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MADISON PLACE CONDOMINIUM ASSOCIATION, INC.

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BYLAWS

OF

MADISON PLACE CONDOMINIUM ASSOCIATION, INC.

ARTICLE I  
NATURE OF BY-LAWS

SECTION 1. PURPOSE

These By-Laws are intended to govern the administration of Madison Place Condominium Association, Inc. (the "Association"), a non-profit corporation organized under Title 15A of the Revised Statutes of New Jersey, and provide for the management, administration, utilization and maintenance of the Common Elements described in the Master Deed for Madison Place, a Condominium.

SECTION 2. DEFINITIONS

Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed for Madison Place, a Condominium or in N.J.S. 46:8B-3 are incorporated herein by reference.

SECTION 3. FISCAL YEAR

The fiscal year of the Association shall be on a calendar year basis unless otherwise determined by the Board of Trustees.

SECTION 4. PRINCIPAL OFFICE

The principal office of the Association is located at 101B Hastings Court, Mount Laurel, New Jersey 08054.

ARTICLE II  
MEMBERSHIP AND VOTING RIGHTS

SECTION 1. MEMBERSHIP

Every Unit Owner (including the Developer) shall be a Member of the Association, subject to the provisions of these By-Laws and Rules and Regulations promulgated by the Board of Trustees of the Association. A person shall automatically become a Member of the Association at the time he acquires title to the Unit and he shall continue to be a Member so long as he continues to hold title to his Unit. No membership may be transferred in any way except as an appurtenance to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic

upon the transfer of title, but the Association may treat the prior Unit Owner as the member for that Unit until satisfactory evidence of the transfer has been presented to the Secretary of the Association. A person may be a Member of the Association for more than one unit. Any entity who holds title merely as a security for the performance of an obligation (including but not limited to mortgagees or Trustees under deeds of trust) shall not be a Member of the Association.

## SECTION 2. VOTING RIGHTS

Each Member in good standing shall be entitled to such vote(s) for each Unit to which he holds title as is provided in Article V of the Master Deed.

Developer's vote shall be cast by such persons as it may from time to time designate. Votes not held by Developer shall be cast in person or by proxy, as otherwise provided herein.

## SECTION 3. SUSPENSION OF MEMBERSHIP AND VOTING RIGHTS

The Membership rights and voting rights of any Unit Owner may be suspended by action of the Board during the period when such Unit Owner's assessments remain unpaid; but upon payment of such assessments (together with any other cost and interest accrued), his rights and privileges shall be immediately and automatically restored. Further, if Rules and Regulations governing the use of the Common Elements and the conduct of persons thereon have been adopted and published by the Board, the rights and privileges of any person in violation thereof may be suspended at the discretion of the Board for a period of not to exceed thirty (30) days for any single violation, but if the violation is of a continuing nature, such rights and privileges may be suspended indefinitely until such time as the violation is abated. This suspension right is in addition to the other remedies afforded to the Board to cure such violations. No such action shall be taken by the Board until the Unit Owner is afforded an opportunity for a hearing consistent with the principles of due process.

## SECTION 4. PROXIES

\* Proxy ballots shall be permitted with respect to all elections of Trustees, and all amendments to the Certificate of Incorporation, the Master Deed or these By-Laws, or any other matter which is to come before a meeting of the Membership of the Association. All proxies shall be in writing, signed by all individual Unit Owners (or in the case of joint owners by any one of them), or by his or their duly authorized representative(s) and delivered to the Secretary of the Association, or such other person as the President may designate, at least twenty-four (24) hours prior to the commencement of the meeting at which ballots are to be cast. Proxies may be revoked in writing, at any time prior to the

opening of the polls, and no proxy shall be voted on after eleven (11) months from its date unless said proxy provides for a longer period, not to exceed three (3) years from the date of execution. All proxies shall be substantially 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.

#### SECTION 5. MULTIPLE OWNERSHIP

If a Unit is held by one person, his right to vote shall be established by the recorded title to the same. If the Unit is owned by more than one person, the person entitled to cast the vote or votes shall be designated in a Certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If held by a partnership, trust or estate, the general partner(s), Trustee(s) or executor(s) or administrator(s) as the case may be, shall be deemed the owner hereunder. If held by a corporation, the officer or employee thereof entitled to cast the vote or votes for the corporation shall be designated in a Certificate for this purpose, signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Condominium Association.

The person designated in these Certificates who is entitled to cast the vote or votes shall be known as the "Voting Member." If such a certificate is not on file with the Secretary of the Association for a Unit owned by more than one (1) person or by a corporation, the vote or votes attributable to such unit shall not be considered in determining the requirement for a quorum or for any other purpose requiring the approval of a person entitled to cast the vote for such unit, except if held by a husband and wife. Such Certificates shall be valid until revoked in writing by any holder of such interest or until superseded by a subsequent Certificate or until a change in the ownership of said Unit.

If a Unit is held by a husband and wife, the following three provisions are applicable thereto:

(a) They may, but are not required to designate a Voting Member by a Certificate signed by both and delivered to the Association, Secretary as provided above.

(b) If they do not designate a Voting Member, and if both are present at the meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

(c) Where they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the vote or votes, just as though he held the interest individually and without

establishing the concurrence of the absent person.

The Developer shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the Master Deed, By-Laws, or any other document for the purpose of changing the permitted use of the lot, parcel unit or interest, or for the purpose of reducing the common elements or facilities.

