

BY-LAWS
OF
VASSAR SQUARE CONDOMINIUM ASSOCIATION

(As of July 9, 2017)

ARTICLE I – NATURE OF BY-LAWS

1. **Purpose.** These By-Laws are intended to govern the administration of the VASSAR SQUARE CONDOMINIUM ASSOCIATION (hereafter referred to as the “Association”), a non-profit membership corporation organized under Title 15 of the Revised Statutes of New Jersey, together with the management, administration, utilization and maintenance of the common elements of the Vassar Square, a Condominium (hereafter referred to as the “Condominium”), as described in the Master Deed for Vassar Square, a Condominium.
2. **Definitions.** Unless the content clearly indicates otherwise, all definitions set forth in the Master Deed or in R.S. 46:8B-3 are incorporated herein by reference.

ARTICLE II – MEMBERSHIP AND VOTING RIGHTS

1. **Membership.** Every unit owner in the Condominium shall be a member of the Association, subject to the provisions of these By-Laws and any rules and regulations promulgated by the Board of Trustees. Membership in the Association shall terminate when any unit owner shall cease to be the record owner of a unit.
2. **Voting Rights.** There shall be two hundred twelve (212) votes in the Association, each of equal weight, all of which shall initially be held by the Sponsor, provided, however, that upon each conveyance of title of a unit by Sponsor to another unit owner, such unit owner shall become entitled to one (1) vote for each unit purchased, and the number of votes held by the Sponsor shall be reduced accordingly. Sponsor’s votes shall be cast by such persons as it may from time to time designate. Votes not held by Sponsor shall be cast in person or by proxy as otherwise provided herein.

Anything contained here in to the contrary notwithstanding, it is understood that, in the event that the number of units ultimately contained in the Condominium is more or less than two hundred twenty-eight (228) as a result of the combining of any units or subdivision of any units, the number of votes in the Association shall be increased or decreased so as to equal the number of units established.

If there are co-owners of record of a unit (whether by joint tenancy, tenants in common, tenancy by the entireties, or otherwise) all of such co-owners may attend the meeting of the Association but their vote shall be exercised unanimously or by having such co-owners designate in writing one person who alone shall be entitled to exercise the entire voting rights appurtenant to the unit, which designation shall be recorded on the voting list and shall be controlling until canceled or superseded by written notices to the Secretary of the Association received at least one (1) day prior to the meeting in which the co-owners desire another person to be designated to cast their vote. If the co-owners fail to designate such a person at any time, they shall nevertheless be required to cast their vote unanimously. If the co-owners cannot unanimously agree on how to cast their vote at a meeting, then, and in that event, the vote

appurtenant to their unit shall not be permitted to be cast at the meeting and said vote shall not be counted for purposes of determining a quorum or a majority vote. If the co-owners shall not be permitted to cast the vote appurtenant to the unit as provided in the immediately preceding sentence, they shall be deemed to have consented to any action taken at such a meeting which requires the unanimous consent of all unit owners. Notwithstanding the foregoing, if such co-owners shall have failed to designate a person to cast their vote, then if any of the co-owners is present or represented by proxy, said co-owner or the holder of such proxy, as the case may be, shall be accepted by the Association as the agent and attorney-in-fact for the other co-owners not present and shall be permitted to cast the vote appurtenant to his unit. If a unit is held in a fiduciary capacity, the fiduciary and not the beneficiary shall be entitled to exercise the appurtenant voting rights.

3. Suspension of Rights. The membership rights of any unit owner may be suspended by action of the Board of Trustees during the period when such unit owner's common expense assessments remain unpaid, but, upon payment of such assessments, his rights and privileges shall be automatically restored.

If the Board of Trustees has adopted and published rules and regulations governing the use of the common elements, and the personal conduct of any person thereon, the Board of Trustees may, in its discretion, suspend the rights of any person for violation of any such rules and regulations for a period not to exceed thirty (30) days.

ARTICLE III - MEETINGS OF THE MEMBERS OF THE ASSOCIATION

1. Place of Meetings. All meetings of the members of the Association shall be held at the principal office of the Association or at such other suitable place convenient to other members as may be designated by the Board of Trustees.
2. First Annual Meeting and Regular Annual Meetings.

All regular annual meetings of the members of the Association shall be held in the same month of the years following the first annual meeting. The first annual meeting of members shall be held within sixty (60) days after twenty-five (25%) percent of the units have been sold by the Sponsor and shall have been paid for and title closed, but in no event after five (5) years after the date of the recording of the Master Deed, or on such earlier date as Sponsor may, in its sole discretion, choose. At the first meeting the Board of Trustees shall be expanded from three (3) to five (5) members and the members of the Association shall elect the two (2) new members of the Board. If the election of a new Board of Trustees shall not be held at the annual meeting or any adjournment of such meeting, the Board of Trustees shall cause the election to be held at a special meeting as soon thereafter as conveniently may be. At such special meeting the members may elect the Trustees and transact such other business with the same force and effect as at an annual meeting duly called and held.
3. Special Meetings. After the first annual or special meeting, special meetings of members (i) may be called by the President whenever he deems such a meeting advisable, or (ii) shall be called by the Secretary when so ordered by the Board of Trustees or upon the written request of members representing no less than twenty five (25%) percent of all the votes entitled to be cast. Such written request shall state the purpose (s) of the requested meeting and the matter (s) proposed to be acted upon. Unless members representing at least fifty (50%) percent of all votes entitled to be cast request such a meeting, no special meeting may be called by the secretary to consider any matter which is substantially the same matter voted upon at any meeting of the members held during the preceding twelve (12) months.

