to be effective. Proxy voting shall mean either actual written votes submitted by the Member to the Board of Trustees, either by personal-delivery, mail or otherwise, prior to the start of the meeting at which the vote is to be counted, or a general proxy statement designating the Board of Trustees, a specific Trustee or other Member to vote on behalf of the proxy Member. Proxies may be revoked at any time prior to the opening of the polls and no proxy shall be voted on after eleven (11) months from the date of its execution. All proxies shall be substantiality in the form prescribed by the Board, and if not in such form shall be deemed invalid, which determination shall be made in the sole and absolute discretion of the Board. The revocation of a proxy must be in writing and signed by the grantor of the proxy. (Counsel recommendation)

Section 6. Quorum. Except as otherwise provided in these Bylaws, the presence, either in person by mail ballot or by proxy, of Members holding at least twenty percent (20 %) of the votes in the Community Association at the beginning of any annual or special meeting shall constitute a quorum. If any meeting of Members cannot be organized because a quorum of Members has not attended, the Members present, either in person or by proxy, may adjourn the meeting from time to time, without notice other than announcement at the meeting, to a time not less than forty-eight (48) hours from the time the original meeting was called until a quorum as aforesaid shall be present or represented.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1. Place of Annual and Special Meetings. All annual and special meetings of the Community Association shall be held at the principal office of the Community Association or at another suitable and convenient place fixed by the Board from time to time and designated in the notices of the meetings.

Section 2. Date of Annual Meetings. Annual meetings of the Members shall be held in October of each year, or at a time set by the Board of Trustees. At each annual

meeting, the Board of Trustees shall be elected by the Members present at the meeting, either in person or by proxy, and entitled to vote, in accordance with the terms of these Bylaws. The Members may also transact any other business, which may properly come before the meeting.

Section 3. Notice of Annual Meetings. The Secretary, or designee, shall mail notices of annual meetings to each Member by electronic mail. In the event a member does not have access to electronic mail, notification shall be sent regular mail, postage prepaid upon request of the member. This notice shall be mailed not less than ten (10) nor more than sixty (60) days prior to the date of the meeting and shall state the date, time and place of the meeting, the purpose or purposes thereof and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws. In lieu of mailing notice as herein provided, notice may be hand-delivered to the Members or left at their residence in their absence.

Section 4. Special Meeting. It shall be the duty of the President to call a special meeting of the Members in the following situations: (a) for the purpose of holding elections of Trustees pursuant to the terms of the Declaration; (b) whenever the President is directed to do so by resolution of the Board of Trustees; or (c) upon presentation of a petition to the Secretary, stating the specific purpose or purposes of a special meeting, signed by Members entitled to vote at the meeting having at least thirty percent (30%) of the votes in the Community Association.

a.)Electronic Meetings:

Trustees may participate in meetings of the Board of Trustees by any electronic means approved by the Board of Trustees by which all persons participating can hear or read the words of each other at the same time to the extent permitted by law. Participation by such means shall constitute presence in person at such meeting.

Section 5. Notice of Special Meetings. The Secretary, and/or Board designee, shall mail notice of the special meeting to each Member in the manner provided in Article VI, Section 3 of these Bylaws. In lieu of mailing notice, notice may be delivered by hand to a Member or left at his residence in his absence. The notice shall state the same items required by Article VI, Section 3 of these Bylaws for notices of annual meetings. No business shall be transacted at any special meeting except as stated in

the notice thereof unless by consent of two-thirds (2/3) of the Members present, either in person or by proxy.

Section 6. Order of Business. The, order of business at all meetings of the Members shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Approval of minutes of prior meeting
- (d) Reports of officers and committees
- (e) Election of Trustees, if applicable
- (f) Unfinished business
- (g) New business
- (h) Membership Input and Concerns
- (i) Adjournment

Section 7. Consent in Writing by Members. Any action, which may be taken at a meeting of Members, may be taken without a meeting if authorized by a writing signed by the required percentage of Members entitled to vote for a particular matter.

ARTICLE VII

BOARD OF TRUSTEES

Section 1. Express and Implied Powers and Duties. The Property, affairs and business of the Community Association shall be managed by the Board of Trustees, which shall have those powers granted to it by the Certificate of Incorporation, the Declaration, these Bylaws and by law.

Section 2. Number and Qualification. The affairs of the Community Association shall be governed by a 'Board of Trustees consisting of five (5) Trustees elected by the community and who shall be Members of the Community Association. The initial Trustees or their successors shall serve until their successors take office. Each Trustee shall be a Property Owner, or in the case of corporate or partnership Property

Owners, a duly authorized agent or representative of the corporate or partnership Property Owner.

In any election for Trustee(s), the candidates receiving the highest number of votes, either in person or by proxy, shall be the Trustee(s) elected to the Board of Trustees.

Section 3. Term of Trustees. All Trustees elected by the Members shall serve for two (2) year terms. Each Trustee shall continue to hold office until his successor is elected. All Trustees shall serve without compensation.

Section 4. Nominations. Except as provided for in Article VII, Section 2 of these By-laws, Members may be nominated for election to the Board of Trustees in one of the following ways:

(a) A Trustee shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek re-election in a writing addressed to the Board of Trustees.

(b) Any Member who is not a Trustee and who desires to run for election to the Board shall be deemed to have been nominated" for election upon his filing with the Board of Trustees a written petition of nomination bearing the signature of the qualified Member desiring to run for election and the signatures of at least ten (10) other Members.

(c) Nominations from the floor may also be made.

Section 5. Vacancy on Board of Trustees. Except as provided in this Article with respect to Declarant-appointed Trustees. If the office of any Trustee shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Trustees, at a special meeting duly called for this purpose, shall choose a Member to be the successor Trustee and this successor Trustee shall serve for the unexpired term of the Trustee they are replacing. In the event that there shall be a deadlock in the voting for a successor by the remaining Trustees, the three (3) Trustees with longest continuous terms on the Board of Trustees shall select a successor. At the next annual meeting of the Community Association, this successor Trustee shall be re-elected or his successor shall be elected in accordance with Article VII, Section 2 of these Bylaws.

Section 6. Removal of Trustees. Trustees elected by Members may be removed, with or without cause, by a majority vote of the Members at any special meeting of the Community Association of which notice has been properly given as provided in these Bylaws; provided the same notice of this special meeting has also been given to the entire Board of Trustees including any Trustees whose removal is to be considered at this special meeting. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at this meeting.

Section 7. Organizational Meeting of the Board of Trustees. No later than thirty (30) days following each annual meeting of the Community Association, the Board of Trustees shall hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting shall be given to all Trustees in accordance with **Article VII, Section 9** of these Bylaws, except for the initial organizational meeting, which shall be called by the Trustee receiving the highest number of votes and held within forty-five (45) days after the elections.

Section 8. Place of Meetings. All meetings of the Board of Trustees shall be held at the principal office of the Community Association or at any other place or places designated at any time by resolution of the Board of Trustees or by written consent of all of the Trustees.

