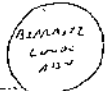


Prepared by  
*William A. Thompson III*  
William A. Thompson III

I hereby certify that the attached By-Laws of the Biarritz Condominium Association were duly adopted by a unanimous vote of the membership at an annual meeting held on June 9, 1991. I further certify that the previous By-Laws of the Biarritz Condominium Association originally recorded in Book 1402 at Page 37 in the office of the Clerk of Atlantic County were duly rescinded and are of no further force and effect.

Dated:

*Doris B. Thompson*  
Doris B. Thompson, Secretary



*Dena Ribert*  
Dena Ribert, President

001893

STATE OF NEW JERSEY, COUNTY OF ATLANTIC, SS:

I CERTIFY that on February 29, 1991,  
Dena Ribert and Doris B. Thompson

personally came before me and each person acknowledged under oath, to my satisfaction, that:

- a) Dena Ribert signed, sealed and delivered the attached document as President of the Biarritz Condominium Association;
- b) Doris B. Thompson signed, sealed and delivered the attached document as Secretary of the Biarritz Condominium Association
- c) this document was signed and made by the Association as its voluntary act and deed by virtue of authority from its membership.

*John J. ...*  
Notary Public  
Atlantic County, N.J.  
June 18, 1995

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CO BY:  
H.A. THOMPSON

admit  
herein  
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 Biarritz, a condominium (hereinafter referred to as the "condominium"). As described in the Master Deed for Biarritz, a Condominium.

2. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed or in N.J.S.A. 45:88-1 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 Fifty (50) votes in the Association, each of equal weight. There shall be one (1) vote for each unit. Votes shall be cast in person or by proxy as otherwise provided herein. Anything contained herein to the contrary notwithstanding, it is understood that, in event that the number of units ultimately contained in the condominium is more or less than fifty (50) as result of the combining 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 of 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 cancelled or superseded by written notice 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-owners 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.

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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 the members as may be designated by the Board of Trustees.

2. Annual Meetings. Annual meetings of the Members of the Association will be held between May and August of each year. 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. 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 of 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 as the 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 members, whether annual or special, shall be given not less than ten (10) days or 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. 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 meeting 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 are entitled to vote may, by 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 transacted had a meeting originally been called.

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 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 representatives and delivered to the Secretary of the meeting. The proxy may be revoked at 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 longer 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 or such proxy.

The election of Trustees shall be by ballot. 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 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 report the number of votes represented at the meeting and entitled to vote on any question requiring a ballot, and they shall conduct the voting, accept the votes, and, when the voting is completed, they shall ascertain and report the number of votes and the results of the balloting. Reports of inspectors shall be in writing and shall be 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 any special meeting as far 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) 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 shall consist of seven (7) persons all of which must be unit owners.
3. Election and Terms of Office. Three trustees shall serve for three year terms, with one term expiring each year. The remaining four trustees shall serve two year terms with two trustees elected each year. All trustees shall serve subject to the requirements of these By-Laws. In any event, the regular meeting after expiration of their terms and the Trustees shall hold office until their 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 time election of the new Board of Trustees has been held. Each member shall vote in accordance with the provision of these By-Laws and the Master Deed for each position to be filled. 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 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.
4. Removal of Trustees. At any duly held 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 present, and a successor may then or thereafter be elected to fill the vacancy thus created. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting.
5. Vacancies. Vacancies in the Board caused by any reason 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 shall be a Trustee for the remainder of the term of the Trustee whose term he is filling and until his successor shall be elected. Notwithstanding the foregoing, in the event 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.
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 or for the Condominium or the Association in any other capacity.
7. Meetings of the Board. Regular meetings of the Board may be held at such time 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. All meetings but at least ten (10) meetings shall be held each year. Notice of regular meetings of the Board shall be given to each Trustee by telephone, mail, or telegram at least ten (10) 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 given by telephone, mail or telegram,

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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 on 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 a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all of the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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 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 adjournment 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.

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 a 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 or approval 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 in 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 path; lay pipes, culverts, utility lines; to construct or erect lights or poles, signs.
- (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,

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(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, renovating 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 businesslike 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 of such items and maintenance for which they are responsible;

(g) Set minimum standards for floor coverings installed by all unit owners;

(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 their owners or occupants;

(i) Arrange for security protection as necessary;

(j) Enforce obligations of the unit owners and do anything and everything else 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 owned by the particular unit owner or unit owners.

(k) Borrow and repay monies and to give notes, mortgages or other security upon such terms or terms as it deems necessary; invest and reinvest monies; sue and be sued; collect make and enter into contracts; enter 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 thereof;

(l) Grant and obtain easements, licenses and other property rights, including riparian grants, with respect to contiguous lands and lands acquired by the Association;

(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.

(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;

(o) Sell, lease, or otherwise deal with units acquired by, and to sublease units leased by, the Association or its designees, on behalf of all unit owners;

(p) 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 owners (s);

(q) The votes appurtenant to units owned by the Association shall not be voted.

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(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 decorating, plumbing, steam cleaning, carpentry, removal of refuse from all buildings and common areas, snow removal where necessary, maintenance of roads, walkways and such other maintenance, replacement 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 and 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 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;

(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 limitation;

(1) PHYSICAL DAMAGE INSURANCE. To the extent available, broad form insurance against loss by fire, 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, 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 mortgage 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 may appear. Such policy or policies shall provide, to the extent possible, that adjustments or payments of 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 of 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, however such public liability insurance shall be in amounts not less than \$1,000,000 for bodily injury claims and \$25,000 for property damage claims.

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(iv) ADDITIONAL INSURANCE. Such other insurance as the Board may determine to be necessary or desirable.

All policies shall, to the extent possible (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 physical elements and structural portions and service machinery as may be required by the Master 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 such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, 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 carrier issuing insurance obtained by the Board shall not be affected or diminished 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 member/unit owner, his, her or their 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 accounts shall be by checks signed by 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;

(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 which have been required because of damage, depreciation or obsolescence, and which shall be allocated among each of the separate categories of replacement items;

(d) Reserves 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 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.

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 required 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 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, 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 proved to be insufficient, the budget and assessment 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 after delivery of the notice to the member, or not less than ten (10) days after the

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mailing of such notice to him by certified mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board shall be obligated to (1) accelerate the remaining installments of the assessment, (2) file a lien for such accelerated assessment as permitted by the New Jersey Condominium Act or the Master Deed, and (3) 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 shall have the duty to foreclose the foregoing 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-five (25) 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 mortgage of any unit as to which there shall be such 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 all reasonable expenses which may be incurred by 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 for 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 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 at a reasonable time on business days; provided, however, that the Board has been 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 who are responsible for Association funds. The amount of such bond shall be determined by the Trustees. The premiums on such bond 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.

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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 of 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.

(d) TREASURER. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full 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. This position shall be in conjunction with the management firm, should such firm be hired to handle the accounts for the Association.

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, IDENTIFICATION AND EXCUSABILITY

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; complaint 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.

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7. FINES. The Association shall have the power to levy fines against any member for violation (a) 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 than one hundred (100) dollars for any one violation but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against any member 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 designees or appointees, shall be indemnified by the Association against the actual amount of net loss, including 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 appointee of same, except as to matters as to which he shall be finally 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 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 delegates 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 delegates 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 lobby, vestibule, stairway, elevator 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 care about making noise 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.

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(f) The draping 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 white or 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.

(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) 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.

(p) 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.

(q) 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 unit for sale, and, upon closing of title shall forthwith notify such secretary of the names and home addresses of the purchasers.

(r) 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 such or upon the common elements which would be in

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any such 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.

(8) Each member shall have the right to mortgage or encumber his unit, provided that such mortgage or encumbrance is made to a bank, mortgage banker, trust company, insurance company, lender or is a purchase money made to the immediate predecessor in title to a unit.

(9) Further house rules and appropriate rules and regulations controlling the use of the units, lobby, common spaces and facilities including the grounds and walks 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 shall 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.

#### 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 in which performance 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 damage, 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, repair 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 caused 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. ADDITIONAL ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION. Whenever in the judgment of the Board, the common elements require improvements costing in excess of ten thousand (\$10,000) dollars, said improvements shall not be made unless they have been approved. When said approval has been obtained, all unit owners shall be assessed for the cost thereof as a common expense. 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 the thousand (\$1,000) dollars to protect said property and the judgment of the Board will 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 the 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 electrical, 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

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such entry to the member or occupant of a unit. In case of 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 - 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 the purpose, and previous to which written notice to members of the exact language of the amendments 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 the obligation or 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 amendment or repeal.

#### ARTICLE XIII - CONFLICT

Anything to the contrary here in notwithstanding, if any provision of these By-Laws is in conflict with or contradicts 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 such amendments in these By-Laws or the Articles of Incorporation of the Association or any other documents (other than the Master Deed) as will remove such conflicts or inconsistencies.

#### ARTICLE XIV - 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 XV - MISCELLANEOUS

1. NOTICE. 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 managing agent.

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 mailed, by regular post with postage prepaid, addressed to the unit owner or member at the last known post office address of the person who appears as a member of the records of the Association at the time of such mailing. 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.

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Unless otherwise provided herein or in the Master Deed all notices shall be deemed to have been given when 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 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 "The Biarritz Condominium Association".

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MICHAEL J. GARVIN  
Atlantic County Clerk  
Bk 7802 Pg 1 of 3 B1A

3y:   
ERIC D. MANN, ESQ.