4. Notice of Meetings. Except as otherwise provided by law, notice of each meeting of the annual meeting of members, shall be given not less than FORTY FIVE (45) days nor more than SIXTY (60) days prior to the day on which the meeting is to be held. Notice of Special Meetings shall be given not less than TEN (10) days nor more than NINETY (90) days prior to the day on which the meeting is to be held. Such notice shall be given to each unit owner entitled to vote or his representative at the address of his unit or at such other address as may be designated by the said unit owner in writing to the Secretary of the Association by delivering a written or printed notice, thereof to him personally, or by mailing such notice, postage prepaid. Association shall also have the right at its discretion to transmit notice of meetings by E-Mail with the same effect as if the said notice was delivered in person or by mailing such notice, postage prepaid; provided said unit owner authorizes transmission of such notice by E-Mail. Except where expressly required by law, no publication of any notice of a meeting of members 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 meetings of members shall not be required to be given to any members who shall attend such meeting in person or by proxy, such attendance being a waiver of notice thereof. Notice of any adjourned meeting of the members shall not be required to be given except when expressly required by law.
5. Quorum and Adjourned Meetings. At each meeting of the members, twenty five (25%) percent of the members entitled to vote, present either in person or represented by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. In the absence of a quorum, the members present in person or represented by proxy, and entitled to vote may, by a majority vote, adjourn the meeting from time to time until a quorum shall be present or represented. At any such adjourned meeting at which a quorum may be present any business may be transacted which might have been transacted had a meeting originally been called.
6. Organization. At such meeting of the Association, the President, or, in his absence, the Vice President, or, in the absence of both of them, a chairperson chosen by a majority vote of the members present in person or represented by proxy and entitled to vote thereat, shall act as chairperson. The Secretary, or in his absence, a person whom the chairperson shall appoint, shall act as Secretary of the Meeting.
7. Voting. Except as otherwise provided or required by the Articles of Incorporation of this Association, the Master Deed, or any law, and unless otherwise specifically provided in these By-Laws, a quorum being present, a majority of all those voting in person or by proxy shall be sufficient on those matters which are to be voted on by the members. All proxies shall be in writing, signed by all individual members or by his or their duly authorized representative (s) and delivered to the Secretary of the meeting. The proxy may be revoked at any time by written notice to the Association. No proxy shall endure for more than one (1) meeting, and any postponements thereof, unless the proxy shall state some longer period of duration, but no proxy shall be voted on after eleven (11) months from its date unless said proxy provides for a larger period not to exceed three (3) years from the date of execution. Such proxy shall also become void when the Association has received notice of the death or judicially declared incompetence of the grantor of such proxy or the recording of the transfer of title to the unit from the grantor of such proxy.

The election of Trustees shall be by ballot as long as there are more individuals seeking elections than vacancies on the Board. Otherwise elections of trustees need not be by ballot unless a member demands election by ballot before the voting begins in accordance with

15A:5-20 of the Nonprofit Corporations Act. The vote on any other question need not be by ballot, unless demanded by a majority of members in person or by proxy at such meeting and entitled to vote thereat or determined by the chairperson of the meeting to be advisable.

8. Inspectors. If, at any meeting of the members, 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. The inspectors need not be members of the Association, and any officer of the Association may be an inspector on any question other than a vote for or against (i) his election to any position with the Association or (ii) any other question in which he may be directly interested. Each inspector so appointed shall first subscribe to an oath to faithfully 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 qualifications of voters and shall accept the votes, and, when the voting is completed, they shall ascertain and report the number of subscribed and delivered by them to the Secretary of the Meeting.
9. Order of Business. The order of business at the annual meeting of the members or at any special meeting as far as practical shall be:
 - (a) Calling of the roll and certifying the proxies
 - (b) Proof of notice of meeting and waiver of notice
 - (c) Reading or dismissal of any unapproved minutes
 - (d) Receiving reports of officers
 - (e) Receiving reports of committees
 - (f) Appointment of inspectors of election, if appropriate
 - (g) Election of Trustees, if appropriate
 - (h) Old business
 - (i) New business
 - (j) Adjournment

ARTICLE IV – BOARD OF TRUSTEES

1. General. The property, affairs and business of the Association shall be governed and managed by the Board of Trustees (hereinafter referred to as the “Board”, which shall have all those powers granted to it by the Articles of Incorporation of the Association, the Master Deed, these By-Laws and by law.
2. Number and Qualifications. The Board of Trustees shall consist of five (5) individuals whose qualifications are stated as follows:

Qualifications. The following criteria shall be qualifications for nomination, appointment or election to a Trusteeship.