#### SECTION 6. CONTRIBUTION TO CAPITAL

Each Unit Owner shall pay to the Association upon acquisition of title to his Unit a nonrefundable and non-transferable contribution to the working capital of the Association in an amount equal to one-fourth (1/4) of the current estimated Annual Common Expense assessment for the Unit at the time of the acquisition. This contribution is not considered an advance payment of any assessment. Payment of such Fee shall be a condition precedent to the exercise of rights of membership in the Association upon the initial sale or subsequent transfer of title to a Unit. Any unpaid capital contribution shall be deemed a lien on the Unit in the same manner as any unpaid Common Expenses attributable to such Unit. While the Developer is in control of the Association, the Developer shall not use any of the working capital contribution to defray its expenses, reserve contributions, construction costs or make up any budget deficits.

#### SECTION 7. MAIL BALLOTS

Instead of a membership meeting, the Board may submit any matter, or election other than a Transition Election, to a vote of the membership by mail. No mail ballot shall be valid or tabulated unless the signature of the Unit Owner(s) is affixed to the ballot and verified in accordance with the procedures established by the Board. The Board shall appoint judges to tabulate the ballot and judges shall prepare a report to be included in the Association's records. In order to conduct a ballot by mail on an issue presented, the Board shall serve a notice on all Members which shall (i) state with sufficient detail the terms of the motion and the issue presented; (ii) state the date which ballots must be received in order to be valid; (iii) provide a ballot for the purposes of the vote; and (iv) state the date upon which the action shall be effective, which date shall be not less than ten (10) days after the date ballots must be received.

For election of Trustees by mail, the Board shall serve a notice on all Members providing (i) an official ballot; and (ii) the date by which the ballot must be received in order to be counted. No ballot shall be considered valid if the Member is not in good standing at least three (3) days prior to the date set for the ballot to be received.

ARTICLE III  
MEETINGS OF UNIT OWNERS

SECTION 1. PLACE OF MEETINGS

All meetings of the Unit Owners of the Association shall be held at the Condominium or at such other place convenient to the Members as may be designated by the Board.

SECTION 2. ANNUAL MEETING

All annual meetings of the Unit Owners of the Association shall be held on the day and month of the year to be established by the Board, except that the first such annual meeting shall be held not more than thirteen months following the incorporation of the Association. At each annual meeting subsequent to the final Transition Elections held in accordance with Article IV, Section 2 hereof, the election of Trustees shall take place. If the election of Trustees shall not be held at the annual meeting or any adjournment of such meeting, the Board shall cause the election to be held at a special meeting as soon thereafter as may be convenient. At such special meeting the Unit Owners may elect the Trustees and transact other business with the same force and effect as at an annual meeting duly called and held. All proxies validly received for the originally scheduled meeting shall remain in full force and effect for any such adjourned meeting or special meeting and new proxies may be received for any such subsequent meeting.

SECTION 3. SPECIAL MEETINGS

Special meetings of the Unit Owners may be called by the President whenever he deems such a meeting advisable or shall be called by the Secretary when so ordered by the Board, or upon written request of Members representing not less than twenty-five (25%) of all the votes entitled to be cast at such meeting. Such request shall state the purpose(s) of such meeting and the matter(s) proposed to be acted upon.

SECTION 4. NOTICE OF MEETING

Except as otherwise provided by N.J.S. 46:8B-12.1b and Article IV Section 2(f) notice of each meeting of Unit Owners, whether annual or special, shall be given not less than ten (10) days, nor more than ninety (90) days before the day on which the meeting is to be held, to each Unit Owner at his last known address, by delivering a written or printed notice thereof to said Unit Owner, or by mailing such notice, postage prepaid. Except where expressly required by law, no publication of any notice of any meeting of Unit Owners shall be required. Every such notice shall state the time and place of the meeting and shall state briefly the purpose(s) thereof. Notice of any meeting of unit owners shall not be required to have been sent to any Unit Owners who shall attend



such meeting in person or by proxy. Notice of any adjourned meeting of the Unit Owners shall not be required to be given unless the time and place to which the meeting is adjourned is not announced at the meeting adjourned.

#### SECTION 5. QUORUM

At such meeting of the Unit Owners, persons (including Developer or its representatives) holding at least twenty-five (25%) of the authorized votes present in person or by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. If the required quorum is not forthcoming at said meeting, the meeting shall be adjourned to another time no sooner than one week nor later than one month from that date and the required quorum shall be reduced to fifteen (15%) percent. At any such adjourned meeting at which a quorum may be present any business may be transacted at the meeting originally called.

#### SECTION 6. ORGANIZATION

At each meeting of the Association, the President, or in his absence, the Vice-President, or in the absence of both of them, a person chosen by a majority vote of the Members in good standing present in person or represented by proxy and entitled to vote thereat, shall act as a chairperson, and the Secretary, or in his absence, a person whom the chairperson shall appoint, shall act as Secretary of the meeting.

#### SECTION 7. VOTING

Members in good standing at least three (3) days prior to any meeting at which a vote is to occur shall be entitled to vote on questions presented. Each Unit Owner shall be entitled to the vote(s) as provided in Article V of the Master Deed for each unit to which he hold title for such questions. A majority in interest of votes present in person or by proxy at any duly constituted meeting or by mail ballot shall be sufficient on those questions presented.

Members in good standing at least three (3) days prior to any meeting at which an election is to occur shall be entitled to vote in elections of Trustees. As set forth in Article V of the Master Deed, each Member shall be entitled to one vote for each Unit owned. The elections of Trustees shall be by ballot. If with respect to any election more than twice the number of candidates to be elected are nominated, then there shall be two (2) ballots. At the end of the tabulation of the first ballot, the field of candidates shall be reduced so that there are twice as many candidates as there are open positions, with the persons receiving the fewest votes being removed from the next ballot. A second vote shall be held, and on the second vote, the persons receiving the

plurality of votes will be deemed to be elected in order to file the positions. If there are not more than twice the number of candidates as there are open positions, then there shall be one ballot, with the persons receiving the highest number of votes being elected. If applicable, candidates polling the highest number of votes will be considered elected for the longest period of years.