**BIARRITZ CONDOMINIUM ASSOCIATION, INC.**

**POLICY RESOLUTION**

**INSURANCE DEDUCTIBLES**

WHEREAS, the Biarritz Condominium Association, Inc., a nonprofit corporation of the State of New Jersey, is governed by a certain Master Deed dated October 9, 1979, and recorded in the Atlantic County Clerk's Office in Deed Book 3402 at Page 1, as subsequently amended, and

WHEREAS, the By-Laws of the Association provide that the property, affairs and business of the Association shall be managed by the Board of Trustees, which specifically has all of the powers granted to it by the Articles of Incorporation, the Master Deed, the New Jersey Condominium Act and the By-Laws; and

WHEREAS, Article V, Section B(vii) of the By-Laws imposes a duty upon the Board of Trustees to place, obtain, maintain and keep in force all insurance coverages required to be maintained by the Association applicable to its property and members consistent with the By-Laws; and

WHEREAS, the Association maintains and currently has in place insurance coverage as required in the Association's governing documents; and

WHEREAS, although not obligated to do so by the Master Deed or By-Laws, the Association provides additional coverage by maintaining insurance on certain portions of the individual units through a "studs in" policy; and

WHEREAS, the Association's insurance policy premiums reflect the additional coverage provided in the added benefit to the unit owners and result in the imposition of certain insurance deductibles, the costs of which are not funded nor reflected in the Association's annual budget; and

WHEREAS, as a result the Association wishes to distribute the cost of insurance deductibles on those unit owners who are specifically benefitting from insurance recoveries by virtue of their use, occupancy and/or ownership of units within the Biarritz Condominium; and

WHEREAS, the Association wishes to minimize the risk of claims against its master policy and thereby keep insurance premiums at an affordable level; and

WHEREAS, the By-Laws grant the Board the authority to determine the responsibility for payment of any insurance deductible; and

WHEREAS, the Board of Trustees finds that it is reasonable and appropriate to establish a policy for allocating the cost associated with certain insurance deductible expenses by and between the unit owners affected by insured losses.

NOW, THEREFORE, it is hereby resolved on this 17<sup>th</sup> day of January, 2004, that the Board of Trustees shall and hereby does adopt the following policy resolution concerning the allocation of and responsibility for payment of insurance deductibles in the event of a covered loss under any of the Association's insurance policies:

1. It shall be the policy of the Association that unit owners who sustain damage to their individual unit must first report that damage to and make a claim with his/her individual insurance carrier for coverage, which coverage shall be primary. In the event that the individual homeowners policy does not cover the loss or the claim is denied, the claim may then, and only then, be made against the Association's master policy. No claim for unit damages shall be made against the Association master policy until proof of denial of the claim is provided to the Association. It shall be a condition precedent for making a claim against the Association master policy that the owner/claimant maintains his own insurance coverage for his unit. The payment of any insurance deductible shall be borne by the unit owner. As a result, all unit owners are required to maintain adequate coverage for their units and its contents and to otherwise comply with the provisions of the Master Deed.
2. When a unit owner asserts a claim against the Association's master insurance policy and the Association incurs insurable losses resulting in the imposition of insurance deductibles under any of the Association's policies, the cost of these deductibles shall be borne by the unit owner affected by the covered loss. This cost shall be the responsibility of the unit owner and shall be assessed against the unit or units and chargeable as a common expense. In the event that more than one unit is affected by the covered insured loss, each unit shall share in the deductible expense pro rata.
3. The above provision dealing with the owner's obligation to pay insurance deductibles in the event of an insured loss shall have no affect on the owner's obligation for the payment for maintenance and repairs necessitated by the negligent or intentional act of the unit owner, his agents, guests, or tenants. In those situations, the unit owner's obligation to make payment for costs of repairs, damages and expenses, including counsel fees and costs, arising out his own negligence or the negligence of his tenants, occupants or guests shall be governed by the provisions of the Master Deed and By-Laws.
4. This policy shall not apply to claims arising directly or indirectly from defective, deficient or damaged conditions of the Common Elements.
5. The Board of Trustees recognizes that the Association's annual budget does not include a line item for the payment of insurance deductibles and accordingly the Association

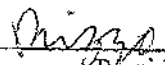
does not have annual funding for payment of these claims. As long as the Association does not budget for insurance deductible expenses, it will be the owner's responsibility to make payment for all insurance deductibles under any of the Association's policies to the extent the unit owner's particular unit is affected by the covered loss as set forth in this policy.

6. This Resolution shall become effective immediately and applicable to all Members of the Biarritz Condominium Association upon adoption by the governing Board. This Resolution may also be recorded in the Atlantic County Clerk's Office and shall serve as notice to all Members of its contents.

ATTEST:

BIARRITZ CONDOMINIUM  
ASSOCIATION, INC.

  
ANDY KASPER, Secretary

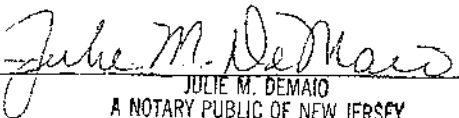
By:   
FRANK RIZZO, President

STATE OF NEW JERSEY; COUNTY OF ATLANTIC: ss.

I CERTIFY that on January 17, 2004, ANDY KASPER personally came before me and this person acknowledged under oath, to my satisfaction, that:


- (a) this person is the Secretary of the Biarritz Condominium Association, Inc., the corporation named in the attached document;
- (b) this person is the attesting witness to the signing of this document by the President of the corporation;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Trustees;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Sworn to and subscribed before me  
on January 17, 2004

  
JULIE M. DEMAIIO  
A NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES 4-4-2006

  
ANDY KASPER, Secretary  
Attesting Witness

Record and return to:  
Eric D. Mann, Esq.  
McAllister Hyberg White & Cohen  
2111 New Road, Suite 105  
Northfield, NJ 08225

Prepared By: 

ERIC D. MANN, ESQ.

BIARRITZ CONDOMINIUM ASSOCIATION, INC.

POLICY RESOLUTION

UNIT APPLIANCES

WHEREAS, the Biarritz Condominium Association, Inc., a nonprofit corporation of the State of New Jersey, is governed by a certain Master Deed dated October 9, 1979, and recorded in the Atlantic County Clerk's Office in Deed Book 3402 at Page 1, as subsequently amended; and

WHEREAS, the By-Laws of the Association provide that the property, affairs and business of the Association shall be managed by the Board of Trustees, which specifically has all of the powers granted to it by the Articles of Incorporation, the Master Deed, the New Jersey Condominium Act and the By-Laws; and

WHEREAS, the By-Laws provide the Board with the power to adopt and amend rules and regulations covering the details of the operation and use of the common elements and the condominium; and

WHEREAS, the By-Laws bestow upon the Board the duty to cause the common elements of the condominium to be maintained according to accepted standards and to otherwise protect the health, welfare and safety of all occupants; and

WHEREAS, the Board has undertaken an investigation of the plumbing system within the building and has found the need to conserve water through the regulation of water pressure throughout the building and has determined that the plumbing system in the building is not adequate to satisfy the water pressure and capacity requirements for the maintenance of washing machines, dishwashers and other water using appliances within the confines of the individual units;

WHEREAS, in order to protect the health, welfare and safety of all occupants and to maintain the integrity of the plumbing system within the building, the Board has determined to adopt the following policy resolution;

NOW, THEREFORE, it is hereby resolved on this 21<sup>st</sup> day of January, 2006 that the Board of Trustees shall and hereby does adopt the following policy resolution concerning the use of water using appliances within the confines of individual units at the Biarritz:

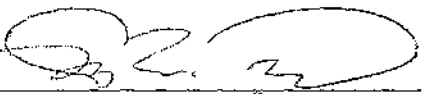
1. No unit owner or occupant shall maintain or utilize any washing machines, dishwashers, whirlpool tubs, jacuzzis, or other water using appliances in any unit at the Biarritz.

2. As of the effective date of this Resolution, which shall defined as the date that it is recorded with the Atlantic County Clerk's Office, all such water using appliances as outlined above shall be disconnected from the main water supply lines so that there is a complete disconnect between the appliance and the domestic water system in the building. The appliances need not be physically removed from the unit.

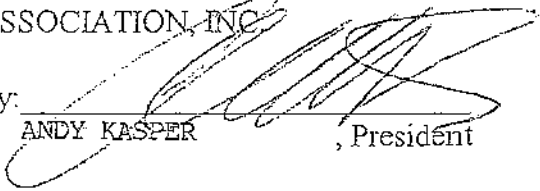
3. Unit owners who continue to utilize these appliances after the effective date of this Resolution shall be subject to fines and penalties consistent with the Association's policies. Similarly, any unit owner who does not disconnect the appliances from the main domestic water supply system shall also be subject to fines and penalties pursuant to the rules and regulations as promulgated by the Board consistent with the provisions of the governing documents. However, no fine shall be assessed unless and until the owner has been given adequate notice of the violation, an opportunity to cure the violation, as well as an opportunity to be heard in accordance with due process of law.

4. A copy of this Resolution is available for inspection at the Association office or the offices of the managing agent and copies shall be made available to all unit owners. This Resolution shall become effective upon notice to all unit owners and upon recording in the Atlantic County Clerk's Office.

ATTEST:

  
Martin Whitcraft, Secretary

BIARRITZ CONDOMINIUM  
ASSOCIATION, INC.

By:   
ANDY KASPER, President

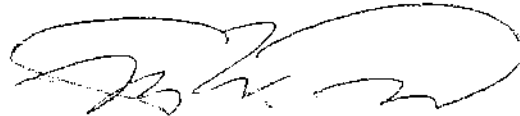
STATE OF NEW JERSEY; COUNTY OF ATLANTIC: ss.