- (a) Membership in Good Standing: Membership in Good Standing shall be a qualification of any nominee or appointee to a Trusteeship and for continued service on the Board.
- (b) Representation:
 - (i) Individual Unit Owners
 - (ii) Partnerships
 - (iii) Corporations
 - (iv) Limited liability companies
 - (v) Fiduciaries

- (vi) Co-owners holding memberships in good standing may designate one individual per Unit owned to be eligible for nomination, appointment, or election as Trustees in accordance with the following qualifications:
 - (i) An individual Unit Owner of record;
 - (ii) Partnership designees shall be an officer, employee or agent of the partnership;
 - (iii) Corporate designees shall be an officer, stockholder, employee or agent of the corporation;
 - (iv) Limited liability company designees shall be a member. Employee or agent of the limited liability company;
 - (v) Fiduciary designees shall be a fiduciary, officer, or employee of the fiduciary;
 - (vi) Co-owners holding a membership in good standing may designate any one of them but only one of them to be eligible for nomination, appointment, or election as a Trustee; however in the case of any disagreement, the express consent of a majority in interest of such Co-owners shall be required.
- (c) Disqualification of Trustee. Any Trustee whose membership in the Association is not in good standing for sixty (60) consecutive days shall automatically be disqualified as a Trustee upon expiration of said sixty (60) day period and a replacement shall be appointed by the Board with thirty (30) days thereafter, despite the aforesaid, any Trustee who conveys title to his Unit and no longer holds title to any other Unit is automatically disqualified as a Trustee effective on the date of said conveyance.

3. Election and Term of Office. The first two (2) Trustees elected by the members, and their successors, shall serve for three year terms. The remaining Trustees shall serve for two year terms, subject to the requirements of these By-Laws. In any event, the regular terms of the Trustees shall not expire until the next annual meeting after expiration of their terms, and the Trustees shall hold office until respective successors have been duly elected and qualified, or until removed in the manner elsewhere provided. The existing Board shall act until the completion of the meeting at which the election of the new Board of Trustees has been held. Each member, including the Sponsor to the extent that the Sponsor is still a member, shall vote in accordance with the provisions of these By-Laws and the Master Deed for each position to be filled, provided that Sponsor shall not have a vote in elections in which new Trustees are required to be elected by members to replace those designated by Sponsor. If at any meeting for election of Trustees more than twice the number of candidates to be elected at such meeting are nominated, then and in such event there shall be two (2) ballots. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running as there are positions to be filled, with the persons receiving the fewest votes being eliminated. A second ballot shall be held, and on the second ballot, the persons receiving the most votes will be elected. If there are not more than twice the number of nominees for the number of positions to be filled, then there shall be one (1) ballot, with the persons receiving the most votes being elected to the Board. After the first annual meeting of the members of the Association, succeeding annual meetings shall be held during the same month of each succeeding year. At each annual meeting, the Trustees shall be elected by ballot of the members in accordance with these By-Laws to replace the Trustees whose terms are expiring.

Where all five Trustees are up for election, the two receiving the most votes shall serve for a three year term and the remaining three shall serve for a two year term. In the event of a tie for the last unfilled vacancy, a special Unit Owners meeting shall be held no more than 30 days thereafter and notice of same, including a proxy ballot shall be delivered to all unit owners, no later than 10 days from the Unit Owners meeting. The person receiving the most votes shall be deemed elected.

4. Removal of Trustees. At any duly held and constituted regular or special meeting of the members, any one (1) or more Trustees may be removed with or without cause by a majority of the votes of unit owners present, provided that the required notice of the meeting expressly includes the proposed removal. Any trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting. A successor may then and there be elected by a majority of the remaining trustees to fill the vacancy thus created.
5. Vacancies. Vacancies on the Board caused by any reason, other than by expiration of a term, shall be filled by a vote of a majority of the remaining Trustees, 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, if remaining term is more than 2 years shall be a Trustee until the next annual meeting of unit owners, at which meeting unit owners shall elect a substitute Trustee for the remainder of the term of the Trustee whose term is being filled. Notwithstanding the forgoing, in the event of a vacancy in the Board is caused by a removal of a Trustee by a vote of the members of the Association, said vacancy shall be filled by a vote of a majority of the members voting at a duly constituted meeting of members. In the event that fewer resumes are submitted for the number of vacancies, or no resumes are submitted, the Board will appoint individuals to fill those seats, until the next annual meeting.
6. Compensation. No Trustee shall receive any compensation for acting as a Trustee. However, Trustees may be reimbursed for out of pocket expenses and may be compensated for services rendered to for the Condominium or the Association in any other capacity.
7. Meeting of the Board. The first meeting of the Board following the first annual meeting of the members shall be held within ten (10) days thereafter at such time and place as shall be fixed by the new Board at the said annual meeting of members, and no further 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 Trustees, but at least two (2) meetings shall be held each year. Any Board meetings will be open to all unit owners who wish to attend with the understanding that he or she will not participate in (unless requested) or disrupt the meeting in any way, except during matters involving litigation or discussions of personnel. Notice of regular meetings of the Board shall be given to each Trustee by telephone, mail or telegram at least five (5) business days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) business days' notice to each Trustee by telephone, mail or telegram, which notice shall state 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 on the written request of at least three (3) Trustees. Any Trustee may, at any time, waive a notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the Trustees are present at any meeting of the Board no notice shall be required and business may be transacted at such meeting.

Notice of all open Board Meetings shall be posted at or near the front desk. Copies of the minutes of said Meetings shall be available to all Unit Owners upon request

8. Quorums 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 the 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.

Any or all Trustees may participate in a meeting of the Board by means of conference telephone or any means of communications by which all persons participating in the meeting are able to hear each other. The word “present” shall for these purposes be physically at the meeting or attend meeting electronically-whether by conference call or video-so long as all members can communicate with each other and join in the discussions and participation in a meeting shall constitute presence in person at such meeting.