#### SECTION 8. MEMBER IN GOOD STANDING

A Member shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all installments due for assessments made or levied against him and his Unit by the Board of Trustees as hereinafter provided, together with all interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and to his Unit, at least three (3) days prior to the date fixed for such meeting. Any date set forth in these By-Laws for determining good standing for voting purposes shall be deemed supplemental to and not in derogation of the record date provisions of N.J.S. 15A:5-1.

#### SECTION 9. INSPECTORS

If at any meeting of the Unit Owners a vote by ballot shall be taken on any question, the chairperson of such meeting shall appoint two (2) inspectors, to act thereat, with respect to such vote. Each inspector so appointed shall first subscribe an oath faithfully to execute the duties of an inspector at such meeting with strict impartiality and according to the best of his ability. Such inspectors shall decide upon the qualification of voters and shall report the number of votes represented at the meeting and entitled to vote on such question, shall conduct and accept the votes, and when the voting is completed, shall ascertain and report the number of votes respectively for and against the questions; but as the election of Trustees, the number of votes received by each candidate need not be reported. Reports of inspectors shall be in writing and subscribed and delivered by them to the Secretary of the meeting. The inspectors need not be Members of the Association and any officer or Trustee of the Association may be an inspector on any question, other than a vote for or against his election to any position with the Association or any other question in which he may be directly interested.

#### SECTION 10. ORDER OF BUSINESS

The order of business at the annual meeting of the unit owners or at any special meeting insofar as practicable shall be:

- (a) Calling of the roll and certifying the proxies.
- (b) Proof of notice of meeting and waiver of notice.

- (c) Reading and Disposal of any unapproved minutes.
- (d) Appointment of inspectors of election, if appropriate.
- (e) Election of Trustees, if appropriate.
- (f) Receiving reports of officers.
- (g) Receiving reports of committees.
- (h) Old business.
- (i) New business.
- (j) Adjournment.

Roberts Rules of Order will cover and control any phase of the Association meetings not specifically covered by these By-Laws, or the Master Deed or Certificate of Incorporation.

#### ARTICLE IV BOARD OF TRUSTEES

##### SECTION 1. EXPRESS AND IMPLIED POWERS OF THE BOARD

The property, affairs and business of the Association shall be managed by the Board of Trustees, which shall have all those powers granted to it by the Certificate of Incorporation, the Master Deed, these By-Laws and by law.

##### SECTION 2. NUMBER AND QUALIFICATION

(a) Membership in Good Standing shall be a qualification of any nominee or appointee as a Trustee and for continued service on the Board. Any Trustee whose membership is not in good standing for thirty (30) consecutive days shall automatically be disqualified as a Trustee upon expiration of said thirty (30) day period and a replacement shall be approved by the Board within thirty (30) days thereafter to serve the remainder of the term as contemplated by Section 6 hereof.

(b) The Board shall initially consist of three (3) Trustees, designated Trustees "A", "B" and "C", all of whom are appointed by Developer and need not be Unit Owners. Upon the initial conveyance of twenty-five percent (25%) of the Units to Unit Owners (initially contemplated to be 71 units), the Board shall be expanded to five (5) Trustees, designated Trustees "A", "B", "C", "D", and "E".

(c) Within thirty (30) days after the initial conveyance of twenty-five percent (25%) of the Units to Unit Owners, the President shall call either the first annual meeting or a special meeting of the membership of the Association for the purpose of

holding the first election of Unit Owners to the Board ("Transition Election"). At the meeting, Unit Owners other than Developer shall be entitled to vote for and elect Trustees A and B in accordance with these By-Laws and the Developer shall be entitled to appoint C, D and E.

(d) Within thirty (30) days after the initial conveyance of seventy-five percent (75%) (initially contemplated to be 213 units) of the Units to Unit Owners, the President shall call a meeting of the membership of the Association for the purpose of holding a second Transition Election. At this meeting, Unit Owners other than Developer shall be entitled to vote for and elect Trustees C and D in accordance with the provisions of these By-Laws, and the Developer shall be entitled to appoint Trustee E.

(e) Within thirty (30) days after all Units have been initially conveyed, the President shall call a meeting for the third Transition Election at which Unit Owners other than Developer shall be entitled to vote for and elect Trustee E; provided Developer shall be entitled in its discretion to relinquish Trusteeship E at the time of the second Transition Election or anytime thereafter prior to the initial conveyance of the last unit.

(f) Notice of all special meetings called pursuant to this Article for the purpose of holding Transition Elections shall be given not less than twenty (20) nor more than thirty (30) days prior to the date of the meeting.

(g) The above percentages are calculated on the basis of the entire number of Units entitled to membership in the Association.

(h) The Association when controlled by the Unit Owners, shall not take any action that would be detrimental to the sale of Units by the Developer and shall continue the same level of maintenance, operation and services as were in existence immediately prior to their assumption of control. This provision is applicable until the final unit owned by the Developer is sold and conveyed.

Despite the above, Developer may relinquish control of the Board prior to the times specified above, provided the Unit Owners agree by majority vote to accept and assume control of the Board.

### SECTION 3. TERM OF OFFICE

(a) Developer-appointed Trustees A and B shall serve until their successors have been qualified and elected at the First Transition Election. Trustees A and B elected at the First Transition Election shall serve terms expiring at the annual meeting of the membership held in the second calendar year following the year in which the first Transition Election is held. Thereafter, Trustees A and B shall serve for two year terms.