I CERTIFY that on January 21, 2005, Martin i. Whitcraft personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Secretary of the Biarritz Condominium Association, Inc., the corporation named in the attached document;
- (b) this person is the attesting witness to the signing of this document by the President of the corporation;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Trustees;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Sworn to and subscribed before me  
on January 21<sup>st</sup>, 2005.

Katherine M. Wells



Martin Whitcraft, Secretary  
Attesting Witness

KATHERINE M. WELLS  
A Notary Public Of New Jersey  
My Commission Expires August 19, 2007

Record and return to:  
Eric D. Mann, Esq.  
McAllister Hyberg White & Cohen  
2111 New Road, Suite 105  
Northfield, NJ 08225

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Rec'd 3-4-80  
 See Amended Master Deed  
 Deed BOOK 3450 PAGE 271  
 Lori Mooney, Clerk

Rec'd 11-8-82  
 Amendment to Master Deed  
 Deed BOOK 3739 PAGE 120  
 Lori Mooney, Clerk

Rec'd 6-9-86  
 Amend to Master Deed  
 Deed BOOK 4256 PAGE 292  
 Lori Mooney, Clerk

Rec'd 2-28-91  
 Amendment to By-Laws  
 Deed BOOK 5192 PAGE 56  
 Lori Mooney, Clerk  
 was recorded on Oct 31 in error  
 10-28-91

MASTER DEED FOR THE BIARRITZ, A CONDOMINIUM

THIS MASTER DEED made this 9<sup>th</sup> day of October, 1979 by BIA ASSOCIATES, a limited partnership of the Commonwealth of Pennsylvania, having offices at 801 Old York Road, Jenkintown, Pennsylvania (hereinafter referred to as the "Sponsor");

WHEREAS, Sponsor is the owner of the fee simple title to those lands and premises described in Exhibit "A" attached hereto and made a part hereof (which lands and premises are hereinafter referred to as the "Property"); and

WHEREAS, it is the present intention of the Sponsor to convert the property to a condominium pursuant to the provisions of Chapter 257 of the Laws of 1969 of New Jersey, under the name of THE BIARRITZ, A CONDOMINIUM, and to that end to cause this master deed to be executed and recorded, together with all necessary Exhibits hereto; and

WHEREAS, the Sponsor has established or is about to establish the Biarritz Condominium Association, a New Jersey nonprofit corporation, for the administration, operation and management of THE BIARRITZ, A CONDOMINIUM, and other improvements for the common use and enjoyment of the residents of the property.

THEREFORE, WITNESSETH:

1. DECLARATION. Sponsor does hereby establish, declare and submit the property, as described in Exhibit "A", attached hereto, in accordance with the provisions of Chapter 257 of the Laws of 1969 of New Jersey, N.J.R.S. 46:8B-1, et. seq. (the "Condominium Act"), under the name of THE BIARRITZ, A CONDOMINIUM, which shall hereafter be referred to as "The Condominium", all as shown on a certain land survey prepared by Robert A. Catalano Associates, dated April 25, 1979, attached hereto and made a part hereof as Exhibit "B" ("Survey"), and the Plans and Specifications prepared by Robert A. Catalano, Associate, September 6, 1979, attached hereto and made a part hereof, or referred to, in Exhibit "C" (the "Plans and Specifications").

2. GENERAL DESCRIPTION OF CONDOMINIUM. The Condominium as presently constituted is contained in one building and consists of seven floors designated as the first floor (ground level) and floors two through seven, with 49 residential units as shown in the Plans and Specifications as same may be amended from time to time, including all rights, roads, water, privileges and appurtenances thereto belonging or appertaining.

Each residential unit will be designated by a letter and one digit number. The letter indicates the particular unit with respect to its characteristics and location on a given floor. The number following the letter indicates the floor on which each unit is located.

3. DESCRIPTION OF UNITS.

A. Each unit shall be bounded as shown on the Plans and Specifications, and said unit and the square foot dimensions of said unit shall be subject to said encroachments and changes as presently exist or as are created by settlement or movement of the building, or by permissible repairs, reconstruction or alterations. Said boundaries are as follows:

(i) The undecorated finished unit-side surface of the plaster wall bordering on the exterior walls of the building as are adjacent to such unit;

(ii) The undecorated finished unit-side surface of the interior bearing walls of the building as are either part of perimeter of such unit or pass through such unit;

(iii) The undecorated finished unit-side surface of the plaster on such non-bearing walls as are located on the perimeter of such unit;

(iv) The undecorated finished lower surface of the concrete ceiling slab immediately above such unit;

(v) The undecorated finished upper surface of the concrete ceiling slab immediately below such unit;

(vi) The undecorated unit-side surfaces of such doors, door frames, door hinges, and doorsills, as are set in the interior walls of the building adjacent to such unit and on the perimeter thereof.

B. Each unit also includes all appliances, fixtures, and other improvements located within the unit, which are exclusive to such unit and shall include, but not be limited to, the following individual appurtenances:

(i) The air space enclosed by the boundaries;

(ii) All non-bearing walls, partitions, and dividers, which are wholly contained within said title lines (excluding pipes, ducts, wires, or conduits or other common elements contained therein as herein defined);

(iii) All doors, door frames, doorways, door hinges, and doorsills set in the interior walls described in Paragraph B(i) hereof;

(iv) All electrical receptacles, outlets, switches, and circuit breakers located in the ceiling, walls or floors of a unit;

(v) All electrical wires which extend from the ceilings, walls or floors into the interior air space of any unit;

(vi) The complete heating and air conditioning systems (including compressors and ducts) located within the boundaries of the unit serving only the particular unit;

(vii) All plumbing fixtures, pipes, ducts and wiring located within the boundaries of the unit serving only the particular unit;

(viii) All baseboards located within the boundaries of the unit;

(ix) All hot water heaters located within the boundaries of the unit;

(x) All utility meters not owned by the public

utility agency supplying service to the unit and located therein;

(xi) All master antennae and cable television wiring located within the boundaries of the unit servicing only the unit;

(xii) The carpeting and floor coverings within the boundaries of the unit.

4. **DESCRIPTION OF COMMON ELEMENTS.** All appurtenances and facilities and other items which are not a part of the units or individual appurtenances hereinabove described in Paragraph 3 shall comprise the common elements or limited common elements as graphically shown in the Plans and Specifications. The right of any unit owner to the use of the common elements shall be a right in common with all other unit owners (except to the extent that the Master Deed provides for limited common elements) to use such common elements in accordance with the reasonable purposes for which they are intended without encroaching upon the lawful rights of the other unit owners. The common elements shall also include by way of description but not by way of limitation:

A. All lands described in Exhibit "A" aforesaid whether or not occupied by the building containing the above described units and the air space above, surrounding and within the building, to the extent not included within the boundaries of the units;

B. The foundations, structural parts, columns, girders, beams, supports, concrete or masonry parts of all bearing walls and interior walls; the concrete or masonry parts of all non-bearing interior walls between units and interior corridors; the roof, concrete floor below each unit; the ceiling above each unit, the space between the floor of a unit and the ceiling of a unit immediately below; all parts of the building above the ceiling of a unit on the top floor of the building; except for such items as are herein expressly made part of the unit; all portions of the building below the upper surface of the concrete floor of the third level of the building (including the ground level);

C. Entrances, corridors, lobbies, stairways, stairwells, passages, entrances and entrance halls, elevators, elevator shafts and associated equipment, exits and other means of access;

D. The unit door, its hinges, frames and doorsill leading to the corridor, except for the unit-side surfaces thereof

E. Areas used for commercial purposes, if any;

F. Meter rooms, utility rooms, trash rooms and trash shoots;

G. Portions of the ventilating and/or conditioning ducts and air conditioning systems, if any, including compressors, ducts and associated equipment which are not located within the boundaries of the units;

H. The master television antennae and the connections incidental thereto to the extent that such connection systems serve

more than one unit except such parts as are the property of a cable television company;

I. Electrical and telephone wiring network, cables, lines, pipes, fixtures, meters and associated equipment, including installations of all central services and utilities and water, sewer, electric, telephone, and other utility lines, pipes, fixtures, meters and public connections for gas, electricity, light, telephone and water (not owned by the public utility or other agencies providing such services and not located within a unit);

J. All private streets, curbs, sidewalks, walkways, parking areas, driveways, shrubbery or lawn areas, conduits, utility lines and pipes, subject to the easements and provisions as set forth in this Master Deed;

K. Any easement or other right of way which may or hereinafter be granted for the benefit of the unit owner(s) or others for access to or use of the common elements not included within the condominium or for any other purposes;

L. All tangible personal property required for the operation, maintenance, and administration of the condominium which may be owned by the association;

M. All apparatuses and installations existing or intended for common use, including but not limited to, card and recreational rooms, exterior lighting and other facilities necessary to the upkeep and safety of the condominium and the above described units therein contained;

N. All other parts or elements of the property or any improvement thereon necessary or convenient to the existence, management, operation, maintenance, and safety of the Condominium and the above described units therein contained, or for common use thereof and which are not described in this master deed or in the Plans and Specifications, which are not expressly made a part of the unit or the limited common elements; and

O. **LIMITED COMMON ELEMENTS.** Such portions of the condominium which may be included within the term "common elements" by reason of their location outside the boundaries of any unit, but which benefit or serve fewer than all of the units or unit owners, and are deemed to be "limited common elements". With the exception of the cleaning of said limited common elements, the association shall be responsible for the maintenance, repair, painting and/or replacement of the limited common elements.