Section 9. Regular Meetings. Regular meetings of the Board of Trustees may be held at any time and place permitted by law, from time to time, as may be determined by the Board of Trustees. Notice of regular meetings of the Board of Trustees shall be given to each Trustee personally by electronic mail, telephone, or by United States mail, with postage prepaid, directed to them at their last known post office address, as the same appears on the records of the Community Association, at least five (5) but not more than thirty (30) days before the date of the meeting. This notice shall state the date, time, place and purpose(s) of the meeting.

Section 10. Special Meetings. Special meetings of the Board may be called by the President on two (2) days notice to each Trustee personally, by mail, telephone, or electronic mail, which notice shall state the time, place and purpose(s) of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice, on the written request of at least three (3) Trustees.

Notice of Board meetings should be given to the members at least 7 days in advance of the meeting. Where an emergency precludes such notice, the meeting minutes shall reflect the reasons for the shortened notice.

Section 11. Waiver of Notice. Before any meeting of the Board of Trustees, whether regular or special, any Trustee may, in writing, waive notice of this meeting; this waiver shall be deemed equivalent to giving the required notice. All written waivers shall be filed with the records of the Community Association or made a part of the minutes of the meeting. Attendance by a Trustee at any meeting of the Board of Trustees shall likewise constitute a waiver by him of the required notice. If all Trustees are present at any meeting of the Board of Trustees, no notice of the meeting shall be required and any business may be transacted at the meeting except as prohibited by law or these Bylaws.

Section 12. Quorum. At all duly convened meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business, except as otherwise expressly provided in these Bylaws or by law. The acts of a majority of the Trustees present at the meeting at which a quorum is present shall be the acts of the Board of Trustees. If at any meeting of the Board of Trustees there shall be less than a quorum present, the Trustee(s) present may adjourn the meeting from time to time and, at the adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice to any Trustee.

Section 13. Consent in Writing. Any action by the Board of Trustees may be taken without a meeting if all of the Trustees shall individually or collectively consent in writing to the action. This written consent shall be filed with the minutes of the proceedings of the Board of Trustees. Any action taken upon this written consent shall have the same force and effect as a unanimous vote of the Trustees.

Section 14. Compensation. All Trustees shall serve without compensation.

Section 15. Records.

The Board of Trustees shall cause to make available a complete record of all of its acts, inclusive of agendas, minutes, Declaration and By-Laws at an electronic site available to all Property Owners. Should any Property Owner not have access to the internet or otherwise demands non-electronic access for good reason, the

Association shall provide such information via mail at the Association's expense. The expense related to any demands for hard copies of records shall be at the requesting member's expense. The financial records of the Association shall be made available for inspection by any member upon giving the manager reasonable notice of the request to inspect.

Section 16. Open Meetings.

In accordance with the provisions of the New Jersey Administrative Code (NJ.A.C. 5-20-1.1), all meetings of the Board of Trustees, except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all Property Owners.

Despite the above, the Board may exclude or restrict attendance at those meetings or portions of meetings at which any of the followings matters are to be discussed:

- (a) Any matter, the disclosure of which would constitute an unwarranted invasion of the individual privacy;
- (b) Any pending or anticipated litigation or contract negotiations;
- (c) Any matters falling within the attorney/client privilege, to the extent that confidentiality is required in order for an attorney to exercise his ethical duties as a lawyer; or
- (d) Any matter involving the employment, promotion, discipline or dismissal of a specific officer or employee of the Association.

At each meeting of the Board, required to be open to Property Owners, the Secretary shall record the minutes and copies of the minutes shall be made available at an electronic site designated by the Board.

Adequate written notice of the time, place and the agenda, to the extent known, of all such open meetings shall be given to the Board to all Property Owners at least forty-eight (48) hours in advance of such meeting in the manner required by N.I.A.C. 5:20-1.2(b). Moreover, the Board shall also within seven (7) days following the annual meeting of the Association, post, mail to newspapers and file with the administrator of the Association, a schedule of the regular Board meetings to be held in the

succeeding year, as prescribed by N.I.A.C. 5:20-L2(c) and make appropriate revisions thereto, all as required by N.I.A.C. 5:20-1.2(c)1.

In the event that a meeting of the Board is required in order to deal with such matters of such urgency and importance that delay for notice for the purpose of providing forty-eight (48) hours advance notice would be likely to result in substantial harm to the interests of the Association, and provided that the meeting is limited to discussing or/and acting with respect to such matters of urgency and importance, notice of the meeting shall be deemed to be adequate if it is provided as soon as possible following the calling of the meeting by posting, delivering and filing written notice of the meeting in the manner set forth in this Section.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. General. The Board of Trustees shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Community Association and performance of the obligations of the Community Association as set forth in the Declaration and any Supplementary Declaration, including without limitation the operation, maintenance and repair of the Community Property, and may do or cause to be done all other lawful acts and things as are now permitted by law or these By-laws. In the performance of its duties as the administering body of the Community Association, in addition to those powers and duties set forth in the Declaration and any Supplementary Declaration, the Board of Trustees shall have the powers and duties including, but not limited to, the following:

(a) The duty to provide for the operation, maintenance, cleaning, sanitation, renewal, replacement, care, upkeep, and protection of the Community Property and all property, real or personal. of the Community Association subject to the terms of the Declaration;

(b) The duty, consistent with law, to determine the Assessments for the Common Expenses and assess the same against the Property Owners in accordance with the provisions of the Declaration and these Bylaws.

(c) The duty to levy and collect, in addition to the Assessments for Common Expenses and Special Assessments, amounts which the Board of Trustees deems proper, whenever the Board of Trustees is of the opinion it is necessary to do so in order to

meet increased operating or maintenance costs, or additional capital expenses, or because of emergencies.

(d) The duty to use and expend any sums collected from Assessments, and Special Assessments for the operation, maintenance, renewal, care, upkeep and protection of the Community Property.

(e)(i) The duty to maintain the Community Property at the equivalent level of maintenance as that which existed at the time of election pursuant to Article VIII, Section 4(b)(ii) of the Declaration.

(ii) The Board of Trustees shall maintain a reserve fund adequate for the periodic maintenance, repair and replacement of the improvements in the Community Property. The reserve fund shall be maintained out of regular assessments for Common Expenses. "Adequate" for the purpose of this paragraph shall mean an amount based on a reserve study conducted by a qualified engineer.

(f) The duty to use any nonrefundable contributions of Property Owners who have purchased Homes and any common surplus as revenues or for those purposes which the Board of Trustees may deem reasonable and necessary pursuant to its powers under the Declaration and these Bylaws.

(g) The duty, subject to availability and the requirements of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to maintain blanket fidelity bonds for all Trustees, officers and employees of the Community Association and all other persons who handle or are responsible for funds of or administered by the Community Association. The total amount of fidelity bond coverage shall be in an amount, as determined by the best business judgment of the Board of Trustees, adequate to protect the Community

Association but not less than the estimated maximum of funds, including reserve funds, in the custody of the Community Association or the management agent employed by the Community Association, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of these bonds be, less than a sum equal to three (3) months aggregate assessments of the Community Association on all Homes or Lots plus the reserve funds of the Community Association. These fidelity bonds shall name the Community Association as an obligee, contain waivers by the insurers of all defenses based upon the

exclusion of persons serving without compensation from the definition of employees, or similar terms or expressions and provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Community Association, to any insurance trustee and to any Participating Mortgagee. The premiums for these fidelity bonds shall be paid by the Community Association as a Common Expense.