Developer-appointed Trustees C and D shall serve until their successors have been qualified and elected at the second Transition Election held pursuant to Article IV, Section 2(d) herein. If (i) the first and second Transition Elections are held in the same calendar year, or (ii) the second Transition Election is held in a calendar year in which the terms of Unit Owner elected Trustees A and B expire, then Trustees C and D elected at the second Transition Election shall serve terms expiring at the annual meeting of the membership held in the third calendar year following the year in which the second Transition Election is held; otherwise Trustees C and D elected at the second Transition meeting shall serve terms expiring at the annual meeting of the membership held in the second calendar year following the year in which the second Transition Election is held. Thereafter, Trustees C and D shall serve for two year terms.

Developer-appointed Trustee E shall serve until his successor has been elected and qualified at the second or third Transition Election. The first Unit-Owner elected Trustee E shall serve a term expiring upon the expiration of the terms of the Trustees C and D then in office. Thereafter, Trustee E shall serve for a two-year term.

It is the purpose and intent hereof that subsequent to all Transition Elections, the election of Trustees A and B shall be held in alternate years to the election of Trustees C, D and E.

(b) The Trustees shall hold office until their respective successors have been duly executed and qualified, or until removed in the manner elsewhere provided.

#### SECTION 4. DEVELOPER'S OBLIGATIONS IN CONTROL

(a) While the Developer maintains a majority of representation on the Board, the Developer shall do the following:

(i) he shall post a fidelity bond or other guarantee acceptable to the Department of Community Affairs, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves.

(ii) he shall have an annual audit of the Association funds prepared by an independent accountant at the Association's expense, a copy of which shall be delivered to each Unit Owner within ninety (90) days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

(iii) he shall take no action which adversely affects a Unit Owner's right under N.J.A.C. 5:25-5.5. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

(iv) While the Developer maintains a majority of the Board of Trustees, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment of a substantial increase in the monthly assessment unless required by a government or quasi-government agency, title insurance company, mortgage lender or in the event of an emergency.

#### SECTION 5. REMOVAL OF MEMBERS OF THE BOARD

The Developer-appointed Trustees serve at the pleasure of the Developer and may be removed only by the Developer, at any time, with or without cause. At any duly held regular or special meeting of the Unit Owners, any Unit Owner elected Trustee may be removed with or without cause by a majority vote of the Unit Owners present excluding Developer provided that the notice of the meeting expressly includes this item of business on the agenda. A successor Trustee may be elected at said meeting to fill the unexpired term by the majority of the remaining Trustees. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting. When a member of the Board who has been elected by Unit Owners other than the Developer is removed, that vacancy shall be filled by a Unit Owner other than the Developer.

In addition, the unexcused absence of Unit Owner-elected Trustee from three consecutive regular meetings of the Board shall be deemed an offer of resignation which may be accepted by the Board at the meeting during which said third or further absence occurs.

#### SECTION 6. VACANCIES

Vacancies on the Board caused by any reason other than the removal of a Trustee by a vote of the Unit Owners of the Association shall be filled by a vote of a majority of the remaining Trustees, including Developer's appointees, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the Trustees present at such meeting may constitute less than a quorum. Each person so elected shall be a Trustee for the remainder of the term of the Trustee whose term he is filling and until his successor shall have been duly elected and qualified. Despite any provisions to the contrary, the Developer shall have the exclusive right to appoint a new Trustee to any vacancy to any Developer-appointed Trusteeship on the Board without the necessity of obtaining a resignation. When a member of the Board who has been elected by Unit Owners other than the Developer is removed or resigns, that vacancy shall be filled by a Unit Owner other than the Developer.

SECTION 7. MEETINGS OF THE BOARD; NOTICE; WAIVER OF NOTICE

The first annual meeting of the Board shall be held within ten (10) days following the first annual meeting of the Unit Owners at such time and place as shall be fixed by the Board at the annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least two (2) meetings shall be held each year. Notice of the regular meetings of the Board shall be given to each Trustee by telephone, mail or telegram at least three (3) business days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) days notice to each Trustee given by telephone, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or the Secretary in like manner and on like notice upon the written request of at least three (3) Trustees. Any Trustee may, at any time, waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by Trustees at any meeting of the Board shall constitute a waiver of notice by him of the time and place hereof. If all the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted as such meeting.

SECTION 8. QUORUM AND ADJOURNED MEETINGS

At all meetings of the Board, a majority of the Trustees shall constitute a quorum for the transaction of business and the votes of a majority of Trustees present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board there shall be less than a quorum present, the majority of those present shall adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice. The vote of a majority of those present at a Board meeting at which a quorum is present shall be necessary for valid action by the Board.

SECTION 9. JOINDER IN MEETINGS BY APPROVAL OF MINUTES

The transaction of any business at any meeting of the Board however called and noticed or wherever held, shall be valid as though a meeting duly held after regular call and notice, if (i) a quorum is present; and if (ii) either before or after the meeting, each Trustee signs a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waivers, consents or approval, shall be in writing and filed with the Secretary and made part of the minutes of the meeting even though filed subsequent thereto.

SECTION 10. NON-WAIVER

All the rights, duties and privileges of the Board 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 nor shall any custom bind the Board.

SECTION 11. CONSENT IN LIEU OF MEETING AND VOTE

Despite anything to the contrary in these By-Laws, the Certificate of incorporation or the Master Deed, the entire Board of Trustees shall have the power to take action on any matter on which it is authorized to act, without the necessity of a formal meeting and vote if the entire Board, or all the Trustees empowered to act, whichever the case may be, shall consent in writing to such action.