9. Joinder in Minutes by Approval. The transaction of any business at any meeting of the Board however called or wherever held shall be valid as though the meeting was duly held after regular call and notice, if quorum is present, or, if, either before or after the meeting, each Trustee signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution of act adopted at such meeting. All such waivers, consents or approval, shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.
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 hereby granted shall not preclude its exercise in the future nor shall any custom bind the Board.

ARTICLE V – POWERS and DUTIES of BOARD of TRUSTEES

All of the powers, duties and privileges of the Association shall be exercised by the Board, which powers, duties and privileges shall include those granted to it by law, the Master Deed, the Articles of Incorporation of the Association and the By-Laws. Such powers, duties and privileges which the Board shall exercise in its sole discretion shall include, but shall not be limited to, the following:

Powers and Privileges

- (a) Employ, by contract or otherwise, a manager, managing agent, managerial personnel or an independent contractor, to oversee, supervise and generally satisfy the responsibilities of the Board. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper;
- (b) Employ any person, firm or corporation to repair, maintain and renovate all property owned, maintained or operated by the Association; build, erect, repair, maintain, and renovate recreational facilities, roads, parkways, walkways, parking areas or paths; lay pipes, culverts, utility lines; to construct or erect lights or poles, signs and traffic and safety controls;

- (c) Employ professional counsel and obtain advice from persons, firms, or corporations such as, but not limited to, landscape architects, recreation experts, architects, planners, biologists, investment counselors, lawyers and accountants;
- (d) Employ or contract for water and sewer, electricity, gas and other forms of utilities, cable or master antenna television, snowplowing or removal, painting, building, repairing, renovation and remodeling, and where applicable, to supply, resell or lease the same;
- (e) Adopt and amend rules and regulations covering the details of the operation and use of the common elements and the Condominium;
- (f) Maintain business like relations with unit owners or occupants whose service requests shall be received, considered and recorded in 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;
- (g) Set minimum standards for floor coverings installed by all unit owners, with the exception of the Sponsor;
- (h) Coordinate the plans of unit owners and occupants of units for moving their personal effects into the Condominium or out of it, with a view towards scheduling such movements so that there shall be a minimum of inconvenience to other owners or occupants;
- (i) Establish and enforce Rules and Regulations for parking by, and the assignment of parking spaces to, unit owners, subject to the provisions of the Master Deed, Articles of Incorporation of these Association and these By-Laws;
- (j) Arrange for security protection as necessary;
- (k) Enforce obligations of the unit owners and do anything and everything necessary and proper for the sound management of the Condominium, including the right to bring law suits to enforce the terms, conditions and restrictions contained in the Master Deed, By-laws, and the rules and regulations governing the Condominium or unit owners, including, without limitation, the levy of fines against unit owners for violations of the foregoing. Collection of any fines may be enforced against a unit owner or unit owners as if the fine were a common charge owed by the particular unit owner or unit owners.
- (l) Borrow and repay monies and to give notes, mortgages or other security upon such term or terms as it deems necessary; 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;
- (m) Grant and obtain easements, licenses and other property rights, including riparian grants, with respect to contiguous lands and lands acquired by the Association;
- (n) 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;
- (o) 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;
- (p) Sell, lease, (not the votes appurtenant thereto) or otherwise deal with units acquired by, and to sublease units leased by, the Association or its designees, on behalf of all unit owners; lease commercial areas and motel-type units;

- (q) Establish rules and regulations for the use of storage areas in the Condominium as the Board sees fit; provided, however, that the Board shall not be obligated to make such storage areas available to unit owner (s).

Duties and Responsibilities

- (a) Cause the common elements of the Condominium to be maintained according to accepted standards and as set forth in the Master Deed, including, but not limited to, interior and exterior cleaning, painting and decoration, plumbing, steam cleaning, carpentry, removal of refuse from all buildings and common areas, snow removal where necessary, maintenance of roads, walkways and parking areas and such other maintenance, replacements and repair work as may be necessary;
- (b) 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 of the Condominium. Compensation for the services of such employees shall be considered an operating expense of the Association;
- (c) 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;
- (d) Operate, care for and maintain the common elements;
- (e) Take such action as may be necessary to comply promptly with any and all orders or requirements effecting 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;
- (f) Demand that employees who handle or are responsible for the handling of monies be bonded by fidelity bond;
- (g) Place, obtain, maintain and keep in force, to the extent obtainable, all insurance coverage required to be maintained by the Association applicable to the property and members, including, without limitations:
 - (i) Physical Damage Insurance. To the extent available, broad form insurance against loss by fire, lightning, wind storm, flood and other risks normally included within extended coverage, insuring all improvements existing on the common elements, together with all service machinery contained therein and appurtenant thereto and covering and insuring the interest of the Association, the Board, the Sponsor and all members and their mortgages as their interests may appear, in an amount equal to the full replacement value of such improvements without deduction for depreciation. Each policy shall contain a standard mortgagee clause in favor of each mortgagee of a unit, which shall provide that the loss, if any, thereunder, shall be payable to each mortgagee as its interests any appear. Such policy or policies shall provide, to the extent possible, that adjustments or payments for losses to unit owners shall be made by the Board.
 - (ii) Public Liability Insurance. To the extent obtainable, public liability insurance for personal injury and death from accidents occurring within the common elements, and the defense of any actions brought by reason of any injury or death or a person or damage to property occurring within such common elements and not arising by reason of any act or negligence of any individual member. Said insurance shall be in such limits as the Board may from time to time, determine covering each member of the Board, the managing agent, the manager 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 once a year. Until the first meeting of the Board of Trustees following the first annual meeting of the members of the Association, such public liability insurance shall be in amounts not less than \$1,000,000/\$3,000,000 for bodily injury claims and \$25,000 for property damage claims.