(h) The duty to pay all taxes and assessments levied or assessed against the Community Property or any property that may be owned by the Community Association. Exclusive of any taxes or assessments levied against any Property Owner or otherwise properly chargeable to the Property Owner.

(l) The power to employ and dismiss personnel of the Community Association and to purchase or arrange for those services, machinery, equipment, tools, materials and supplies as, in the opinion of the Board of Trustees, may from time to time be necessary for the proper operation and maintenance of the Community Property.

(j) The Board of Trustees may enter into a contract of no more than three (3) years in duration (Committee Recommendation) for professional management of the Property and the Community Association at a price and upon the terms as shall be determined by the Board of Trustees to perform those duties and services as the Board may lawfully delegate. Any such contract must contain a right to termination by either party with or without cause upon 90 days notice. (Counsel recommendation)

(k) The duty to collect delinquent Assessments and other charges made by the Community Association through the Board of Trustees against any Home or Lot and any Property Owner thereof, together with the costs and expenses incurred in connection therewith, including, but not limited to, court costs and attorney's fees whether by suit or otherwise to abate nuisance and enforce observance of the rules and regulations relating to the Property, by injunction or other legal action or means which the Board of Trustees deem necessary or appropriate.

(1) The power to employ or retain any counsel and consultants, which the Board may deem necessary for any proper purposes of the Community Property and to fix the compensation for professional advice or services which but not limited to, those hereinbefore or hereinafter referred to in these Bylaws.

(m) The duty to cause operating, escrow and other accounts, if any, to be established and opened from time to time by the Board of Trustees when deemed appropriate and when consistent with generally accepted accounting practice.

(n) The duty to adopt a budget for each fiscal year which shall contain estimates of the costs and expenses of the Community Association, including, but not limited [to, the following items:

(1) Community Association. Expenses which shall include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of the Community Property and any and all other expenses' related to the operations thereof, including, but not limited to, common utility services, casualty and liability insurance, professional "management expenses, administrative and office expenses, reserves and the costs associated with the administration of the Community Association;

(2) Amounts to be credited or allocated for reserves for replacements of the Community Property or improvements therein, which require replacement, renovation or rehabilitation periodically, and

(3) Proposed Assessments against each Lot for the fiscal year.

Copies of the proposed budget and proposed Assessments shall be distributed to all Members at least thirty (30) days prior to the beginning of each fiscal year and shall be available to all Members for inspection during regular business hours at the Community Association's office. If the budget is subsequently amended before the Assessments are made, a copy of the amended budget shall also be distributed and made available for inspection.

Nothing herein contained shall be construed as restricting the right of the Board of Trustees, at any time and in its sole discretion, to levy a Special Assessment in the event that the budget as originally adopted shall appear to be insufficient to pay the costs of the operation or management of the Property or in the event of emergencies.

(o) The duty to cause an audit of the books and accounts of the Community Association to be made by a competent independent public accountant at the end of each fiscal year, and at any other time or times as may be deemed necessary. This audit shall be delivered and/or made available electronically, to each Member within ninety (90) days of the end of each fiscal year, or any other time an audit is prepared.

The audit shall include the operating budget and reserve accounts of the Community Association.

(p) The duty to maintain accounting records in accordance with generally accepted accounting principles.

(q) The duty to maintain and keep a complete record of the acts and corporate affairs of the Community Association.

(r) The power to make and enforce compliance with any reasonable rules and regulations relative to the operation, use and occupancy of the Property including but not limited to, penalties to be levied for violations of these Bylaws, the Declaration and any rules and regulations which the Board of Trustees shall adopt, and to amend the same from time to time as and when approved by appropriate resolutions which shall be binding on the Property Owners, tenants and occupants of Homes their successors in title and assigns. A copy of these Rules and Regulations and copies of any amendments thereto shall be delivered or mailed to each Member and any tenant or occupant of a Home or Lot promptly upon the adoption thereof.

(s) The duty to keep the Community Property, and improvements therein and personal property owned by the Community Association insured as provided in these Bylaws and the Declaration, for the benefit and protection of the Community Association and the Members. The Board of Trustees shall have the power to name as an insured, on behalf of the Community Association, the Community Association's authorized representative, including any trustee with whom the Community Association may enter into any insurance trust agreement or any successor to this trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall be given exclusive authority to negotiate losses under any policy providing property or liability insurance. The Community Association, by its Board of Trustees, shall be required to receive, hold or otherwise properly dispose of any proceeds of insurance in accordance with the Declaration. The Community Association, or any Insurance Trustee, shall have the power to act as attorney-in-fact for the purpose of purchasing and maintaining this insurance; these powers shall include the collection and appropriate disposition of the proceeds of this insurance policy, 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 these purposes.

(t) The duty to establish depositories for the funds of the Community Association with the bank or banks as shall be designated from time to time by the Board of Trustees and in which monies of the Community Association shall be deposited. Withdrawal of monies shall be only by check signed by those persons who are authorized by the Board of Trustees to sign checks on behalf of the Community Association. The Board of Trustees shall have the power to invest monies of the Community Association in any investments which the Board of Trustees deems to be reasonably prudent.

(u) The power to borrow and repay monies and give notes, mortgages or other security upon the term or terms which are deemed necessary by the Board of Trustees with the approval of the Members entitled to vote having at least sixty-seven (67%) percent of the votes in the Community Association.

(v) The power to sell, transfer or otherwise convey real and personal property owned by the Community Association by deed or bill of sale executed by the appropriate officers of the Community Association, with the approval of the Members entitled to vote having at least sixty-seven (67%) percent of the votes in the Community Association; provided that the Board of Trustees may sell, transfer, or otherwise convey any Home or Lot it has obtained pursuant to a Sheriff sale or deed in lieu of foreclosure without the approval of the Members.

(w) The power to acquire by purchase, annexation or lease real property, if, at any time in the future, the Board of Trustees deems it to be proper and not inconsistent with the terms hereof to do so, with the approval of the Members entitled to vote having at least sixty-seven (67%) percent of the votes in the Community Association.

(x) The power to acquire by purchase, gift, bequest, devise, sale or lease additional real or personal property upon the term or terms which the Board of Trustees deems necessary and proper, with the approval of the Members entitled to vote having at least sixty-seven (67%) percent of the votes in the Community Association.

(y) The power to employ professional counsel and receive advice from those persons, firms or corporations, including, but not limited to property management professionals, landscape architects, recreation experts, architects, engineers, planners, biologists, lawyers and accountants

(z) The power to take all steps necessary to effectuate any merger of the Community Association with any other association if approved by the vote of the Members

entitled to vote having at least sixty-seven (67%) percent of the votes in the Community Association and sixty seven (67%) percent of the Members of the other association entitled to vote.

(aa) The power to employ any person, firm, or corporation to repair, maintain or renovate the Community Property or portions of the Property for which the Community Association is responsible.