5. **TITLE TO UNITS AND COMMON ELEMENTS.** The owner or owners of the unit shall have such an estate therein as may be acquired by grant, by purchase, or by operation of law, including an estate in fee simple, and shall acquire, as in the pertinence to each unit, an undivided percentage interest in the common elements of the condominium and shall share in the common expenses of the condominium as set forth in Exhibit "D" attached hereto and made a part hereof, subject to any amendments as herein provided. Said appurtenant undivided interest in the common elements and share of the common expenses shall not be divisible from the unit to which it appertains. Said percentage shall be used to allocate the division of the proceeds, if any, resulting from any casualty loss, any eminent domain proceedings, any common surplus (excess of common receipts over all common expenses) or from any other

disposition of the condominium property.

Said percentage is expressed as a finite number to avoid an interminable series of digits. The sixth digit has been adjusted to the value which is not nearly correct. These percentages shall remain fixed unless, and until, they are changed by an amendment to this Master Deed and further subject to the Sponsor's right to combine certain units as herein set forth.

Any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any unit shall extend to and include the unit's proportionate undivided interest in the common elements, whether or not expressly referred to in the instrument affecting the unit.

6. EASEMENTS. (a) Sponsor hereby reserves unto itself, its legal representatives/ successors and assigns, the following easements with respect to the Property:

(i) a blanket and nonexclusive easement in, upon, and through and over the common elements for the purpose of construction, installation, maintenance and repair of the existing building and appurtenances thereto, for ingress to and egress from all units, all common elements and any other facilities, including, without limitation, roadways and parking areas, and existing and future model units for sales promotion and exhibition, until the expiration of two (2) years from the date of delivery of the unit deed for the final unit to be conveyed by the Sponsor.

(ii) a blanket and nonexclusive easement in, upon, through, under, across and over any unit for a period of one (1) year after the date of delivery of the unit deed for such purposes as may be reasonably necessary for the Sponsor or its agents to complete the Condominium conversion or service any unit of the Condominium.

(iii) a blanket and nonexclusive easement in, upon, through and over the common elements for the purpose of installation, maintenance, repair and replacement of all sewer, water, power and telephone lines, pipes, mains, conduits, transformers and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the Condominium for a period of two (2) years after the date the final unit is conveyed by the Sponsor.

(b) Each and every unit owner, his legal representatives, executors, administrators and assigns, sales promotion and exhibition until the date of delivery of the unit deed for the final unit to be conveyed by the Sponsor.

(b) Each and every unit owner, his legal representatives, heirs, executors, administrators and assigns, shall have the following perpetual easements with respect to the Property:

(i) a nonexclusive easement in, upon, over, under across and through the common elements (including the land described in Exhibit "A") to keep, maintain, use, operate, repair and replace his unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements;

(ii) an exclusive easement for the existence and continuance of any encroachment by his unit on any adjoining unit or upon any common elements, now existing as a result of the construction of the building, or which may come into existence hereafter as a result of the reconstruction, repair, shifting, settlement, new construction, movement of any portion of the buildings or of a unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the building stands;

(iii) an exclusive easement to use and enjoy the surfaces of the main walls (including any windows, doors, balcony or patio therein), ceilings and floors contained within his unit;

(iv) an easement in common with the owners of all the other units to use all pipes, wires, ducts, cables, conduits, public utility lines, cable and master antenna television, and other common elements located in any of the other units and serving his unit;

(v) a nonexclusive easement in favor of the said unit owner and his or their guest, invitees, licensees, tenants and servants, for pedestrian traffic, on, over, through, and across sidewalks and paths as the same may from time to time exist the unimproved portion of the land, and the building, lobbies, elevators, corridors, stairwells and vehicular traffic on, over, through and across the driveways and other portions of the common elements;

(vi) an exclusive easement for the installation, repair, maintenance, use, removal and/or replacement of recessed medical cabinets, a part of which cabinet is located in the portion of a wall adjacent to a unit which is a part of the common elements; for the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling or wall adjacent to a unit which is part of the common elements (provided that the installations, repair, maintenance, use, removal or the replacement of such fixtures, receptacles and the like will not reasonably interfere with any part of the common elements or impair or structurally weaken the building); for driving and removing nails, screws and bolts from the interior surface of the walls of a unit into the portion of such walls which are part of the common elements (provided that such action will not unreasonably interfere with the use of any part of the common elements or impair or structurally weaken the building); for the installation, repair, maintenance, use, removal and/or replacement of utility pipes, ducts, electrical wiring and all other utility lines and conduits which are a part of a unit and which pass across or through a portion of the common elements; for applying and removing paint, wallpaper, paneling, or any of them, to and from the unit-side surface and otherwise decorating, cleaning and maintaining the same, it being understood and agreed that the association acting on behalf of all unit owners shall at all times, while the Master Deed is in effect, retain the right and duty to maintain, clean, repair or replace the balance of the walls, floors, ceilings, and doors of which said unit-side surfaces are a part, notwithstanding the fact that such maintenance,

The easements hereunder are subject to the right of the Association to (A) promulgate rules and regulations for the use and enjoyment of the common elements; (B) suspend the enjoyment and voting rights of any unit owner for any period of during which assessment for common expenses remains unpaid, or for any period during which any infraction of its published rules and regulations continues, it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the unit owner's obligation to pay the assessment; (C) charge admission and other fees for the use of the common elements; and (D) such other rights as the Association shall have pursuant to the terms of this Master Deed, the Articles of Incorporation of the Association, the By-Laws of the Association, and the Laws of the State of New Jersey, the City of Atlantic City, the County of Atlantic and the Federal Government.

(c) The Property and the individual units and common elements shall be burdened with and have the benefit of the following easements:

(i) each unit, or portion thereof, and the common elements which contribute to the structural support of the building shall be burdened with an easement of structural support for the benefit of the entire structure, and each unit shall have an easement for structural support over every other unit and the common elements;

(ii) the units and common elements shall be and are hereby made subject to an easement in favor of all other units and common elements benefited thereby for the maintenance of the encroachments referred to in this Master Deed for so long as said encroachments shall continue, provided, however, that no easement for encroachments shall be created in favor of any unit owner or the Association if the encroachment resulted from the unlawful conduct or negligence of such unit owner or the Association, as the case may be.

(d) The Association, its Board of Trustees, Manager or Managing Agent, shall have the following easements with respect to the Property:

(i) a perpetual and nonexclusive right of access to each unit for inspection of the units for the purpose of verifying the performance by unit owners of all items of maintenance and repair for which they are responsible and to remove any violations set forth in this Master Deed, the By-Laws or in the Rules and Regulations promulgated by the Association, for inspection of the conditions of the common elements situated in or accessible from such units, for correction of emergency conditions in each unit or casualties to such common elements and/or unit, to perform any operations required in connection with the maintenance, equipment, facilities or fixtures affecting or serving other units or the common elements and for any of the purposes set forth in this Master Deed, the By-Laws or the Rules and Regulations of the Association, it being understood and agreed that the Association and its agents shall take reasonable steps to minimize any interference with a unit owner's use of his unit resulting from the Association's exercise of the foregoing rights and any rights it may have under this Master Deed;

(ii) a perpetual exclusive easement over the Property for the existence, continuance and maintenance of any common elements, or of any improvements owned by the Association which presently or may hereafter encroach upon a unit; and

(iii) a perpetual and nonexclusive easement in each unit for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical wiring, security system and all other utility lines and conduits which are part of the common elements and which pass across or through a portion of a unit or units.

(e) Any bank, mortgage banker or other institutional lender who is the owner of a mortgage which encumbers any unit, and its officers, agents and employees, shall have a blanket, perpetual and nonexclusive easement to enter the Condominium or any part thereof to inspect the condition and repair of the common elements or of any unit so encumbered. This right shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with the permission of the Association and the unit owner.

(f) The appropriate utility companies, governmental agencies or other entity shall have a blanket, perpetual and non-exclusive easement in, upon, over, across and through the units and the common elements for such utility services as are desirable or necessary to serve adequately the Property and all appurtenances thereto, including, without limitation, the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone lines and pipes, lines, mains, conduits, waters, poles, transformers, master television antennas or cable television facilities and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility system serving the Property.

(g) The City of Atlantic City, Atlantic County, New Jersey (but not the public in general), their respective officers, agents and employees and all police, fire and ambulance personnel in the proper performance of their respective duties (including, but not limited to, emergency or other necessary repairs to a unit which the unit owner has failed to perform) shall have a perpetual nonexclusive easement to enter upon all roadways, parking areas, driveways, walkways and sidewalks for the purpose of repairing and maintaining the safety, health, welfare, police and fire protection of the citizens of said City, including the residents of the Condominium. Except in the event of emergencies, the rights accompanying the easements provided for in this subparagraph shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with the permission of the Association and the unit owner(s) directly affected thereby.

(h) All easements and rights described and mentioned herein are easements appurtenant, running with the land and the Condominium (including, without limitation, the units and the common elements) and shall be in full force and effect for the life of this Master Deed, as the same may be amended, and at all times shall inure to the benefit of and be binding upon the Sponsor, its successors and assigns, the Association and any unit owner, purchaser, mortgagee, lessee, and any other person having an interest

in the Condominium or any unit, common element, limited common element or portion thereof.

7. Administration. The administration of the common elements and other common facilities of the Condominium shall be by the BIARRITZ CONDOMINIUM ASSOCIATION (the "Association"), of 37 SOUTH IOWA AVENUE, ATLANTIC CITY, NEW JERSEY, in accordance with the provisions of the Condominium Act, this Master Deed, the Articles of Incorporation of the Association, attached hereto as Exhibit "E", the By-Laws of the Association, attached hereto as Exhibit "F", and any other documents, amendments or supplements to the foregoing which may subsequently be required by a bank, mortgage banker or other institutional lender designated by the Sponsor to make mortgage loans on the Property, or by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by the Sponsor to insure title to any unit or units.