- (iii) Workmen's Compensation Insurance. As required by law.
- (iv) Automobile Insurance. 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, and said liability insurance shall be in an amount not less than that provided under the public liability policy herein above described.
- (v) Additional Insurance. Such other insurance as the Board may determine to be necessary or desirable.

All policies shall (i) provide that adjustment of loss shall be made by the Board of Trustees (as Insurance Trustee); (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 may be required by the Mater Deed or these By-Laws; (iii) to the extent obtainable contain waivers of subrogation and waivers of any defense based upon co-insurance or of invalidity arising from any acts of the insured; and (iv) provide that modified without at least ten (10) days' prior written notice to all of the insured's, including all mortgagees of unit owners.

Prior to obtaining any policy of fire insurance or any renewal thereof, the Board shall obtain a qualified appraisal of the full replacement value of the building and improvements, including all of the units, common areas and facilities therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

Members of the Association shall not be prohibited from carrying insurance for their own benefit provided that all such policies shall contain waivers of subrogation, and further provided, that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished in any way by reason of such additional insurance carried by any unit owner.

The Board shall also have the power, and not the duty, to appoint an Insurance Trustee, who need not be a member of the Board of Trustees, but who shall serve as Insurance Trustee at the pleasure of the Board.

ARTICLE VI – FISCAL MANAGEMENT

1. Common Receipts. In fulfilling its duty to manage the fiscal affairs of the Association, the Board shall have the duty to collect from each members/unit owner, his, her or their heirs, administrators, successors and assigns, as "common receipts", a proportionate part of the common expenses assessed against each unit owner as provided in the Master Deed, the Articles of Incorporation, these By-Laws, and in accordance with applicable law.
2. Determination of Common Expenses. The amount of monies for common expenses deemed necessary by the Board and the manner of expenditure thereof, including, but not limited to, the allocation thereof, shall be a matter for the sole discretion of the Board.
3. Disbursements. 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, the Articles of Incorporation, and applicable law.

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 parties as are authorized by the Board; provided, however that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association, if the proper fidelity bond is furnished to the Association.
5. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate:
 - (a) Current expenses, which shall include all receipts and expenditures within the year, including a reasonable allowance for contingencies and working funds, but excluding expenditures chargeable to reserves, 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 full 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 replacement of common elements or other facilities of the Association required because of damage, depreciation or obsolescence, and which shall be allocated among each of the separate categories of replacement items;
 - (d) Reserve for capital improvements, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the common elements;
 - (e) Operations which shall include any gross revenues 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
6. Reserves. The Board shall not be obligated to expend all of the revenues collected in any accounting period, but may maintain reasonable reserves for, among other things, emergencies, bad weather, uncollectible accounts and uncollected accounts and other contingencies. Said reserve fund or funds shall be kept in either short or long term interest-bearing securities or in insured interest-bearing savings account(s). 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. Anything to the contrary herein notwithstanding, neither Sponsor nor any holder of an institutional mortgage on any unit, shall be required to contribute or pay any sum for reserves of any kind, whether by way of regular or special assessments or otherwise.
7. Notice. The Board shall give notice to each unit owner in writing, and to any mortgagee holding a first mortgage on a unit who requires 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 period, which notice shall be directed by ordinary mail or by hand delivery to the member at the member's unit or at the member's last address designated to the Secretary of the

Board in writing by the member. Said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mails. 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, 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, however, that nothing herein shall serve to prohibit or prevent the Board from imposing a lump-sum assessment in the case of an immediate need or emergency.

8. Acceleration of Assessment Installments Upon Default: If a member shall be in default in the payment of an assessment, the Board may accelerate the remaining installments of the assessment upon notice to the member, and the then unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than five (5) days from delivery of the notice to the member, or not less than ten (10) days after the mailing of such notice to the unit owner by certified mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board may (i) accelerate the remaining installments of the assessment, (ii) file a lien for such accelerated assessment as permitted by the New Jersey Condominium Act or the Master Deed, and (iii) notify the mortgagee of the unit affected by such default. If such default continues for a period of one hundred eighty (180) days, then the Board may foreclose the forgoing lien pursuant to law and/or to commence a suit against the appropriate parties to collect said assessment.
9. Interest and Counsel Fees. The Board, at its option, shall have the right to impose an interest or late charge at the legal maximum if such payment or other charge is made after a certain date stated in a written notice. In the event that the Board shall effectuate collection of said charges by resort to counsel, the Board may add to the aforesaid payments or charges a sum or sums of twenty (20%) percent of the gross amount due as counsel fees in addition to such other costs allowable by law.
10. Power of Attorney to Mortgagee. In the event the Board shall not cause the enforcement procedures provided in Section 8 above to be implemented within the time provided, the first mortgagee of any unit as to which there shall be unpaid assessments is hereby irrevocably granted a power of attorney to commence such actions and to do such things, all in the name of the Association. The said power of attorney is expressly stipulated to be coupled with an interest in the subject matter. The Association shall pay to such mortgagee in furtherance of the exercise of the powers herein granted to such mortgagee as above provided.
11. Annual Audit. The Board shall submit its books, records and memoranda and choose to have an annual audit or review by an independent certified public accountant who shall audit or review the same and render a report thereon in writing to the Board and in summary form to the members and such other persons, firms or corporations as may be entitled to same .
12. Examination of Books. Each member shall be permitted to examine the books of account of the Board. A reasonable time on business days; provided, however, that the Board has given at least ten (10) days prior written notice of the member's desire to make such an examination.
13. Fidelity Bonds: Fidelity bonds shall be required by the Board from all persons handling who are responsible for Association funds. The amount of such bond shall be determined by the Trustees. The premiums on such bonds shall be paid by the Association.
14. Fiscal Year: The fiscal year of the Association shall be on a calendar year basis or such other fiscal year as shall be determined by the Board.