(bb) The power to enforce obligations of the Members and do anything and everything else necessary and proper for the sound management of the Community Association, including the right to bring or defend lawsuits to enforce the terms, conditions and restrictions contained in the Declaration, these Bylaws and any Rule and Regulations governing the Community Association. The Board of Trustees shall also have the powers to levy fines against any Member for violations of any of the foregoing. Except with regard to late payments, before the Board of Trustees imposes any fine, the accused Member shall have been given notice and afforded an opportunity to be heard with respect to the alleged violation in a manner consistent with the principles of due process of law.

(cc) The power to grant and obtain easements, licenses and their property rights with respect to the Community Property and contiguous lands without approvals of the Members in accordance with the Declaration and/or Bylaws.

(dd) The power to bring and defend actions by or against one or more Property Owners pertinent to the health, safety or general of the Members, or any other legal action.

(ee) The power to create, appoint Members to, and disband such committees as shall from time to time be deemed appropriate or necessary to aid the Board of Trustees in the discharge of its duties, functions and powers.

(ff) The power to make, revise, and amend rules and regulations concerning the use and enjoyment of the Community Property and the conduct of its Members.

(gg) The power to do all things incidental and necessary to the accomplishment of the above.

(hh) Subject to the Declaration and Articles of Incorporation, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization.

(ii) The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the Members of the Community.

(jj) The Association shall provide (Exhibit A) an Alternative Dispute Resolution (ADR) that offers a fair and efficient procedure for the resolution of disputes between individual Members and the Association and between different Members that shall be readily available as an alternative to litigation.

Section 2. Non-Waiver. All of the rights, duties, powers and privileges of the Board of Trustees shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future or shall any custom bind the Board of Trustees.

Nothing contained herein to the contrary shall serve to exculpate Members of the Board of Trustees from their fiduciary responsibilities.

ARTICLE IX

OFFICERS

Section 1. Designation. The principal officers of the Community Association shall be a President, Vice President, each of whom shall be a Member of the Board, a Secretary and a Treasurer. The Board may also appoint such other Assistant Treasurers and Assistant Secretaries as in their judgment may be necessary. A member of the current Board of Trustees must Chair any committee and/or subcommittee of the Board established hereunder. (Committee recommendation) Any two (2) offices, except that of President and Vice President may be held by one (1) person. All officers must be Members of the Community Association,

Section 2. Election and Removal. The officers of the Community Association shall be elected annually by the Board of Trustees at the organizational meeting held pursuant to Article VII, Section 7 of these Bylaws and shall be held office until their successors are elected or appointed by the Board of Trustees; provided that each officer shall hold office at the pleasure of the Board of Trustees and may be removed, either with or without cause, and his successor elected by affirmative vote of a majority of the Members of the Board of Trustees at any special or annual meeting

of the Board called for that purpose. The Board of Trustees may from time to time, appoint other officers, which, may in its judgement are necessary. Any officer may resign at any time by giving written notice to the Board of Trustees or the President or Secretary of the Community Association. Any resignation shall take effect as of the date of the receipt of this notice or any later date specified therein; unless specified therein, the acceptance of this written resignation shall not be necessary to make it effective.

Section 3. Vacancies. A vacancy in any office because of the death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

Section 4. President. The President shall be the Chief Executive Officer of the Community Association and shall preside at all meetings of the Community Association and the Board Of Trustees. They shall have the general powers and duties usually vested in the office of the President of the Community Association, including, but not limited to, the power to appoint "ad hoc committees" from among the Members of the Community Association, from time to time as they may deem appropriate, to assist in the conduct of the affairs of the Community Association. Any ad hoc committee shall be chaired by a current member of the Board. The President shall be an ex-officio Member of all standing Committees, if any. He/she shall execute deeds, contracts and other instruments in the name and on behalf of the Community Association and under its corporate seal when a seal is required, except when these documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Board of Trustees to another officer or agent of the Community Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Trustees shall appoint such other Trustee to do so on an interim basis. The Vice President shall also perform any other duties, which shall be imposed upon him from time to time by the Board of Trustees or these Bylaws.

Section 6. Secretary. The Secretary and/or Board designee, shall attend all meetings of the Board of Trustees and all meetings of the Members of the Community Association and record all votes and the minutes of all meetings and proceedings,

including resolutions, in a minute book to be kept for that purpose. They shall perform the same duties for any Committees when required. They shall have charge of the minute book, the records of the Association and any papers which the Board of Trustees shall direct him to keep, shall perform all duties incident to the office of Secretary, including the sending of notice of meetings to the Members, Trustees and any Members of committees, and shall perform any other duties which may be prescribed by these Bylaws or the Board of Trustees or the President. He shall also have the custody of the corporate seal and affix the same to any instrument requiring it when authorized by the Board of Trustees and shall attest the same when appropriate. The Secretary shall keep or cause to be kept, at the principal office of the Community Association, a Membership list showing the following:

- (a) The names and addresses of all Trustees;
- (b) The names and addresses of all Members; and
- (c) The Home or Lot as to which each Membership relates.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Community Association funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Community Association shall deposit all monies, checks and other valuable effects in the name of and to the credit of the Community Association in those depositories which may from time to time be designated by the Board of Trustees. They shall disburse the funds of the Community Association, as may be ordered from time to time by the Board of Trustees or by the President, and shall render to the President and the Trustees at the regular meetings of the 'Board of Trustees, or whenever they or either of them shall require an account of his transactions as Treasurer and of the financial condition of the Community Association.. Nothing herein shall prohibit the functions of the Treasurer to be delegated to an Agent of the Community Association provided this delegation is approved by a resolution of the Board of Trustees. The delegation of the duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by the Agent.

Section 8. Compensation. All Officers of the Community Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

Section 9. Other Duties and Powers. The Officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board.

ARTICLE X

ASSOCIATION BOOKS AND RECORDS

Section 1. Association Books and Records. The Board of Trustees shall make available to the Members and to the holders, insurers or guarantors of first mortgage liens on any of the Homes or Lots, current copies of the Declaration, these Bylaws, any Rules and Regulations and the books, records and financial statements of the Community Association. For the purposes of this paragraph, "available" shall mean available for inspection, upon request, during normal business hours at the office of the Community Association or the office of the manager of the Community Association. Any holder, insurer or guarantor of a first mortgage lien shall be entitled, upon written request, to an audited financial statement for the immediately preceding fiscal year, free of charge to the company so requesting (provided the cost of copying the requested financial statement may be assessed by the Community Association against the Property Owner of the home or lot against which the requested party holds, insures or guarantees a lien).

ARTICLE XI

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Community Association shall be the calendar year unless the Board of Trustees shall determine otherwise.

Section 2. Amendments to Bylaws. Except as otherwise provided herein, these Bylaws may be amended from time to time by 'the affirmative vote, in person or by proxy, of more than fifty-one (51 %) percent of the Members entitled to vote unless otherwise allowed by law.

Additionally, if any amendment is necessary in the judgment of the Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Declaration, or if

such amendment is necessary to conform to the then current requirements of Federal National Mortgage Association (FNMA), Veterans Administration (VA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Housing Authority (FHA), Housing Urban Development (HUD), any title insurer or any governmental or quasi-governmental agency', then at any time, and from time to time, <the Board may effect an appropriate corrective amendment without the approval of the Members or any Participating Mortgagee.