The said Association shall and is hereby empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated to it by the unit owners.

All funds and titles of all properties acquired by the Association and the proceeds thereof after deducting therefrom the costs incurred by the Association in acquiring the same shall be held for the benefit of the unit owners for the purposes herein stated. All income received by the Association from the rental or licensing of any part of the common elements, either presently or as anticipated, shall be used for the purpose of reducing prospective common expenses.

8. Membership in Association. Upon acceptance of a deed to a unit, each and every unit owner shall automatically become a member of the Association and shall remain as such for so long as he shall hold legal title to his unit and until his ownership ceases for any reason, at which time such unit owner's membership in the Association shall cease automatically. Other than as an incident to the lawful transfer of the title to a unit, membership in the Association shall be nontransferable and any other attempt to transfer such membership shall be null and void. Any conveyance, transfer, or alienation of any unit shall be conclusively deemed to include all of the interest of the unit owner in the Association and any encumbrance upon any unit shall also be conclusively deemed to attach to all of the interest of the unit owner in the Association.

9. Compliance by Unit Owners. Each unit owner shall hold legal title to his unit subject to all provisions of this Master Deed, Condominium Act, Articles of Incorporation of the Association, and the By-Laws and Rules and Regulations which may now or hereafter be established for or by the Association. Each unit owner or occupant shall comply with the provisions of this Master Deed, By-Laws and Rules and Regulations of the Association or its representatives, and with any other documents, amendments or supplements to the foregoing which subsequently may be required by any governmental authority as same may be lawfully amended from time to time. Failure to comply with such provisions, rules or regulations shall be grounds for injunctive relief by the Sponsor, the Association and any other unit owner.

10. Common Expenses. (a) It shall be an affirmative and perpetual obligation of the Association and its Board of Trustees to fix common expense assessments in an amount at least sufficient to maintain the exterior of the buildings comprising the Condominium and to maintain and operate the other common elements. Such duty and responsibilities are hereby irrevocably delegated to the Board of Trustees of the Association together with all other rights, powers or duties of the Association or its Board of Trustees set forth in this Master Deed, Articles of Incorporation, or By-Laws of the Association, or as otherwise provided by law. The amount of monies for common expenses of the Association deemed necessary by the Board of Trustees and the manner of expenditure thereof shall be a matter for the sole discretion of the Board of Trustees.

(b) Assessments shall be made on an annual basis and shall be payable in monthly installments. Written notice of the common expense assessments shall be set to every unit owner subject thereto. If an annual 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 any installments on such assessments shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Trustees, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump-sum assessment in the case of any immediate need or emergency.

(c) In addition to the annual assessments herein-before authorized, the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement, or a described capital improvement upon or to the common elements, including the necessary furniture, fixtures, equipment and other personal property related thereto, or for any other lawful purpose, provided that any such special common expense assessment shall receive the assent of two-third (2/3's) of all of the votes eligible to be cast by all of the unit owners at a meeting duly called for this purpose, written notice of which shall be sent to all unit owners in accordance with the By-Laws of the Association. The due date of any special assessment shall be fixed in the resolution authorizing such special assessment.

(d) Each and every unit owner, by acceptance of a deed or other conveyance for a unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association such sums, by way of annual or special common expense assessments as are herein or in the By-Laws of the Association more particularly described. Upon the purchase of a unit, the portion of the then current monthly assessment payable by the purchaser shall be an amount which bears the same relationship to the monthly assessment as the remaining number of days in the month of closing bears to the total days of the month of closing. Upon the closing of title to a purchaser, the Association (or the Sponsor acting on behalf of the Association) shall have the right to demand that, in addition to the foregoing, an amount equal to no more than the sum of three (3) monthly installments on account of the annual assessment be

deposited with and held by the Association as working capital or reserves for such needs as may be reasonably projected by the Association.

(e) The Association shall, upon the request of any unit owner liable for a common expense assessment, or of the mortgagee of any unit, furnish to such unit owner or mortgagee, a certificate in writing, signed by an officer of the Association, setting forth whether or not such common expense assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any common expense assessments therein stated to have been paid.

(f) No unit owner may waive or otherwise avoid liability for common expenses by nonuse of the common elements. Each such assessment shall be a continuing lien upon the unit against which it was made and shall also be the personal obligation of the owner(s) of such unit at the time when the common expense assessment fell due, together with such interest thereon and costs of collection thereof (including reasonable attorney's fees). Liens for unpaid common expense assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid common expense assessments may be maintained without waiving the lien securing same.

(g) Any lien for unpaid common expense assessments shall be subordinate to any lien for past due and unpaid taxes and the lien of any mortgage or mortgages now or hereafter placed upon any unit, and to any other lien recorded prior to the time of recording the lien for unpaid common expense assessments. If a mortgagee of a first mortgage of record or other purchaser of a unit obtains title as a result of foreclosure of the first mortgage or any proceeding in lieu of foreclosure, the said acquirer of title, and its successors and assigns, shall not be liable for the share of common expenses pertaining to such unit which became due prior to said acquisition of title; provided, however, that such sale or transfer shall not relieve any such unit from liability for any common expense assessment thereafter becoming due, nor from the lien of any such subsequent common expense assessment.

(h) Each unit owner(s) shall promptly furnish, perform and be responsible for, at his or their own expense, all of the maintenance, repairs and replacements within his or their own unit, provided, however, that the Association, its agents and employees may effect emergency or other necessary repairs which the unit owner has failed to perform. Except as hereinabove provided, maintenance, repairs and replacements of the plumbing fixtures and systems, heating and air-conditioning systems, windows, doors, balconies, patios, stairways, electrical systems and receptacles, breaker boxes, meters, kitchen appliances and equipment, and lighting fixtures within any unit or part of the common elements appurtenant to a unit shall be the unit owner's responsibility at his sole cost and expense, and if any unit owner fails to perform such work the Association may do so on the unit owner's behalf and charge the reasonable expense thereof to the unit owner. Maintenance, repair, replacement, cleaning and washing of all wallpaper, paint, paneling, floor covering, draperies and window shades or curtains within any unit shall be the owner's responsibility at his sole cost and expense.

(i) If, due to the negligent act or omission of or misuse by a unit owner, or a member of his family or household pet, or a guest, occupant or visitor of a member (whether authorized or unauthorized by a unit owner), damage shall be caused to the

common elements or to a unit(s) owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such unit owner shall pay for such damage and be liable for such damage and be liable for any damages, liability, costs and expense, including attorney's fees, caused by or rising out of such circumstances, and such maintenance, repairs and replacements to the common elements or the said unit(s) shall be subject to the By-Laws and Rules and Regulations of the Association.

11. Power of Attorney. By acceptance of a deed to any unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every contract purchaser, unit owner or occupant, or holder of any mortgage or other lien, does automatically and irrevocably name, constitute and appoint and confirm (i) Sponsor, its legal representatives, successors and assigns, as attorney-in-fact for the purpose of executing such amendments to this Master Deed (including an amended Master Deed) and other instrument(s) necessary to comply with Paragraph 7 (provided that such power of attorney may not be used to adversely affect the priority or validity of any lien on or the value of any unit), and (ii) the Association as attorney-in-fact to acquire title to or lease any unit whose owner desires to surrender, sell or lease the same, in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise dispose of any such unit(s) so acquired or to sub-lease any such unit(s) so leased by the Association. Said contract purchaser, unit owner or occupant, or holder of any mortgage or other lien hereby consents to such amendments without the necessity of execution of any further documents, unless said amendment has a material adverse effect on his or its interest herein. This power of attorney is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all units, regardless of type, and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power.

12. Amendment of Master Deed. (a) This Master Deed may be amended at any time after the date hereof by owners at any meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association provided, however, that any material amendment shall have been approved in writing by each bank, mortgage bank, or other institutional lender of a first mortgage lien on any unit(s) which approval shall not be unreasonably withheld.

(b) A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the president, vice president, secretary or treasurer of the Association and it shall be effective when recorded in the public records in the office of the Clerk of Atlantic County, New Jersey. No amendment shall be effective until so recorded. Copies hereof shall be sent to each unit owner and each holder of a first mortgage lien on a unit in the manner elsewhere provided for the giving of notices, but the mailing thereof shall not constitute a condition precedent to the effectiveness of such amendment.

(c) This section is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor herein and in case of any conflict between them, the least restrictive provision shall apply.

(d) No amendments shall directly or indirectly make any change which would have a material effect upon any of the rights, privileges, powers and options of the Sponsor (including, by way of illustration and not limitation, the ability of the Sponsor to market any unsold units at a commercially reasonable price) or of a unit owner (including, by way of illustration and not limitation, a change in said unit owner's proportionate undivided interest in the common elements) or of a lien holder in any interest in the Condominium without the consent and joinder to said amendments by the Sponsor, unit owner or lien holder respectively.

(e) Alternatively, an amendment may be made by an agreement, signed and acknowledged by all of the unit owners in the manner required for the execution of the deed, and such amendment shall be effective when recorded in the public records of Atlantic County, New Jersey.

13. Obligations of Sponsor. The Sponsor covenants and agrees that for so long as it owns one or more of the Condominium units, the Sponsor shall be subject to the provisions of the Master Deed and all exhibits attached thereto, and the Sponsor covenants to take no action either directly or indirectly that will adversely affect the rights of the other owners of the units and their successors in interest, as their interest may appear. Sponsor specifically disclaims any intent to have made any warranty or representation in connection with the Condominium or the Condominium documents except as specifically set forth herein or in any Agreement of Sale for a unit, and no person shall rely upon any such warranty representation not so specifically made therein.