ARTICLE VII – OFFICERS

1. Designation. The principal officers of the Association shall be a President, Vice-President, a Secretary and a Treasurer. The President and Secretary shall be members of the Board. The Board may also appoint such other Assistant Treasurers and Assistant Secretaries as in their judgment may be necessary. Any two offices, except that of President and Vice-President, may be held by one (1) person.
2. Election of Officers. The officers of the Association shall be elected annually by the Board of Trustees at the first Board meeting following each annual meeting of members, and such officers shall hold office at the pleasure of the Board. If the Board agrees on the designation of officers by appointment, such election shall not be necessary.
3. Removal of Officers. Upon an affirmative vote of a two-thirds (2/3) majority of the Trustees, any officer may be removed, either with or without cause, and his successor appointed or elected at any regular meeting of the Board, or at any special meeting for the Board called for such purpose.
4. Duties and Responsibilities of Officers.
 - (a) President. 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 an 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) Vice-President. 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 an interim President from among the Trustees of the Association. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board.
 - (c) Secretary. 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 of the duties incident to the office of the Secretary. The ministerial and clerical duties of the Secretary may be delegated to and performed by a manager or management company, or any other persons, with the approval of the Board.
 - (d) Treasurer. The Treasurer shall have the responsibility for 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 same manner and to the credit of the Association in such depositories as may from time to time be authorized by the Board. The ministerial and clerical duties of the Treasurer may be delegated to and performed by a manager or management company, or any other person, with the approval of the Board.
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.
6. Compensation. No compensation shall be paid to the President or Vice-President for their services, except reimbursement for out-of-pocket expenses or compensation for services rendered in any other capacity to or for the Association. The Secretary and/or Treasurer may be compensated for their services if the Board determines that such compensation is appropriate.
7. Eligibility of Trustees. Nothing herein contained shall prohibit a Trustee from being an officer.

ARTICLE VIII – ENFORCEMENT, INDEMNIFICATION AND EXCULPABILITY

1. **Enforcement.** The Association shall have the power, at its sole option, to enforce the terms of this instrument and the Master Deed of the Condominium, or any rule or regulation promulgated pursuant thereto or hereto, by any 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; compliant to the duly constituted authorities; or by taking any other action, summary or otherwise including such action before any court 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 New Jersey Condominium Act and not in limitation thereof.
2. **Fines.** The Association shall have the power to levy fines against any members for violation(s) of any rule or regulation or use restrictions contained in the Master Deed, By-Laws or Rules and Regulations, except that no fine may be levied for more the fifty (\$50) dollars for any one violation, but if each violation continues after notice it shall be considered a separate violation. Collection of the fines any be enforced against any members involved as if the fine were a common expense owed by the particular member.
3. **Indemnification.** Each Trustee and officer of the Association, and their delegates or appointees, 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 made a party by reason of his being or having been a Trustee or officer of the Association, or delegate or appointees of same, except as matters as to which he shall be finally bound in such action to be liable of 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 as to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.
4. **Exculpability.** Neither the Board as a body nor any Trustee nor any officer of the Association, nor the delegees or appointees of any of them shall be personally liable to any member in any respect for any action or lack of action arising out of the execution of the duties of his office in the absence of a showing of bad faith, and each member and unit owner shall be bound by the good faith actions of the Board and officers of the Association, or their delegees or appointees, in the execution of the duties of Trustees and officers.

ARTICLE IX – USE RESTRICTIONS

The following restrictions shall apply to the use of all units and common elements, subject to such Rules and Regulations regarding the use and operation of the Condominium and conduct of the owners and occupants thereof as shall be duly adopted from time to time under the New Jersey Condominium Act and these By-Laws:

- (a) The common elements shall be used only for the furnishing of services and facilities for which the same are reasonably intended and suited and which are incident to the use, occupancy and enjoyment of the units.
- (b) A member or a unit owner shall not place or cause to be placed in the lobbies, vestibules, stairways, elevators and other condominium areas and facilities of a similar nature, any furniture, packages or objects of any kind that would restrict or obstruct the normal flow of transit or create a hazard.