Section 3. Inspection of Bylaws. The Community Association shall keep in its principal office the original or a copy of these By-laws, as amended or otherwise altered to date, certified by the Secretary, which shall be opened to inspection by the Members during normal business hours.

Section 4. Membership Minutes. The Membership register, minutes and proceedings of the Community Association, meetings and minutes of proceedings of the Board of Trustees, shall be made available electronically and/or opened to inspection upon demand of any Member during normal business hours of the Community Association for a purpose reasonably related to his interest as a Member.

Section 5.

Electronic Communications. Notwithstanding the foregoing, all notices and the delivery of absentee ballots and proxies required under these Bylaws may be delivered or returned by email as an alternate to other methods of notice or return set forth in these Bylaws only where the member involved has given written consent to receive such notice or to vote on such ballot by electronic means and has provided an email address at which such member agrees to receive such communications. Absent such consent, the Association shall continue to provide notice and ballots in accordance with the original provisions of the Bylaws

Any member so consenting to electronic notice and voting may withdraw such consent in writing to the Property Manager by certified mail or personal service at any time. Upon receipt of such notice, the Association shall then be required to provide notice and ballots as otherwise provided for in these Bylaws and discontinue the use of the member's email for any communications.

For those members consenting to electronic notice and voting, proof that the notice or ballot was sent to the proper email address by the Association shall constitute valid

service for the purpose of these governing documents and it shall not be the basis for a claim of invalid service that the member did not receive the email because of a fault of the internet or their own email system. The Association shall use and keep current with industry standard software to deliver all electronic communications. The Association shall keep such email addresses confidential and shall not share such addresses with any other person or entity without the consent of the member. Further, the Association may not use any such email address to communicate with the members on behalf of a third party.

Such consent to electronic communications by a member shall also constitute consent for the Association to communicate with the member on all Association related matters beyond just required notices and voting, including newsletters and other announcements related to Association business.

Section 6. Notices to the Association. All notices hereunder to the Association shall be in writing and forwarded to it as its principal office by certified or registered mail, return receipt requested, postage prepaid. The address for sending such notices may be changed from time to time by notice to the Members from the Board.

Section 7. Remote Meetings. Solely at the Board of Trustees' discretion, the Association may conduct its Board meetings, annual (election) meetings, and special or other member meetings by remote communication in accordance with the following Procedures and Guidelines:

1. Notice of the Board, annual, special and other member meetings shall continue to be provided in accordance with these Bylaws and applicable laws and shall, where applicable, include a description of the means of remote communication that is to be utilized;
2. The Association shall make all necessary arrangements for the use of videoconferencing and/or teleconferencing platforms to conduct the business of the Board and annual meeting;
3. The remote conferencing platform chosen shall provide the capability to verify that each person participating remotely is a member of the applicable body (i.e. of Board and/or the Association);
4. The remote conferencing platform chosen shall, where required by these Bylaws and by applicable laws, allow each member to have an opportunity to reasonably

participate, including an opportunity to vote on matters submitted to the membership, and to read or hear the proceedings substantially concurrent with the proceedings;

5. A record shall be maintained of the proceedings and all votes or other actions taken by remote communication at the meeting as required by these Bylaws and applicable laws; and

6. Whenever remote conferencing is allowed by the Board of Trustees of the Association, a member participating by remote conferencing shall be deemed present and entitled to vote at the meeting where a member vote is allowed.

7. Any meeting conducted by remote conferencing will proceed and be conducted consistent with these Bylaws and resolutions of the Association and consistent with any applicable laws. Determination of a quorum may, for instance, be done through any electronic platform that can register participants' attendance or through a roll call of those participating.

8. A meeting shall proceed as governed by these Bylaws and by any applicable resolutions of the Association, shall be consistent with any applicable laws, and shall be in accordance with any agenda that may be prepared for such meeting.

9. The use of the masculine gender in these By-Laws or the Declaration, as amended, shall be deemed to be gender neutral and applied as such to the herein provisions, and the use of the singular shall be deemed to refer to the singular or plural, and vice versa, whenever the context so requires.

Section 8. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability or affect the balance of the Bylaws.

Section 9. Waiver. No restriction, condition, obligation or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

Section 10. Resales of Homes. Within fifteen (15) days after written request and payment of a reasonable charge determined by the Board, the Association shall furnish to a Member a copy of the Declaration, the Articles of Incorporation, Bylaws, the Rules and Regulations of the Association and a certificate containing:

(i) A statement setting forth the amount of the monthly Association Expense Assessment and any unpaid Association Expense Assessment currently due and payable from the Home Property Owner.

(ii) A statement of any other fees (including any special assessments currently proposed 'or adopted) payable to the Association by Property Owners.

(iii) A statement of any capital expenditures proposed by the Association for the current ,and two next succeeding fiscal years.

(iv) A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the Association for any specified project.

(v) The most recent regularly prepared balance sheet and income and expense statement, if any, of the Association.

(vi) The current operating budget of the Association.

(vii) A statement of any judgments against the Association and the status of any pending suits to which the Association is a party.

(viii) A statement as to whether the Board has knowledge that any alterations or improvements to the Home violate any provision of the Declaration, Bylaws or Rules and Regulations.

(b) A Home purchaser is not liable for any unpaid assessment or fee greater than, the amount set forth in the certificate prepared by the Association.

ARTICLE XII

COMPENSATION, INDEMNIFICATION AND EXCULPATION

Section 1. Compensation.

No compensation shall be paid to 'the President or the Vice-President or any Trustee, or member for serving on any of the Association's committees. The Secretary and/or Treasurer, and/or approved Board designee, may be compensated for their services if the Board determines that such compensation is appropriate. Nothing herein stated shall prevent any officer or Trustee, or committee member from being

reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association.

Section 2. Indemnification.

Each Trustee, Officer or committee member of the Association shall be indemnified by the Association against the actual amount of net loss including counsel fees, reasonably incurred by or imposed upon him in connection with any action, suit or proceeding to which he may be a party by reason of his being or having been a Trustee, Officer, or committee member of the Association, except as to matters for which he shall be ultimately found in such action to be liable for gross negligence or willful misconduct. In the event of a settlement of any such case, indemnification shall be provided only in connection with such matters covered by the settlement at to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.

Section 3. Exculpation.

Unless acting in bad faith, neither the Board as a body nor any Trustee, Officer, Committee Member or their delegees shall be personally liable to any Property Owners in any respect for any action or lack of action arising out of the execution of his office. Each Property Owner shall be bound by the good faith actions of the Board, Officers and Committee Members of the Association in the execution of the duties and powers of said Trustees, Officers and committee members. Nothing contained herein shall be construed as to exculpate Members of the Board of Trustees appointed by the Developer from discharging their fiduciary responsibilities.

ARTICLE XIII

ENFORCEMENT

Section 1. Enforcement.