14. Restrictions. This Master Deed is subject to all covenants and other restrictions and easements of record.

15. No Partition. Subject to the provisions of the Master Deed, By-Laws and Articles of Incorporation of the Association, and the Condominium Act, the common elements shall remain undivided and no unit owner(s) shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the common elements shall not be separated from the unit to which such percentage appertains and shall be deemed conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

16. Damage, Destruction or Condemnation. If any building, improvement or common element or any part thereof is damaged, or destroyed by fire, casualty or eminent domain, the repair, restoration or ultimate disposition of any funds or proceeds thereby created shall be in accordance with N.J.R.S. 46:8B-24 and 25, respectively. In the event the Association determines not to repair or restore the damaged property in accordance with

N.J.R.S. 46:8B-24, any insurance proceeds payable to a unit owner as a result of damage or destruction to his unit and/or share of the common elements are thereby assigned and shall be paid to the institutional holder of a first mortgage lien on said unit for application of the sums secured by said mortgage with the excess, if any, paid to the unit owner.

17. Insurance. The Association shall obtain and continue in effect blanket property insurance on the common elements in an amount and in form reasonably satisfactory to any mortgagee holding a first mortgage on any of the units of the Condominium to the extent said insurance coverage is available but without prejudice to the right of the owners of any unit to obtain individual unit insurance at his or their own cost. Such insurance shall contain a standard mortgagee clause or endorsement which shall provide that payments thereunder on account of loss, if any, shall be payable to such mortgagees, unit owners, the Association and Sponsor, as their interest may appear. In addition, the Association shall obtain and continue such other amounts of blanket property insurance and liability insurance as may be required by the provisions of the By-Laws of the Association. Premiums for all such insurance coverage except for individual unit coverage shall be a common expense to be included in the monthly assessment for common expenses.

18. Rights Reserved to Sponsor. Anything to the contrary herein or in the Articles of Incorporation or By-Laws of the Association notwithstanding, Sponsor hereby reserves for itself, its successors and assigns, for so long as it owns one or more units in the Condominium, the right to (i) Sell, lease, mortgage (including a blanket mortgage) or sublease any unsold units owned by Sponsor within the Condominium, and (ii) to change the price or value of any of such units, provided that no change in the price or value of any of the aforesaid units shall change or otherwise affect the percentage of interest of any of the said units in the common elements or the percentage of liability of the said units for the common expenses, except with the unanimous consent of all owners expressed in an amendment to this Master Deed, duly recorded.

19. Enforcement. Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person or persons, firm or corporation violating or attempting to violate or circumvent any covenant, such violation or threatened violation; or to recover damages; and against any unit owner, to enforce any lien created by this Master Deed in any covenant herein contained, and failure by the Association or any member or representative thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same. The City of Atlantic City shall have a continuing lien against each unit for its pro rata share of all real estate taxes due and payable to the Township of Atlantic City for real estate taxes assessed against the Condominium, such lien to be apportioned equally in a manner provided by law with respect to the real estate taxes assessed directly against each such unit.

20. Ratification, Confirmation and Approval by Unit Owners. The fact that some or all of the officers, trustees, members or

employees of the Association and the Sponsor may be identical, and the fact that the Sponsor or its nominees have heretofore or may hereafter enter into agreements with the Association or with third parties, will not invalidate any such agreements and the Association and its members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a unit, and the acceptance of the deed therefore by any party, shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the propriety and legality of said agreements or said agreement, of any other agreements authorized and permitted by the Condominium Act, this Master Deed, and the Articles of Incorporation or By-Laws of the Association.

21. Termination. (a) If the Condominium shall be terminated by unanimous vote of the owners of all of the units by voting in accordance with the procedures established by the By-Laws, then the Condominium Property shall be subject to an action for partition by any unit owner or lienor as if owned in common, in which event the net proceeds of a sale shall be divided among all of the unit owners proportion to their respective common interests; provided, however, that no payment shall be made to a unit owner until there has first been paid out of his share of such net proceeds all liens on his unit. Such withdrawal of a property from the Condominium Act shall not bar its subsequent submission to the provisions thereof, in accordance with the terms of the Condominium Act.

(b) If, following the termination by unit owners, the Board of Trustees by not less than a seventy-five (75) percent vote accepts an offer for sale of the Property, each unit owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such time and in such form as the Board of Trustees directs. In such event, any action for partition or any other division of the Property shall be held in abeyance pending such sale and, upon the consummation thereof, shall be discontinued by all parties thereto.

(c) After the recordation of the deed of revocation, the unit owners as of the date of the recording of such deed shall own the Condominium Property as tenants in common in undivided interests, and the holders of the mortgages and liens against the unit or units formerly owned by such unit owners shall have mortgages and liens upon the respective undivided common interests of the unit owners in the entire Property. Such undivided common interest of the unit owners shall be as set forth in Exhibit "D". All funds held by the Association and insurance proceeds, if any, shall be and continue to be held for the unit owners in proportion to the amount of their respective common interests. The costs incurred by the Association in connection with a termination shall be a common expense.

(d) If the Condominium shall be terminated in accordance with the provisions of the Condominium documents, then all unit owners and the holders of all mortgages or other liens affecting all units shall be bound to execute a deed of revocation and record same in the Clerk's Office of Atlantic County, New Jersey.

22. Protection of Institutional Mortgagees. Anything to the contrary in this Master Deed or the By-Laws or Articles of

Incorporation of the Association notwithstanding, the following shall apply with respect to each institutional holder of the first mortgage on any unit:

(a) The prior written approval of each institutional holder of a first mortgage (hereinafter referred to as the "First Mortgage") lien on any unit in the Condominium is required for the following:

(i) the abandonment or termination of the Condominium except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain;

(ii) any material amendment to the Master Deed or to the By-Laws or Articles of Incorporation, including, without limitation, any amendment which would change the percentage interests of the unit owners in the Condominium except for such amendments as may be permitted in Paragraph 12 of this Master Deed;

(b) Any lien the Association may have on any unit in the Condominium for the payment of the common expense assessments attributable to such unit is subordinate to the lien or equivalent security interest in any mortgage on the unit and to any other lien recorded prior to date of recording of the lien.

(c) Any institutional holder of a first mortgage on a unit in the Condominium is, upon request, entitled to:

(i) inspect the books and records of the Condominium during normal business hours; and

(ii) receive an annual audited financial statement of the Condominium within ninety (90) days following the end of any fiscal year of the Association; and

(iii) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(d) In the event of substantial damage to or destruction of any unit or any part of the common elements, the institutional holder of any first mortgage on a unit is entitled to timely written notice of any such damage or destruction. No unit owner or other party shall have priority over such institutional holder with respect to the distribution to such unit of any insurance proceeds.

(e) If any unit or portion thereof, or the common elements, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first mortgage on a unit is entitled to timely written notice of any such proceeding or proposed acquisition and no unit owner or other party shall have priority over such institutional holder with respect to the distribution to such unit

of the proceeds of any award or settlement.

(f) If any institutional holder of a first mortgage lien on a unit obtains title to a unit as a result of foreclosure of the first mortgage or a deed in lieu of foreclosure, then such acquirer of title, its successors and assigns, is not liable for the share of the common expenses or other assessments by the Association pertaining to such unit or chargeable to the former unit owner which become due prior to acquisition of title as a result of the foreclosure or deed in lieu of foreclosure. Such unpaid share of common expenses and other assessments shall be deemed to be common expenses collectible from all of the remaining unit owners including such first mortgage, its successors and assigns.

23. Restrictions. In order to provide for the congenial occupation of the Property and to provide for the protection of the value of the units, the use of the Property shall be subject to and be in accordance with the following provisions:

(a) Residential Use. Unless otherwise herein provided, no unit, except those units owned by the Sponsor and used by it as sales offices or model units or administrative offices, shall be used for any purpose other than as a private residence. Permanent occupancy of said units shall comply with the regulations of the State and Local Agencies regarding space and use.

(b) Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of unit owners and the Association of complying with the requirements of governmental bodies which require maintenance, modification or repair of the Property shall be the same as hereinabove provided for the maintenance and repair of that portion of the Property subjected to such requirements.

(c) Interpretation. In interpreting deeds, mortgages and plans, the existing physical boundaries of the unit shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in the deed, mortgage or Plans and Specification, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries shown on the Plans and Specifications or in the Deed and those of the building.

(d) Prohibition of Subdivision. The space within any of the residential units and common elements shall not be further subdivided except as otherwise specifically set forth herein. Any instrument, subsequent to the Grantor's conveyances, conveying, transferring or encumbering an undivided percentage interest in a unit must also convey, transfer or encumber the same undivided percentage interest in the common elements owned by the person executing such conveyance or encumbrance.

(e) Repairs. A unit owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents, invitees, licensees, or lessees, but only to the extent that such

expense is not met by the proceeds of insurance carried by the Association. Such liability shall also include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

(f) Utilities. Each unit owner shall pay for his own electric, telephone, cable television, and other utilities which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the common expenses.

(g) Trash. No portion of the common elements or other portion of the Property shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the Property for weekly or more frequent collection.