SECTION 12. MEETINGS OPEN TO UNIT OWNERS AND REQUIRED NOTICE

In accordance with the provisions of N.J.A.C. 5:20-1.1 and N.J.S.A. 46:8B-13, 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 unit 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 negotiation;
- (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 Unit Owners, the Secretary shall record the minutes and copies of the minutes shall be made available at the Association's office to all Unit Owners before the next board meeting.



calling of the meeting by posting, delivering and filing written notice of the meeting in the manner set forth in this Section.

ARTICLE V  
POWERS AND DUTIES OF THE BOARD OF TRUSTEES

SECTION 1. GENERAL POWERS AND PRIVILEGES

The powers, duties, privileges and business of the Association shall be exercised by its Board of Trustees. The Board shall have those powers, which include but which are not necessarily limited to the following, together with such other powers as may be provided herein or in the Master Deed, the Certificate of Incorporation and by law, or which may be necessarily implied.

The powers to:

a. Do everything and anything necessary for the sound management of the Condominium, including the power to employ, by contract or otherwise, a manager, managing agent or an independent contractor, to oversee, supervise and carry out the responsibilities of the Board. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper; and

b. Employ any person, firm or corporation to repair, maintain and renovate the Common Elements of the Condominium; to build, erect, repair, maintain, renovate, replace the Common Elements; lay pipes, culverts, utility lines; construct or erect lights or poles; to erect signs and traffic and safety controls on said Common Elements; and

c. Employ professional counsel and to obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, engineers, lawyers and accountants, planners, management consultants and investment counselors; and

d. Employ or contract for water and sewer, electricity and gas or other forms of utilities, cable or master antenna television; and

e. Employ all managerial personnel necessary, or enter into a managerial contract or the efficient discharge of the duties of the Board hereunder; and

f. Adopt, amend and publish Rules and Regulations covering the details of the operation and use of the Common Elements including but not limited to animal restrictions; and

g. Maintain business-like relations with Unit Owners or occupants whose service requests shall be received, considered and recorded in a systematic fashion in order to show the action taken

with respect to each, and, as part of a continuing program, secure full performance by such Unit Owners or occupants of all such items and maintenance for which they are responsible; and

h. Coordinate the plans of Unit Owners and occupants of Units for moving their personal effects or property into the Unit or out of it, with a view toward scheduling such movements so that there shall be a minimum of inconvenience to others; and

i. Enforce obligations of the Unit Owners including the right to levy fines and to bring or defend lawsuits to enforce the Rules and Regulations and the terms, conditions and restrictions contained in the Master Deed, and these By-Laws; and collection of any fine may be enforced against a Unit Owner as if said fine was a Common Expense owed by the offending Unit Owner.

j. Borrow and repay monies, giving notes, mortgages or other security upon such term or terms as it deems necessary; and

k. Invest and reinvest monies; sue and be sued; collect interest, dividends, and capital gains; exercise rights; pay taxes; make and enter into contracts; enter into leases or concessions, make and execute any and all proper affidavits for various purposes; compromise any action without leave of court; and all other powers contained herein, and those necessary and incidental thereto; and

l. Grant, transfer and obtain easements, licenses, leases and other property rights with respect to the Common Elements; and

m. Purchase or lease or otherwise acquire in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners within the Condominium, units offered for sale or lease or surrendered by their owners to the Board provided that the foregoing shall not be construed to constitute a right of first refusal; and

n. Purchase Units within the Condominium at foreclosure or other judicial sales in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners; and

o. Sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise deal with Units acquired by the Association, on behalf of all Unit Owners; and

p. Create, appoint members to and disband such committees as shall from time to time be deemed appropriate or necessary to aid the Board in the discharge of its duties, functions and powers;

q. Appoint an Insurance Trustee if so required; and if not required, be responsible for the disposition of insurance proceeds;

r. To make and collect all assessments as provided in the Master Deed and these By-Laws;

s. Subject to the Master Deed, By-Laws and Certificate of Incorporation of the Madison Place Condominium Association, the Association may do all that is legally entitled to do under the laws applicable to its form of organization;

t. The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the Condominium; and

u. The Association shall provide a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association and between different Unit Owners, that shall be readily available as an alternative to litigation.

## SECTION 2. DUTIES AND RESPONSIBILITIES

It shall be the affirmative and perpetual obligation and duty of the Board to perform the following:

a. Cause the Common Elements to be maintained according to accepted standards as set forth in the Master Deed, including, but not limited to such maintenance, painting, replacement and repair work as may be necessary, lawn maintenance, and trash and snow removal from Common Elements as the Board may deem appropriate.

b. To investigate, hire, pay, supervise and discharge the personnel necessary to be employed, and provide the equipment and materials necessary, in order to properly maintain and operate the Common Elements. Compensation for the services of such employees shall be considered an operating expense of the Association; and

c. Cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at any special meeting, if appropriate, and at the annual meeting; and

d. Allocate common surplus or make repairs, additions, improvements to, or restoration of the Common Elements in accordance with the provisions of these By-Laws and the Master Deed after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; and

e. Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises maintained by the Association placed thereon by any federal, state, county or municipal authority having jurisdiction thereover, and order of the Board of Fire Underwriters or other similar bodies; and

f. Require that employees who handle or are responsible for the handling of money be bonded by fidelity bond.

g. To manage the fiscal affairs of the Association as hereinafter described in these By-Laws.

h. Place and keep in force all insurance coverages required to be maintained by the Association; applicable to its property and Members including, but not limited to:

(a) Physical Damage Insurance. To the extent available in the traditional marketplace, broad form insurance against loss by fire, and against loss by lightning, windstorm and other risks normally included within all risk extended coverage, including vandalism and malicious mischief, insuring all Common Elements and Unit betterments existing at the time of initial conveyance together with all service machinery appurtenant thereto, and covering the interest of the Association, the Board, the Developer and all Unit Owners and any Mortgage Holder who has requested the Association in writing to be named as a loss payee as their respective interest may appear, in an amount equal to the full replacement value of Common Elements (exclusive of foundations and footings), and Unit betterments existing at the time of the initial conveyance, without deduction for depreciation. Each policy shall contain a standard mortgagee clause in favor of each applicable mortgagee of a Unit, which shall provide that the loss, if any, thereunder, shall be subject to the provisions of Article XII of the Master Deed, be payable to each mortgagee, as its interest may appear. The amount of any deductible shall be determined by the Board, in its sole discretion however the maximum deductible amount, if possible, shall be the lesser of \$10,000.00 or one percent (1%) of the policy face amount.

(b) Public Liability Insurance. To the extent obtainable in the traditional marketplace, public liability insurance for personal injury and death from accidents, occurring on or within the Common Elements (and any other areas which the Board may deem advisable), and the defense of any actions brought by reason of any injury or death of a person or damage to property, occurring on or within such Common Elements, and not arising by reason of any act or negligence of any individual Unit Owner. Said insurance shall be in such limits as the Board, from time to time, determine, covering each member of the Board, the managing agent, the Association and each Member of the Association, and shall also cover cross liability claims of one insured against another. The Board shall review the policy limits on an annual basis, but in no event shall such public liability insurance be in amounts not less than \$1,000,000/\$3,000,000 for personal injury claims and \$500,000 for property damage claims.

(c) Workers' Compensation Insurance. Workers compensation and New Jersey disability benefits insurance as required by law.

(d) Automobile Insurance. If required and to the extent obtainable in the traditional market, automobile collision and liability insurance for all vehicles owned by the Association. Said collision insurance may be written with deductible coverage in an amount determined by the Board.

(e) Trustees' and Officers' Liability Insurance. To the extent obtainable, liability insurance indemnifying the Trustees and officers of the Association against liability for errors and omissions occurring in connection with the performance of their duties, in an amount of at least \$1,000,000.00 with any deductible amount to be in the sole discretion of the Board.

(f) Additional Insurance. Such other insurance as the Board may determine to be necessary or desirable.

### SECTION 3. REQUIRED POLICY PROVISIONS

All insurance policies shall (i) provide that adjustment of loss shall be made by the Board of Trustees with the approval of the Insurance Trustee, if so required pursuant to the Master Deed and that the net proceeds thereof, if \$100,000.00 or less shall be payable to the Board, and if more than \$100,000.00 shall be payable to the Insurance Trustee if any; (ii) require that the proceeds of physical damage insurance be applied to the restoration of such Common Elements and structural portions and service machinery as is required by the Master Deed or these By-Laws; (iii) to the extent obtainable contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured; (iv) provide that such policies may not be canceled or substantially modified without at least thirty (30) days prior written notice to all of the named insured, including all Unit Owners and their mortgagees; (v) provide that the insurance will not be prejudiced by any act or omission of individual members that are not under the control of the Association; (vi) provide that the policy will be primary even if insurance covering the same loss is held by any Members; (vii) to the extent obtainable, contain Agreed Amount and Inflation Guard endorsements.

Any insurance maintained by the Board may provide for such deductible amount as the Board may determine. The premiums for all insurance and fidelity bonds carried by the Association shall be considered a Common Expense.

Prior to obtaining any renewal of fire insurance, the Board may, in its discretion, obtain a qualified appraiser or other evaluation from an appraisal or insurance broker of the full replacement value of the Building and improvements, including all of the Units and Common Elements, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to the above.

The Board shall take and hold the funds as collected and shall disburse the same for the purposes and in the manner set forth herein and as required by the Master Deed, Certificate of Incorporation, and applicable law.

#### SECTION 4. DEPOSITORIES

The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such parties as are authorized by the Board, provided that a management agreement may include among its provisions authority for a manager to sign checks on behalf of the Association for payment of the obligations of the Association, if a fidelity bond is furnished to the Association.

#### SECTION 5. ACCOUNTS

The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as the Board shall deem appropriate, all of which expenditures shall be Common Expenses.

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including reasonable allowances for contingencies and working funds, except expenditures chargeable to reserves, or to additional improvements, or to operations. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year, or distributed to the membership as the Board in its sole discretion, shall determine;

(b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacements of the Common Elements and those portions of the improvements located on the property which the Association is obligated to maintain or repair which is required because of damage, depreciation or obsolescence. The amounts in this account shall be allocated among each of the separate categories of replacement items.

(d) Reserves for capital improvements, which shall include funds to be used for capital expenditures for additional improvements or for the acquisition of additional personal property that will be part of the Common Elements.

(e) Operations, which shall include any gross revenue from the use of the Common Elements or from any other sources. Only the

additional direct expense required by any revenue-producing operation will be charged to this account, and any surplus from any operation or otherwise shall be used to reduce the assessments for current expenses for the year during which the surplus is realized, or, at the discretion of the Board, in the year following the year in which the surplus is realized. Losses from operations or otherwise will be met by special assessments against members, which assessments may be made in advance in order to provide a working fund.

(f) Working capital, consisting of those nonrefundable and non-transferable contributions assessed upon each Unit Owner upon acquisition of title to a Unit under these By-Laws, which may be utilized by the Board in its reasonable discretion to meet unanticipated or other expenses of the Association but shall not be used to reduce the annual Common Expense Assessment.