The Board shall have the power, at its sole option, to enforce the terms of the Bylaws, or any Rule or Regulation promulgated pursuant thereto by any or all of the following: self-help; sending notice to the offending party to cause certain things to be done or

undone; restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authorities; or by taking any other action, summary or otherwise, before any court, agency, or administrative body, as may be provided by law. The foregoing remedies shall be in addition to any other powers granted herein, in the Declaration and not in limitation thereof. If self-help is utilized, the Board must institute a legal proceeding before any improvements can be altered or demolished.

Section 2. Fines. The Board shall also have the power to levy fines against any Property Owner(s) for violation(s) of any Rule or Regulation of the Association or for any covenants or restrictions contained in the Declaration or By-Laws, except that no fine may be levied for more than \$100.00 for anyone violation; provided, however, that for each day a violation continues after notice is given shall be considered a separate violation. Collection of the fines may be enforced against any Property Owner(s) involved as if the fines were a Common Expense owed by the particular Property Owner(s). Despite the foregoing, before any fine is imposed by Board the Property Owner involved shall be given at least seven (7) days prior written notice and afforded an opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

Section 3. Waiver. No restriction, condition, obligation or covenant contained in these By-Laws or in the Declaration shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches there of which may occur.

ARTICLE XIV

INSURANCE

Section 1. Liability. In addition to the powers and duties listed in Article VIII, the Board shall place and keep in force all insurance coverages required to be maintained by the Community Association applicable to the Community Property and its Trustees, officers and members, including, but not limited to:

- (a) "Broad form" comprehensive public liability and property damage insurance covering liability for loss or damage to persons or properties in those amounts, against those risks and in those insurance companies which

the Board of Trustees shall determine from time to time, but in no event less than \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. This insurance shall include protection against liability for property of others, and any other risk customarily covered in similar policies for associations similar to the Community Association. All liability insurance contracts shall contain severability of interest provisions and cross liability endorsement to cover liabilities of the Community Association or the Property Owners as a group to an individual Property Owner.

Section 2. Property. The Board of Trustees may obtain or cause to be obtained "community" or "blanket all risk" hazard and, if applicable, flood insurance coverage covering damage to the Community Property and all fixtures and equipment therein and thereof, and Including all personal property owned by the Community Association (the "Insured Property").

Section 3. General Insurance Provisions.

(a) Premiums for the insurance coverage carried by the Community Association and expenses related to insurance shall be part of the common expenses for which assessments are levied against the Property Owners. All policies shall be purchased by the Community Association for the benefit of the Community Association, the Board of Trustees, the Committees, all Property Owners and Participating Mortgagees, as their interests may appear; however, the Community Association shall be the named insured and. it shall not be necessary to name the Board of Trustees, the Committees or the Property Owners. Mortgagee endorsement may be issued upon request. To the extent, the Community Association shall maintain the appropriate insurance coverage required under applicable law and under the guidelines and regulations promulgated by the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Department of Housing and Urban Development (HUD) and the Veterans Administration (VA) or their successors. The company or companies with whom the Board of Trustees shall place its insurance, as authorized in these Bylaws, must be qualified and reputable, and authorized to do business in the State of New Jersey. All policies shall provide that they may not be canceled or substantially modified by any party without at least ten (10) days prior written notice to the Community Association

and to each participating mortgagee listed in the insurance policy. In addition, policies shall provide for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against Property Owners individually; and a statement that the insurance shall not be prejudiced by any act or neglect of individual Property Owners, which is not in the control of the Property Owners collectively. Policies shall be deposited with the Board of Trustees and shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Community Association. The duty of the Board of Trustees, or any insurance trustee, shall be to receive the insurance proceeds that are paid and hold and apply them for the purposes elsewhere stated herein and for the benefit of the Community Association and the Property Owners.

(b) The Board shall review, at least annually, all insurance coverage carried pursuant to the Declaration and these Bylaws to evaluate the coverage with respect to its compliance with these documents and (to the extent the property is or will be subject to FNMA, FHLMC, HUD and VA approval) standards set by FNMA, FHLMC, HUD and VA, as well as with respect to what is reasonable appropriate coverage for Associations comparable to the Community Association. In the event the Board of Trustees determines after a review and evaluation that the insurance coverage required hereunder' is not consistent with the requirements or standards set by FNMA, FHLMC, HUD or VA or other reasonably appropriate coverage when compared for Associations comparable to the Community Association, the Board of Trustees shall have the power to deviate from this specific provision only to the extent of providing consistent and reasonably appropriate coverage; provided the Board of Trustees shall give the Property Owners and all participating mortgagees at least thirty (30) days prior written notice of any deviation.

Section 4. Damage or Destruction, Repair or Replacement. Where loss or damage occurs to any portion of the Community Property or any insured property, the Community Association shall be obligated to repair and restore the damage caused by the loss, unless repair or replacement would be illegal under any state or local health or safety statute or ordinance or at least eighty percent (80%) of the Property Owners and sixty-seven percent (67%) of the Participating Mortgagees vote not to rebuild. In the event of this loss or damage, the following shall apply:

(a) The Board of Trustees shall promptly obtain reliable and detailed estimates of the cost of repair and restoration and shall have the right and obligation to negotiate and contract for the repair and restoration of the Community Property or any other insured property.

(b) If the net proceeds of the insurance are insufficient to pay for the estimated cost of repair and restoration (or for the actual cost thereof if the work has actually been done), the Board of Trustees shall promptly, upon determination of the deficiency, levy a special assessment against all Property Owners for that portion of the deficiency as it is attributable to the cost of repair and restoration of the Community Property. The special assessment fund shall be added by the Board of Trustees to the insurance proceeds available for the repair and restoration.

(c) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient, but additional funds are raised by a special assessment so that sufficient funds are on hand to fully pay for the restoration, then no participating mortgagee shall have the right to require application of insurance proceeds to the payment of its loan.

Section 5. Damage or Destruction. No Repair or Replacement. If the Community Property is not repaired or replaced, the following shall apply:

(i) The insurance proceeds attributable to the damaged Community Property shall be used to restore the damaged area to a condition compatible with the remainder of the property as determined by the Board of Trustees;

(ii) The insurance proceeds attributable to the Community Property, which is not rebuilt shall be utilized by the Community Association to offset common expenses or shall be added to reserve accounts, as determined by, the Board of Trustees; and

(iii) The remainder of the proceeds shall be distributed equally among all of the Property Owners and the participating mortgagees as their interest may appear.

Section 6. Community Association's Power to Compromise Claim. The Board of Trustees is hereby empowered to compromise and settle claims arising under insurance policies purchased by the Community Association, and to execute and deliver releases therefor, upon payment of claims.

Section 7. Other Insurance. The Board of Trustees shall also obtain the following insurance coverage and endorsements which may be applicable to the Community Property or other insured property, all premiums for which are to be charged as common expenses:

(a) Worker's compensation policies to meet the requirements of law.

(b) Trustees and Officers liability and any other insurance the Board of Trustees shall deem necessary to satisfy the indemnification obligations of the Community Association as provided herein and in Article XII of the Declaration

(c) Fidelity Bond coverage as required hereunder.

(d) All other insurance the Board of Trustees shall determine from time to time to be necessary or desirable.