- (c) No resident of the Condominium shall post any advertisements or posters of any kind in or on the building except as authorized by the Association or as otherwise provided herein.
- (d) All members and occupants shall exercise extreme care about making noises or in the use of musical instruments, radios, television and amplifiers so as not to disturb other members or occupants. No noxious or offensive activities of any kind shall be carried on in or upon the common elements or in any unit, nor shall anything be done therein either willfully or negligently, which may be or become an annoyance or nuisance to other residents of the Condominium.
- (e) The hanging of awnings, garments, rugs, etc., from the windows or from any of the facades or balconies of the Condominium building is absolutely prohibited.
- (f) The dusting of rugs, etc., from the windows or balconies or the cleaning of rugs, etc., by beating on the exterior part of the Condominium building is absolutely prohibited.
- (g) The Condominium is to be maintained in a clean and sanitary condition, and throwing of garbage or trash outside the disposal installations provided for such purposes is absolutely prohibited. All garbage, trash or other waste shall be kept in sanitary leakproof containers when being transported through the common elements.
- (h) No external or visible radio, television or other type of aerial wiring, including wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, shall be installed or fixed on or about the exterior of the Condominium building or protrude through the walls or the roof of the Condominium building, except as authorized by the Association.
- (i) All windows and units shall have draperies, blinds, curtains or other window coverings which shall be either (i) white or (ii) lined with white fabric or material facing the exterior of the unit.
- (j) All floor coverings in a unit must be covered by padding, carpeting, area rugs, tile or linoleum of the size and quality reasonably acceptable to the Association. These provisions shall not apply to the Sponsor.
- (k) No portion of the unit or building exterior, including doors and door jams which face onto the common elements or which form a visible part of the exterior of the Condominium building, shall be painted or otherwise decorated or modified in any manner.
- (l) No member or occupant shall build, plan or maintain any matter or thing upon, in, over or under the common elements without the prior written consent of the Association.
- (m) To the extent that equipment, facilities and fixtures within any unit (s) shall be connected to similar equipment, facilities or fixtures affecting or serving other unit (s) or the common elements, then the use thereof by a member or occupant of a unit shall be subject to the By-Laws and the rules and regulations of the Association.
- (n) No member or occupant shall burn, chop or cut anything on, over or above the common elements.
- (o) Deleted
- (p) Except for a single, small non-illuminated name sign on the door to his unit and on his mail box, if any, no member or occupant may erect any sign on his or in his unit visible from outside his unit or on or in the common elements, without the prior written permission of the Association.

- (q) No animals, livestock or poultry of any kind, including dogs, cats or other household pets, shall be raised, bred or kept in any unit or in the common elements.
- (r) In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current, up-to-date roster of members, a member shall give the Secretary of the Association timely notice of his intent to list his unit for sale, and, upon closing of title shall forthwith notify such Secretary of the names and home addresses of the purchasers.
- (s) Nothing shall be done or kept in any unit or in or upon the common elements which will increase the rates of insurance premiums for the Condominium or the contents thereof beyond the rates applicable without the prior written permission of the Association, which permission may be conditioned upon the member owning such unit being required to bear the full amount of such increase. No member shall permit anything to be done in his unit or in or upon the common elements which would be in violation of any law, statute, ordinance or regulations of any governmental body, or which would lead to the cancellation of insurance on the Condominium property or the contents thereof.
- (t) Each member shall have the right to mortgage or encumber his unit.
- (u) Further house rules and appropriate rules controlling the use of the units, parking spaces, lobbies, common spaces and facilities including the grounds, walks and swimming pool may be made from time to time by the Association; provided, however that copies of such rules and regulations are furnished to each member prior to the time that the same become effective. Any such rules and regulations may be recorded in the office of the Clerk of Atlantic County. Such regulations shall not impair or limit the rights of mortgagees as elsewhere recited.
- (v) Smoking is prohibited at any time in all common and limited areas and individual units except, however, unit owners as of the date of this meeting and their visiting guests shall be permitted to smoke on their individual balconies attached to the unit provided the balcony door to the unit is closed and the smoke does not intrude onto the common area or any other balconies or units.

ARTICLE X – MAINTENANCE, REPAIR, ADDITIONS, ALTERATIONS OR IMPROVEMENTS

1. Maintenance and Repair to Units. Each member shall promptly perform, at his own expense and risk, all maintenance and repair work with respect to the portion of each unit owned by him which does not comprise a part of the common elements and which, if not performed, would adversely affect the safety or first-class appearance of the building in which such unit is located or any part or parts thereof belonging in whole or in part to other members. Each member shall be liable for any damages, liabilities, costs or expenses, including attorney's fees, caused by or arising out of his failure to promptly perform any such maintenance and repair work.
2. Maintenance and Repair to Common Elements. All maintenance, repairs and replacements to the common elements and facilities, whether located inside or outside of the units, shall be made by the Board and charged to members as a common expense, unless necessitated by the negligence, misuse or neglect of a member, in which case such expense shall be charged to such member

3. Maintenance and Repair to Limited Common Elements. With the exception of the cleaning of the limited common elements, which shall be the responsibility of the respective members, the Board shall be responsible for the maintenance, repair, painting and/or replacement of said limited common elements.
4. Improvements by the Association. Whenever in the judgment of the Board, a common element requires improvements costing in excess of twenty five thousand (\$25,000) dollars, said improvements shall not be made unless they have been approved by a majority of votes of members at a meeting of members at which a quorum is present.