(h) Structural Repairs. Nothing shall be done to any unit or in the common elements which will impair the structural integrity of the Condominium or which will structurally change the Property. No unit owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his unit or in or to the common elements without the prior written approval of the Association or impair any easement without the prior written consent of the Association. The Board of Trustees of the Association shall have the obligation to answer any written request received by it from a unit owner for approval of a proposed structural addition, alteration, or improvement within forty-five (45) days after receipt of such request, and failure to do so within the stipulated time shall constitute a consent to the proposed structural addition, alteration or improvement. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any unit must be approved by the Association and, if approved, shall be executed by the Board of Trustees of the Association where required and may then be submitted to the unit owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The unit owner shall furnish the Association with a copy of such permit which he has procured. The provisions of this subparagraph shall not apply to units owned by the Sponsor until such units have been initially sold and conveyed by the Sponsor.

(i) Property Taxes. All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each unit as a single parcel as provided in the Condominium Act. In the event that for any year such taxes are not separately taxed to each unit but are taxed on the Condominium as a whole, then each unit owner shall pay his proportionate share thereof in accordance with the proportionate undivided percentage interest in the common elements.

(j) Rentals. No unit shall be rented by the owners thereof (except a lender in possession of such unit following a

default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure) or otherwise utilizing for transient or hotel purposes, which shall be defined as any rental for a period less than fourteen (14) days, provided however, that any unit owner, including a Sponsor, may rent a unit for a period of less than fourteen (14) days to a contract purchaser. This restriction shall not apply to motel-type rooms that are part of the common elements, which may be rented in accordance with the rules and regulations promulgated by the Association. No unit owner may lease less than an entire unit. Other than the foregoing obligations, the unit owner shall have the right to rent or lease his unit provided that the said lease or rental is made subject to Deed, the By-Laws of the Association and other documents referred to herein, including the right of amendment reserved to the Sponsor herein, and provided, further, that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the said lease or rental. A copy of all leases that extend for a term of sixty (60) days or more, including options or other extensions by either the lessor or the lessee, shall be deposited with the Board of Trustees of the Association.

In the event a tenant of the unit defaults under his lease by failure to comply with the provisions of the Master Deed, By-Laws or Rules and Regulations of the Association, then, in addition to all the remedies which it may have, the Association shall notify the unit owner of such default(s) and demand that the same be cured through the unit owner's efforts within thirty (30) days after such notice. If such default(s) is not cured within said thirty (30) days period, then a unit owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such default(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event that unit owner fails to fulfill the foregoing obligation, then the Association shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the unit owner and at the unit owner's sole cost and expense, including all legal fees incurred. Said costs and expenses shall be deemed to constitute a lien on a particular unit involved, and collection thereof may be enforced by the Association in the same manner as the Association is entitled to enforce collection of common expenses. By acceptance of a deed to any unit, each and every unit owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Association and its attorney-in-fact for the purposes described in this sub-paragraph.

The covenants and restrictions set forth in this section shall run with and bind all of the land included in the Condominium and shall inure to the benefit of and be enforceable by the Association and the owners of any land subject to this Master Deed, their respective successors, assigns, heirs, executors, administrators, and personal representatives, for a period of forty (40) years from the date of this Master Deed as recorded in the office of the Atlantic County Clerk, at the end of which period such covenants and restrictions shall automatically be extended for successive periods of ten (10) years each, unless at least two-thirds (2/3's) of the unit owners at the time of the expiration of the initial period, or any subsequent extension thereof,

shall sign an instrument or instruments in which they shall agree to change said covenants and restrictions in whole or in part. No such agreement shall become binding unless written notice containing the terms of the proposed agreements is sent to every unit owner in accordance with the provisions of the By-Laws of the Association providing for notice of meetings of members. Any changes concerning any such agreement shall become effective upon recording same in the office of the Clerk of Atlantic County in the manner provided for amendments to this Master Deed.

24. Right of First Refusal. The Sponsor reserves for itself a right of first refusal to purchase individual units from unit owners on the following terms and conditions:

Any unit owner who receives a bona fide offer for the sale or lease of his apartment unit, hereinafter called an outside offer, which he intends to accept, shall give notice to the Sponsor of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Sponsor may reasonably require, and shall offer to sell or to lease such apartment unit, to the Sponsor, or its designee, corporate or otherwise, on behalf of the owners of all other apartment units, on the same terms and conditions as contained in such outside offer. The giving of such notice shall constitute a warranty and representation by the unit owner who has received such offer, to the Sponsor on behalf of the other unit owners, that such owner believes the outside offer to be bona fide in all respects. Within 30 days after receipt of such notice, the Sponsor may elect by notice to such unit owner, to purchase or to lease such apartment unit, as the case may be, (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on the same terms and conditions as contained in the outside offer and as stated in the notice from the unit owner. In the event the Sponsor shall elect to purchase or to lease such apartment unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close at the office of the attorneys for Sponsor, 45 days after the giving of notice by the Sponsor of its election to accept such offer. At the closing, the unit owner, if such apartment unit is to be sold, shall convey the same to the Sponsor, or to its designee, by special warranty deed, and shall pay all transfer taxes arising out of such sale. In the event such apartment unit is to be leased, the offering unit owner shall execute and deliver to the Sponsor, or to its designee, a lease between the unit owner, as landlord, and the Sponsor, or its designee, as tenant covering such apartment unit, on the terms and conditions contained in such outside offer. In the event the Sponsor or its designee shall fail to accept such offer within 30 days, the unit owner shall be free to contract to sell or to lease such apartment unit, as the case may be, to the outside offeror within 60 days after the expiration of the period in which the Sponsor or its designee might have accepted such offer, on the terms and conditions set forth in the notice from the unit owner to the Sponsor of such outside offer.

25. Conflict. If there are any conflicts or inconsistencies between this Master Deed and either the Articles of Incorporation or By-Laws of the Association or this Master Deed shall prevail in the unit owner's covenant to vote in favor of such amendments in the Articles of Incorporation or By-Laws of the Association or any other documents other than the Master Deed as will remove such conflicts and inconsistencies.



26. Invalidity. The invalidity of any provision of this Master Deed, the Articles of Incorporation, or By-Laws of the Association shall not be deemed to impair or affect in any manner the validity, enforceability or affect the remainder of this Master Deed, the said By-Laws or the said Articles of Incorporation, and, in such event, all of the other provisions of said documents shall continue in full force and effect as if such invalid provision had never been included therein.

If any provision of this Master Deed, or the By-Laws attached hereto as Exhibit "F", or the Articles of Incorporation of the Association attached hereto as Exhibit "E", shall be interpreted to constitute a violation of the rule against perpetuities, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

27. Waiver. No provision contained in this Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

28. Construction. Whenever the context so permits, the use of the plural shall include the singular, and vice versa, and the use of the masculine gender shall be deemed to include the feminine and neuter, as the case may be.

29. Captions. The captions herein are inserted only as a matter of convenience and in no way define, limit or describe the scope of this Master Deed or the intent of any provision hereof.

30. Exhibits. Exhibits attached hereto and made a part hereof are as follows:

- (a) Exhibit "A" - Metes and Bounds Description of the Condominium
- (b) Exhibit "B" - Survey
- (c) Exhibit "C" - Plans and Specifications
- (d) Exhibit "D" - Scheduled Percentage of Interest in Common Elements, the Percentage of Liability in Common Expenses and Voting Rights
- (e) Exhibit "E" - Articles of Incorporation of Biarritz Condominium Association
- (f) Exhibit "F" - By-Laws of the Biarritz Condominium Association.

IN WITNESS WHEREOF, the Sponsor has caused its hand and seal to be affixed hereto the day and year first above written.

BIA ASSOCIATES

DATED: October 9, 1979.

BY: [Signature]  
JAMES D. SCULLY, SR.

BY: [Signature]  
JAMES D. SCULLY, JR.

BY: [Signature]  
MICHAEL A. SCULLY

Be it Remembered, that on this 9th day of OCTOBER in the year of our Lord one thousand nine hundred and SEVENTY-NINE (1979) before me,

personally appeared JAMES D. SCULLY, SR., JAMES D. SCULLY, JR. AND MICHAEL SCULLY

and acknowledged that they signed, sealed and delivered the same as their act and deed. The full and true consideration paid or to be paid for the transfer of title to realty evidenced by this deed, as such consideration is defined in P.L. 1972, c. 49, Sec. 4(c), is \$ 00/100 which is hereby certified.

[Signature]  
WILLIAM W. SHULTZ  
ATTORNEY AT LAW  
STATE OF NEW JERSEY



EXHIBIT "A"  
 METES AND BOUNDS DESCRIPTION

All that lot, tract or parcel of land and premises situate in the City of Atlantic City, County of Atlantic, State of New Jersey, bounded and described as follows:

BEGINNING at a point in the Easterly line of Iowa Avenue, 105 feet Northwardly of Pacific Avenue; and extending thence

- (1) Eastwardly, parallel with Pacific Avenue, 100 feet; thence
- (2) Northwardly, parallel with Iowa Avenue, 91 feet; thence
- (3) Westwardly, parallel with Pacific Avenue, 100 feet to the Easterly line of Iowa Avenue; thence
- (4) Southwardly, along the same, 91 feet to the point and place of beginning.

SUBJECT TO the free use forever for the purpose of light, air and passage of an alleyway described as follows:

TRACT A  
 BEGINNING 21.875 feet, more or less, Eastwardly from the Easterly line of Iowa Avenue, 59 feet, more or less, Southwardly of the Southerly line of Monterey Avenue, said point being the extreme Southeastly corner of a projecting wall of the Iowa Apartments and extending thence Southwardly, parallel with Iowa Avenue, 4 feet by East between paralleled lines, 78.125 feet, more or less.