The Board shall not be required to physically segregate the funds held in the above accounts but may, in its sole discretion, maintain the funds in one or more consolidated accounts. As to each consolidated account, the division into various accounts set forth above need be made only on the Association's records.

#### SECTION 6. RESERVES

The Board shall not be obligated to expend all of the reserves collected in any accounting period, and shall maintain reserves described above in reasonable amounts and may also maintain other reasonable reserves for, among other things, repairs, replacements, emergencies, bad weather or uncollected accounts. Despite anything herein to the contrary, the Board in its determination of the Common Expenses and the preparation of a budget shall specifically designate and identify what portion of the Common Expenses to be assessed against the Unit Owners is allocable to reserves for each separate item of repair and improvement to the property. Said reserve fund or funds shall be kept in either short or long term interest bearing securities or in insured interest bearing saving account(s) or certificate(s) and shall only be used for reserve purposes. The foregoing shall not be construed to prohibit the Board from maintaining additional cash on hand, in a checking or petty cash account, for the necessary discharge of its functions.

#### SECTION 7. NOTICE, PRESUMED BUDGET INCREASE; EMERGENCIES

The Board shall give notice to each Unit Owner, in writing, and to any Eligible Mortgage Holder who requests same, of the amount estimated by the Board to be the Common Expenses for the management and operation of the Association for the next ensuing budget period, directed to the Unit Owner at his last known address by ordinary mail or hand delivery. Said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the mail. If an Annual Common Expense Assessment is not

made as required, an Assessment shall be presumed to have been made in the amount of the last prior year's Assessment, increased by ten (10%) percent; and monthly installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Common Expense Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum Assessment in case of any immediate need or emergency.

The provisions of this section relating to an automatic ten percent (10%) increase if an Annual Common Expense Assessment is not made as required shall not apply while Developer is in control of the Board.

**SECTION 8. DEFAULT, LATE PAYMENT; ACCELERATION OF INSTALLMENTS; LATE CHARGES; INTEREST; COUNSEL FEES**

(a) If a Unit Owner shall be in default less than thirty (30) days in the payment of an installment upon any type of assessment, the Board may notify the delinquent Unit Owner that the remaining installments of the assessment shall be accelerated if the delinquent installment has not been paid by a date stated in the notice, which date shall not be less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail. If default shall continue for a period of thirty (30) days then the Board shall be required to give such notice. If default continues following the time for payment prescribed in the notice, then the Board shall be required to accelerate the remaining installments of the assessment and notify the delinquent Unit Owner that a lien for the accelerated amount shall be filed on a date certain stated in the notice if the accelerated balance has not then been paid. The lien for such accelerated assessment as permitted by law shall then be filed if the delinquent assessment has not been theretofore paid and the Board may also notify any holder of a mortgage encumbering the Unit affected by such default or publish appropriate notice of such delinquency to the membership of the Association. If said default continues for a period of ninety (90) days then the Board may foreclose the foregoing lien pursuant to law and/or commence an independent suit against the appropriate parties to collect the Assessment.

(b) The Board at its option shall have the right in connection with the collection of any type of Assessment, or other charge, to impose a late charge of any reasonable amount and/or interest at the maximum rate permitted by law if such payment is made after a certain date stated in such notice. In the event that the Board shall effectuate collection of said Assessments or charges by resort to counsel and/or the filing of a lien, the Board may add to the aforementioned charge or charges, reasonable attorney's fees plus reasonable cost for the preparation, filing



and discharge of the lien, in addition to such other costs as may be allowable by law.

#### SECTION 9. ANNUAL AUDIT

The Board shall submit the books, records and memoranda of the Association to an annual audit by an independent certified public accountant who shall audit the same and render a certified or uncertified report thereon in writing to the Board and in summary form to the Unit Owners and to any mortgage holder, or other persons, firms or corporations as may be entitled to same.

While the Developer maintains a majority of representation on the Board, he shall have an annual audit of association funds prepared by an independent accountant at the Association's expense, a copy of which shall be delivered to each unit owner within ninety (90) days after the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

#### SECTION 10. EXAMINATION OF BOOKS

Each Unit Owner and/or Lender of a Unit in the condominium shall be permitted to examine the books, records and financial statements of the Association during normal business hours; provided, however, that the Treasurer has been given at least ten (10) days prior written of such request.

#### SECTION 11. FIDELITY BONDS

Fidelity bonds shall be required by the Board from all persons handling or responsible for Association funds. The bonds shall name the Association as the obligee and premiums shall be paid as a Common Expense. The bonds shall provide that such bonds cannot be modified or canceled without at least ten (10) days written notice to the Association and to each Eligible Mortgage Holder, and if required and requested, to each mortgage servicer that services a Federal National Mortgage Association owned or securitized mortgage.

Any management company handling funds for the Association shall be covered by its own fidelity bond, which must provide the same coverage required of the Association.

The bonds shall cover the maximum funds in the custody of the Association or its management company at any time while the bond is in force but shall, in no event, be less than the sum of three months of assessments on all Units in the Condominium.

While the Developer maintains a majority of representation on the Board, he shall post a fidelity bond or other guarantee acceptable to the Department of Community Affairs, in an amount

equal to the annual budget. For the second or succeeding years, the bond or other guarantee shall include accumulated reserves.

## ARTICLE VII OFFICERS

### SECTION 1. DESIGNATION

The principal officers of the Association shall be a President, a Vice-President, both of whom shall be Members of the Board, a Secretary and a Treasurer. The Board may also appoint such other Assistant Treasurers and Assistant Secretaries as in its judgment may be necessary. Any two (2) offices, except that of President and Vice-President may be held by one person.