If available, and where applicable the Board of Trustees shall endeavor to obtain policies, which provide that the insurer waives its right of subrogation as to any claims against Property Owners, the Community Association and the Board of Trustees and their respective servants agents and guests.

Section 8. Limitation of Liability. Despite the duty of the Board of Trustees to maintain and repair the Community Property, the Board of Trustees shall not be liable for injury or damage caused by the failure of the Board of Trustees to maintain or repair the same except to the extent of the proceeds of insurance carried by the Board of Trustees and collected and received therefor.

ARTICLE XV

It shall be the responsibility of the Board to enforce the Covenants and Conditions set forth in the governing documents and the Rules and Regulations enacted in accordance with the Declaration and Bylaws. The Board may appoint an advisory committee to assist the Board with inspections but all decisions with regard to violations of the restrictions, Covenants and Rules and Regulations shall be made by the Board of Trustees. The Board is charged with and is authorized to takes such action to ensure that the properties within the community are maintained in a manner providing for visual harmony and soundness of repair; will prevent

deleterious effects on the aesthetic or property values of the community and promotes the general welfare of the community as a whole.

The Board of Trustees shall have the power to issue a cease and desist to an Property Owner, his guests, invitees or lessees, whose actions are inconsistent with the provisions of the Declaration, the Bylaws, the Rules and Regulations or Resolutions of the Board (upon petition of any Property Owner or upon its own motion). The Board shall also from time to time, as required and if necessary, with the advice of legal counsel, provide interpretations of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations and Resolutions pursuant to the intent, provisions and qualifications thereof when requested to do so by an Property Owner or the Board.

The Board shall have the obligation to act upon any written application received by it from an Property Owner for approval of a proposed alteration or improvement that is subject to prior approval of the Board within sixty (60) days after receipt of such application in properly completed form. If the Property Owner of the property involved has not received notice of the Board's decision within thirty (30) days of the date on which they delivered the completed application pursuant hereto, he may notify the Board in writing of the fact within forty-five (45) days of the date on which such Property Owner so delivered such completed application and, if such second notice is given, the Board's permission shall be deemed to have been granted unless notice to the is given to the Property Owner of the property involved within sixty (60) days of the date on which the original completed application was so delivered. If no such second notice is given to the Board and no action is taken within the 60-day period after the completed application is received, the application shall be deemed automatically denied. However, such denial shall not prohibit resubmission of the application.

Any Property Owner who is aggrieved by the decision of the Board under this Section of the Bylaws shall have the right to avail themselves of the Alternate Dispute Resolution procedures set forth in these Bylaws and further ADR resolution(s) of the Board of Trustees.

ATTACHMENT

ALTERNATE DISPUTE RESOLUTION PROCEDURE

RESOLUTION

Establishing an Alternative Dispute Resolution (ADR) Policy

WHEREAS, the Board of Trustees of the FOREST GLEN COMMUNITY ASSOCIATION believe that conflicts which arise between condominium association homeowners and between homeowners and their association are best resolved by way of negotiation and mediation rather than litigation; and

WHEREAS such "Alternative Dispute Resolution" (ADR) is faster, friendlier, less expensive and often more effective than resorting to the courts to resolve disputes; and

WHEREAS the Planned Real Estate Development Full Disclosure Act of New Jersey (N.J.S.A. 45:22A-44c) requires that "an association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the association, and between unit owners, which shall be readily available as an alternative to litigation";

BE IT THEREFORE RESOLVED that the following ADR procedure is hereby adopted by the Board of Trustees of the FOREST GLEN COMMUNITY ASSOCIATION at its meeting on the ____ of _____, 2019, and shall be added the Association's Rules and Regulations:

Section I. ALTERNATIVE DISPUTE RESOLUTION (ADR)

1. Applicability This ADR procedure shall apply to all housing-related disputes which arise between unit owners, as well as between unit owners and the Association. Although ADR must be offered in all such situations, acceptance of and participation in the ADR procedure is voluntary on the part of all unit owners. This ADR procedure shall not apply to disputes regarding payment of assessments,.

2. Method The ADR method to be offered by the Association shall be "mediation". Mediation, unlike arbitration and litigation, is an informal, cooperative, problem-solving approach to conflict resolution. It provides for a neutral mediator to assist the parties negotiate a settlement of their dispute which is agreeable to all involved.

3. Mediator The neutral party who shall act as the mediator of the aforesaid housing-related disputes shall be a panel of non-residents from an Association known as the "ADR Committee". The panel which will mediate any given dispute shall consist of no less than one (1) but no more than three (3) persons, (i.e. substitutes and alternates are encouraged). No panel member who has any direct interest or involvement in the dispute to be mediated shall serve as a panel member with regard to that dispute, nor shall any current member of the Board of Trustees of the Association be permitted to serve as a panel member. In the event that less

than three (3) panel members are available to mediate a dispute, the parties involved may agree to allow that panel to mediate the dispute. If all parties do not so agree, the Association shall hire a professional mediator to mediate the dispute, in which event the cost of hiring the professional mediator will be borne by the Association. Note this is a common expense and shall be borne upon all members of the Association.

4. Procedure

a. Dispute between unit owners

i. Upon formal notice to the Association from a unit owner that a dispute exists with another unit owner, the property manager shall contact all parties to determine the nature of the dispute and to attempt to quickly and informally resolve the dispute.

ii. If the efforts by the property manager described in (a) above are not successful within five (5) days, the property manager shall send formal written notice to the parties involved acknowledging that a dispute exists, identifying the nature of the dispute, and offering ADR-Mediation to the parties involved.

iii. If a party accepts the Association's offer of ADR-Mediation, that party shall notify the property manager in writing within five (5) days. Upon receipt of said acceptance by all parties, the property manager shall promptly schedule an ADR-Mediation hearing, which shall be held no later than fourteen (14) days from the date the property manager receives acceptance from all parties involved.

iv. In a dispute involving more than two parties, if less than all parties agree to ADR-Mediation, the hearing may still go forward only if those parties participating agree that such mediation would be beneficial. In a dispute involving only two parties, if less than both agree to ADR-Mediation, then the Association's offer of ADR will be withdrawn. If the ADR offer is withdrawn and the dispute involves a violation of the Rules, Regulations and Restrictions of the FOREST GLEN COMMUNITY ASSOCIATION, the Association will proceed to enforce said Rules, Regulations and Restrictions pursuant to its enforcement powers as outlined elsewhere in the governing documents of the Association and as otherwise provided by law.

b. Dispute between a unit owner and the Association

i.(1) In the event that a unit owner violates a Rule, Regulation or Restriction of the Association, the property manager shall notify the unit owner in writing of the violation and request that the unit owner immediately correct the violation. The notice shall also inform the unit owner of the option to resolve the dispute by way of ADR-Mediation.

i.(2) In the event that a unit owner claims that the Association has failed to act properly or has acted improperly with regard to the exercise of its duties, responsibilities and powers, the unit owner shall notify the Association in writing of the claim. The property manager shall investigate the claim and promptly respond to the unit owner in writing, clearly stating the Board's position with regard to the claim. This notice shall also inform the unit owner of the option to resolve the dispute by way of ADR-Mediation.