When said approval has been obtained, all unit owners shall be assessed by the Board, for the cost thereof as a common expense, if necessary,. In the event of any emergency which shall cause damage to the Condominium property or any part thereof, the Board may expend sums in excess of twenty five thousand (\$25,000) dollars to protect said property and the judgment of the Board shall be final.

5. Miscellaneous. The member is responsible to promptly report to the Board any defect or need for repairs, the responsibility of which is that of the Association.

ARTICLE XI – RIGHT OF ACCESS

Each member shall grant a right of access to his unit to the manager and/or managing agent and/or any other person authorized by the Board for the purpose of (i) making inspections, (ii) correcting any condition originating in his unit which is threatening another unit or common element, or (iii) performing necessary installations, alterations or repairs to the electrical or mechanical services or other common elements in his unit or elsewhere in the Condominium building; provided, however, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the member or occupant of a unit. In case of an emergency, such right of entry shall be immediate whether the member is present at the time or not. For these purposes, the members shall not place any additional locks on the doors of their respective units unless keys for said locks are deposited with the manager or, if none, then with an officer of the Association.

ARTICLE XII – COMMON EXPENSES PAYABLE BY THE SPONSOR

Until the sale of the first unit in the Condominium, the Sponsor shall be solely responsible for all common expenses. Following the first closing, the unit owner or owners to whom title has been vested shall be responsible for his or their proportionate share of the common expenses as set forth in the Master Deed and the Sponsor shall pay the common expenses attributable to any unsold units.

ARTICLE XIII – 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 constituted for such purpose, and previous to which written notice to members of the exact language of the amendment or of the repeal shall have been sent, a quorum being present, by an affirmative vote of fifty-one (51%) percent of the votes entitled to be cast in person or by 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, and (iii) the obligation or the proportionate responsibility for the common elements may not be changed by reason of any such amendment or repeal.

ARTICLE XIV – CONFLICT

Anything to the contrary here and notwithstanding, if any provision of these By-Laws is in conflict with, contradicts or is inconsistent with the Master Deed, the Articles of Incorporation of the Association, or with the requirements of any law, the terms and provisions of the Master Deed, the Articles of Incorporation or such law shall be deemed to be controlling, and the members covenant to vote in favor of Incorporation of the Association or any other documents (other than the Master Deed) as will remove such conflicts or inconsistencies.

ARTICLE XV – ACQUISITION OF UNITS BY THE BOARD

Acquisition of units, regardless of type, by the Board on behalf of all members may be made from the working capital in the hands of the Board, or, if such funds are insufficient, the Board may in its discretion either (i) levy an assessment against each unit owner in proportion to his ownership in the common elements as a common charge, which assessment shall be enforceable in the same manner as common charges, or (ii) borrow money to finance the acquisition of such units; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit to be acquired by the Board together with the appurtenant interests thereto. Acquisition of a unit by the Board on behalf of all members may not be made without the prior written consent of two-thirds (2/3) of members entitled to vote at a meeting held in accordance with these By-Laws. Notwithstanding any rights of the Board under this Paragraph or any other provision of these By-Laws, the Board and/or the Association cannot at any one time hold title to more than ten (10%) percent of the total number of units in the Condominium.

ARTICLE XVI – MISCELLANEOUS

1. Notices. Any notices required to be sent to the Association shall be sent by certified mail, return receipt requested, to the Board in care of the Secretary of the Association and/or to the General Manager. Any notice required to be sent to any unit owner or member shall be deemed to have been properly sent and notice thereby given if delivered to his or her unit or email address or mailed with postage prepaid, addressed to the unit owner or member at the last known post office address of the person (s) who appears as a member of record of the Association at the time of such mailing or at such other address of preference as may be designated by unit owner in writing to Secretary of the Association and or General Manager, indication how they prefer to have notice (s) delivered.

Notice to one of two or more co-owners of a unit shall constitute notice to all co-owners. It shall be the obligation of every unit owner and member to immediately notify the Secretary of the Association in writing of any change of address. This supersedes any other notice requirements to unit owners that are reflected in any other areas of the By-Laws.

Unless otherwise provided herein or in the Master Deed, all notices shall be deemed to have been given when either emailed or mailed except notice of change of address which shall be deemed to have been given when received.

2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability or effect of the balance of these By-Laws.
3. Waiver. No restriction, condition, obligation or covenant contained in these By-Laws 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 whereof which may occur.

4. Corporate Seal. The Association shall have the seal in circular form having within its circumference the words “That Vassar Square Condominium.”
5. Arbitration of Controversies:
Any controversy which shall arise between a unit owner and the Association shall be determined by arbitration. Such arbitration shall be conducted, upon request of either the association or the unit owner, before three arbitrators (unless the association and the unit owner agree to one arbitrator) designated by the American Arbitration Association and in accordance with the Rules of such Association then in force.

The decision of the Arbitrator (s) shall be final, conclusive and binding upon the parties, and a judgment may be obtained thereon in any Court having jurisdiction. The Association and unit owner shall each pay for its own attorney’s fees and expenses. Notwithstanding the foregoing, the Arbitrators (s) are authorized to include in any award the charges of the Arbitrator (s) and of the American Arbitration Association. All arbitration proceedings shall be conducted at such place as may be mutually agreed upon by the parties. In the event of the parties’ inability to agree on the location, hearings shall be held in the Philadelphia Office of the American Arbitration Association.