### SECTION 2. ELECTION OF OFFICERS

The officers of the Association shall be elected annually by the Board at the first Board of Trustees meeting following each annual meeting and such officers shall hold office at the pleasure of the Board.

### SECTION 3. REMOVAL OF OFFICERS

Upon an affirmative vote of a majority of the full number of Trustees, any officer may be removed, either with or without cause, after the opportunity for a hearing, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

### SECTION 4. DUTIES AND RESPONSIBILITIES OF OFFICERS

a. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all of the general powers and duties which are usually vested in the office of President of the Association including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

c. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Members of the Association; he shall have charge of such books and papers as the

Board may direct; and he shall, in general, perform all the duties incident to the office of the Secretary.

d. The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be authorized by the Board.

**SECTION 5. 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.

**SECTION 6. ELIGIBILITY OF TRUSTEES**

Nothing herein contained shall prohibit a Trustee from being an officer.

**ARTICLE VIII  
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 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 Unit Owners in any respect for any action or lack of action arising out of the execution of his office. Each Unit 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 IX ENFORCEMENT

#### SECTION 1. ENFORCEMENT

The Board shall have the power, at its sole option, to enforce the terms of the Bylaws, the Master Deed, 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 Master Deed and the Condominium Act 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 Unit Owner(s) for violation(s) of any Rule or Regulation of the Association or for any covenants or restrictions contained in the Master Deed or By-Laws, except that no fine may be levied for more than \$100.00 for any one violation; provided, however, that for each day a violation continues after notice is shall be considered a separate violation. Collection of the fines may be enforced against any Unit Owner(s) involved as if the fines were a Common Expense owed by the particular Unit Owner(s). Despite the foregoing, before any fine is imposed by Board the Unit 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 Master Deed 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 4. ACTION AGAINST ASSOCIATION

Unit Owners shall have a cause of action, to the extent permitted by law, against the Association for its failure to act in accordance with the Master Deed and Certificate of Incorporation, these By-laws, any Rules and Regulations or any action of the Association.

### ARTICLE X AMENDMENTS

#### SECTION 1. AMENDMENTS

These By-Laws, or any of them, may be altered or repealed, or new By-Laws may be made, at any meeting of the Association duly held for such purpose, and previous to which written notice to Unit Owners of the exact language of the amendment or of the repeal shall have been sent, a quorum being present, by an affirmative vote of 51% of the votes entitled to be cast in person or proxy, except that (i) the first annual meeting may not be advanced, (ii) the first Board (including replacements in case of vacancies) may not be enlarged or removed, (iii) the obligation of the proportionate responsibility for the payment of Common Expenses with respect to Units or the Common Elements may not be changed by reason of any such new By-Law, amendment or repeal, or (iv) no such new By-Law, amendment or repeal shall in any way affect the Developer, including any successor of the Developer unless the Developer, or its successor, has given its prior written notice thereto. So long as the Developer owns at least one unit which it is holding for sale in the normal course of business, Developer shall have the right to amend these By-Laws by acting unilaterally and without a vote of other Unit Owners, to the extent necessary to make the By-Laws conform with the then current requirements of the Federal National Mortgage Association Federal Housing Administration, Federal Home Loan Mortgage Corporation, Veterans Administration, Department of Housing and Urban Development and/or any lending institution or any title insurance company, or any governmental or quasi-governmental agency having jurisdiction over the same.

The Developer shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the Master Deed, By-Laws or any other document for the purpose of changing the permitted use of the lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

No Amendment shall be effective until recorded in the Public Records of Burlington County.

ARTICLE XI  
CONFLICT

SECTION 1. CONFLICT

Despite anything to the contrary herein, if any provision of these By-Laws is in conflict with, contradicts, or inconsistent with the Master Deed, the Certificate of Incorporation or with the requirements of any law, then the terms and provisions of the Master Deed, Certificate of Incorporation or law shall be deemed controlling.

ARTICLE XII  
INVALIDITY

SECTION 1. INVALIDITY

The invalidity of any part of these ByLaws shall not impair or affect in any manner the enforceability or affect the validity of the remaining provisions of the By-Laws.

ARTICLE XIII  
NOTICE

SECTION 1. NOTICE

Any notice required to be sent to any Unit Owner under the provisions of the Master Deed or Certificate of Incorporation or these By-Laws shall be deemed to have been properly sent and notice thereby given, when mailed, by regular post with postage prepaid, addressed to the Unit Owner at the last known post office address of the person who appears as a member on the records of the Association at the time of such mailing. Notice to one or two or more co-owners of a Unit shall constitute notice to all co-owners. It shall be the obligation of every Unit Owner to immediately notify the Secretary of the Association in writing of any change of address. Valid notice may also be given to Unit Owners by (i) personal delivery to any occupant of said Unit over 14 years of age or (ii) by affixing said notice to or sliding same under the front door of any Unit.

ARTICLE XIV

SECTION 1. DEVELOPER'S PROTECTIVE PROVISIONS

So long as the Developer owns at least one (1) unit and holds same for sale in the ordinary course of business, the following shall apply and shall not be amended:

(i) Neither the Association nor its Board of Trustees shall take any action that will impair or adversely affect the rights of the Developer or cause the Developer to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with the sale of Units, or the Assessment of the Developer for capital improvements.

(ii) The Association and its Board of Trustees shall continue the same level of maintenance, operation and services as provided immediately prior to the assumption of control of the Association and the Board of Trustees by Unit Owners other than Developer.

ARTICLE XV  
CORPORATE SEAL

The Association shall be a seal in circular form having within its circumference the words "Madison Place Condominium Association, Inc."