ii. If the unit owner accepts the Association's offer of ADR-Mediation, he/she must do so in writing to the property manager within five (5) days. Upon receipt of said acceptance by the unit owner, the property manager shall promptly schedule an ADR-Mediation hearing which shall be held no later than fourteen (14) days from the date the property manager receives written acceptance from the unit owner.

iii. If the unit owner does not timely respond to the Association's offer of ADR, or affirmatively declines, then the Association's offer of ADR will be withdrawn. In the event the offer of ADR is withdrawn, the Association will proceed to enforce its Rules, Regulations and Restrictions pursuant to its enforcement powers as outlined elsewhere in the governing documents of the FOREST GLEN COMMUNITY ASSOCIATION and as otherwise provided by law.

c. The Mediation hearing

i. The hearing shall take place at the Association's Property Manager's office or, in the event that the office is unavailable, at a neutral site agreeable to all parties involved.

ii. All unit owners involved in the dispute must attend. In disputes involving the Association, the property manager or other designated representative shall attend on behalf of the Board of Trustees. Members of the Board of Trustees may also attend.

iii. The property manager shall designate the particular ADR panel members who shall mediate the dispute, and those members shall attend.

iv. The unit owners involved in the dispute may have legal counsel present with them at the hearing, although it is not necessary nor required to do so.

v. The conduct of the hearing shall follow these general guidelines (i.e. flexibility in the conduct of the hearing is permitted if likely to achieve a positive result):

- the designated chair of the panel shall give brief opening remarks, welcoming the participants, introducing the panel members and outlining the procedure to be followed at the hearing

- in disputes between unit owners, the initial complainant shall succinctly describe the nature of the dispute and his/her position with regard to it, followed by any questions the panel may have of that unit owner. The other party to the dispute shall then succinctly state his/her position with regard to the dispute, followed by any questions the panel may have of that unit owner.

- in disputes between a unit owner and the Association, the representative of the Board of Trustees (e.g. the property manager) shall succinctly state the nature of the dispute and the Board's position with regard to it, followed by any questions the panel may

have of the Board's representative. The unit owner in the dispute shall then succinctly state his/her position with regard to the dispute, followed by any questions the panel may have of that unit owner.

- following the presentations of positions by the parties involved, the panel will then "caucus", whereby they engage in discussion amongst themselves and with the parties, either separately, together, or both, in an effort to identify the issues raised and the interests expressed, and to explore resolutions of the dispute through negotiation, compromise and ultimately agreement.

- it is expected that if a resolution is attainable, it can be reached during one mediation hearing of reasonable length; if, however, another hearing is necessary to fully resolve the dispute, it shall be promptly scheduled by the property manager at an agreeable time no greater than ten (10) days from the date of the first hearing.

- in disputes between a unit owner and the Association, the Board's designated representative shall attend with authority from the Board to resolve the matter at the hearing (within the parameters of that authority), or, at the very least, with the ability to contact the Board by telephone during the hearing with regard to resolving the dispute.

d. The Result

- i. In a dispute between unit owners, if an agreement which resolves the dispute is reached, it shall be reduced to writing by the ADR panel/mediator and signed by the parties. A copy shall be given to each party, as well as to the Board of Trustees. If an agreement to resolve the dispute cannot be reached at the hearing, and if there is no reasonable prospect of an agreement being reached at a second hearing, the parties will be dismissed from the ADR process and the ADR panel/mediator shall inform the Board of Directors of this result.

- ii. In a dispute between a unit owner and the Association, if an agreement which resolves the dispute is reached, it shall be reduced to writing by the ADR panel/mediator and signed by the unit owner and the Board's designated representative. A copy shall be given to the unit owner and to the Board. If an agreement to resolve the dispute cannot be reached at the hearing, and if there is no reasonable prospect of an agreement being reached at a second hearing, the ADR panel shall confer and make a formal written recommendation to the Board of Trustees which sets forth findings of fact as it relates to the dispute, as well as a proposed resolution of the dispute. This recommendation to the Board shall be made within five (5) days of the hearing, and a copy shall be sent to the unit owner. The recommendation shall be considered by the Board, but shall not be binding on the Board or on the unit owner.

e. Right to Appeal

i. In a dispute between a unit owner and the Association in which an agreement resolving the dispute was not reached after ADR-Mediation, the findings and recommendation of the ADR panel/mediator may be appealed from by either the unit owner or the Association.

ii. If either party believes that the panel's/mediator's findings of fact were incorrect, or that the panel/mediator incorrectly applied the Association's Rules and Regulations to the facts of the dispute, or for any other reason feels aggrieved by the results of the ADR-Mediation hearing, that party may appeal to the ADR panel/mediator to reconsider its findings and recommendation. Such an appeal must be in writing and addressed to the ADR panel/mediator in care of the property manager's office. A copy of the appeal must be served on the other party. The appeal must be received by the ADR panel/mediator within five (5) days of the service of its findings and recommendation. The appeal must state the grounds upon which the appeal is made and should set forth the aggrieved party's requested result.

iii. The ADR panel/mediator shall respond to the aggrieved party's appeal in writing within five (5) days of its receipt of the appeal. A copy of the response shall be served on both parties. In the discretion of the panel/mediator, if another hearing is in order (e.g. to discuss new information bearing on the dispute which was not submitted at the original hearing), the panel shall promptly schedule another hearing which shall take place not more than ten (10) days from the service of the panel's response to the appeal. Thereafter, Sections 4 and 5, above, shall apply.

5. Counsel to the ADR Panel/Mediator. The Association's attorney shall serve as legal advisor to the panel/mediator. The attorney shall serve as a resource to the panel with regard to ADR-Mediation procedure, not as an advocate for one party or the other.

6. Confidentiality. The ADR-Mediation process and the writings and statements made therein, shall be held in strictest confidence. The hearings themselves are not to be open to the public. Only those persons directly involved in a dispute are permitted to attend a hearing. The panel members are not permitted to discuss a dispute or the findings and recommendation they make with regard to any dispute to anyone other than the parties and their fellow panel members.

7. Costs. Any costs incurred by a party as a result of their participation in the ADR-Mediation process (e.g. costs of hiring legal counsel, costs of gathering and presenting evidence, etc.) shall be borne solely by the party incurring the costs. In the event that the Association is required to hire a professional mediator to mediate a dispute (see Section 3, above), that cost shall be the responsibility of the Association.

So be it resolved, on **this 22nd day of August 2019** *establishing an Alternative Dispute Resolution (ADR) Policy* will be in force and will be distributed to all homeowners via email or if no such email address is on file via regular first class mail through the United States Post Office. A copy of this Resolution will be included with all future copies of the Rules and Regulations of the Community and shall be filed in the Resolutions book maintained at the Management Office.

So be it resolved, on this _____ day of _____ 2019 *establishing an Alternative Dispute Resolution (ADR) Policy* will be in force and will be distributed to all homeowners via email or if no such email address is on file via regular first class mail through the United States Post Office. A copy of this Resolution will be included with all future copies of the Rules and Regulations of the Community and shall be filed in the Resolutions book maintained at the Management Office.

 _____, President

 _____, Secretary