TRACT B  
 ALSO together with the free use forever for the purpose of light, air, passage and egress and ingress to and from Monterey Avenue of an alleyway now existing, described as follows:

BEGINNING at a point in the Southerly line of Monterey Avenue, 90.09 feet, more or less, Eastwardly from Iowa Avenue; and extending thence

- (1) Eastwardly, along Monterey Avenue, 9.91 feet, more or less; thence
- (2) Southwardly, 59 feet; thence
- (3) Westwardly, parallel with Monterey Avenue, 78.125 feet to a point in the wall of the Iowa Apartments; thence
- (4) Northwardly, along that certain wall, 8.125 feet, more or less, to a point in the corner of said wall; thence
- (5) Eastwardly, 67.835 feet, more or less, to a point in the extreme Easterly wall of the Iowa Apartments; thence
- (6) Northwardly, along the Easterly wall, 50.46 feet to Beginning.

It being the intention to create and preserve light, air and passageway on the premises described in the above paragraph as Tracts A and B for the use and benefit of the owners, tenants and occupiers of the Iowa Apartments, and the owners, tenants and occupiers of the land adjoining the Iowa Apartments on the South.

Being the same lands and premises vested in Morzel Gurwitz by deed from Tilton Properties, Inc., a corporation of New Jersey, dated June 28, 1974 and recorded July 24, 1974 in Deed Book 2860, page 167.

EXHIBIT "B"  
SURVEY

(On file with the Clerk of Atlantic County, New Jersey)

EXHIBIT "C"  
PLANS AND SPECIFICATIONS

(On file with the Clerk of Atlantic County, New Jersey)

EXHIBIT "D"  
VOTING  
AND  
PERCENTAGE OF COMMON ELEMENTS AND COMMON EXPENSES

UNIT DESIGNATION	PRO RATA SHARE OF COMMON ELEMENTS AND COMMON EXPENSES	VOTE
1A	1.537	1
1B	.998	1
1C	1.505	1
1D	1.470	1
1E	1.097	1
1F	1.551	1
1G	1.062	1
1H	.994	1
1I	.945	1
1J	1.024	1
1K	1.409	1
2A	2.764	1
2B	3.326	1
2C	1.757	1
2D	2.020	1
2E	1.988	1
2F	1.863	1
2G	2.257	1
3A	2.795	1
3B	3.347	1
3C	1.762	1
3D	1.957	1
3E	1.984	1
3F	1.856	1
3G	2.307	1
4A	2.747	1
4B	3.341	1
4C	1.758	1
4D	1.944	1
4E	1.975	1
4F	1.863	1
4G	2.307	1
5A	2.200	1
5B	3.450	1
5C	2.320	1
5D	2.001	1
5E	1.987	1
5F	1.845	1
5G	2.308	1
6A	2.200	1
6B	3.845	1
6C	1.752	1
6D	2.002	1
6E	1.988	1
6F	1.856	1
6G	2.293	1

7A	2.447	1
7B	2.119	1
7C	1.877	1
	<u>100.000</u>	<u>49</u>

EXHIBIT "E"

## ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION  
OF THE  
BIARRITZ CONDOMINIUM ASSOCIATION

In compliance with the requirements of Title 15, Chapter 1, et seq., of the Revised Statutes of the State of New Jersey, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a Corporation not for profit and do hereby certify:

ARTICLE I: NAME. The name of the Corporation is THE BIARRITZ CONDOMINIUM ASSOCIATION, hereinafter referred to as the "Association".

ARTICLE II: PURPOSE. This Association does not contemplate pecuniary gain or profit to the members hereof, and the specific purposes for which it is formed are to provide for the administration of that certain tract of property located at 37 South Iowa Avenue, Atlantic City, New Jersey, and described in a certain Master Deed entitled "Master Deed for the Biarritz, a Condominium", recorded or to be recorded in the office of the Clerk of Atlantic County in accordance with Chapter 257 of the Laws of 1969 of New Jersey, N.J.R.S. 46:8B-1, et seq., and to provide for the maintenance, preservation and control of the common elements within the said tract of property, and to promote the health, safety and welfare of the residents within the said tract of property.

ARTICLE III: PRINCIPAL OFFICE. The principal office of the Association is located at 37 South Iowa Avenue, Atlantic City, New Jersey 08401.

ARTICLE IV: TRUSTEES. The affairs of this Association shall be managed by a Board of Trustees. The Board of Trustees

shall be composed of three (3) persons who need not be members of the Association. The number of trustees may be changed pursuant to the By-Laws of the Association without amendment to these Articles of Incorporation. The names and addresses of the persons who are to act in the capacity of trustees until the selection of their successors are:

NAME	ADDRESS
James D. Scully, Sr.	801 Old York Road Jenkintown, Pennsylvania 19046
James D. Scully, Jr.	801 Old York Road Jenkintown, Pennsylvania 19046
Michael A. Scully	801 Old York Road Jenkintown, Pennsylvania 19046

ARTICLE VI: REGISTERED AGENT. William W. Shultz, Esq. whose address is 1809 S. Shore Road, Pleasantville, N. J. 08232 is hereby appointed the initial registered agent of this Association.

ARTICLE VI: POWERS. The powers of the Association are as follows:

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Master Deed and the By-Laws of the Association as same are applicable to the property described therein and herein, or to additional property which may now or hereafter be acquired by the Association, as the same may be amended from time to time as therein provided, said Master Deed being incorporated herein as if set forth at length;

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges and assessments pursuant to the terms of said Master Deed and the By-Laws of the Association; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including

all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) To borrow money, to mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of New Jersey by law may now or hereafter have or exercise.

ARTICLE VII: MEMBERSHIP. Every person or entity who (i) is a record owner of a fee interest in any dwelling unit which is subject to the Master Deed aforesaid, (ii) is subject to assessment by the Association, and (iii) qualifies in accordance with the By-Laws, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of any such dwelling unit shall be the sole qualification for membership.

ARTICLE VIII: DURATION. The Association shall exist perpetually.

ARTICLE IX: ADDITIONAL PROPERTIES. Additional properties may be annexed to the property subject to the terms and conditions of the Master Deed, By-Laws of this Association and rules and regulations promulgated thereunder, and all such additional properties shall be governed thereby.

ARTICLE XI: AMENDMENTS. Amendment of these Articles shall require the assent of seventy-five (75%) percent of the members.

IN WITNESS WHEREOF, for the purpose of forming this non-profit corporation under the laws of the State of New Jersey, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this \_\_\_\_\_ day of \_\_\_\_\_, 1974.

*[Signature]*  
\_\_\_\_\_  
JAMES D. SCULLY, SR.

*[Signature]*  
\_\_\_\_\_  
JAMES D. SCULLY, JR.

*[Signature]*  
\_\_\_\_\_  
MICHAEL A. SCULLY

*[Signature]*  
\_\_\_\_\_  
ROBERT GOLDSTEIN

*[Signature]*  
\_\_\_\_\_  
WILLIAM W. SHULTZ

*Recd 2-28-91*  
*Amendment to By-Laws*  
*Book 3402 Page 36*  
*Let through file*  
*Recorded on wrong page should be*  
*recorded on Page 1 of 20-28-91*

EXHIBIT "F"

BY-LAWS OF THE ASSOCIATION

BY-LAWS

OF

THE BIARRITZ CONDOMINIUM ASSOCIATION

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BY-LAWS

OF

THE BIARRITZ CONDOMINIUM ASSOCIATION

ARTICLE I - NATURE OF BY-LAWS

1. Purpose. These By-Laws are intended to govern the administration of the BIARRITZ CONDOMINIUM ASSOCIATION (hereinafter 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 Biarritz, a Condominium (hereinafter referred to as the "Condominium"), as described in the Master Deed for Biarritz, a Condominium.

2. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed or in N.J.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 FORTY-NINE (49) 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 herein 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 forty-nine (49) as a result of the combining 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 cancelled or superseded by written notice 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 the 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 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 (1) may be called

by the President whenever he deems such a meeting advisable, or (11) 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 of 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 as a 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 members, whether annual or special, shall be given not less than ten (10) days 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. 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 meeting 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 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 each 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 a 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

longer 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. 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 report the number of votes represented at the meeting and entitled to vote on any question requiring a ballot, and they shall conduct the voting, accept the votes, and, when the voting is completed, they shall ascertain and report the number of votes and the results of the balloting. Reports of inspectors shall be in writing and shall be 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 meetings as far 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) 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. Until the first annual meeting of the members of the Association, the Board shall consist of three (3) persons designated by the Sponsor, none of whom need be unit owners or residents of the Condominium. Thereafter, and until sixty (60) days after seventy-five (75%) percent of the units have been paid for and title closed, the Board shall be composed of five (5) persons, two (2) of whom shall be unit owners and shall be elected by a majority of the votes entitled to be cast at a duly convened meeting of the Association. Within sixty (60) days after seventy-five (75%) percent of the units have been paid for and title closed, the members shall elect two (2) more Trustees to replace two (2) of the three (3) remaining Trustees designated by Sponsor. In the case of partnership unit owners, Trustees shall be members or employees of such partnership. In the case of corporate owners, Trustees shall be officers, stockholders, employees or agents of such corporation. In the case of fiduciary unit owners, Trustees shall be fiduciaries or employees or officers of such fiduciaries, provided that at least one (1) of the Trustees of the Board shall be a resident of the State of New Jersey.

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 their 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.

Notwithstanding any other provisions of these By-Laws, so long as the Sponsor shall own one (1) or more units that are un sold in the regular course of business, the Sponsor shall be entitled to appoint at least one (1) Trustee to the Board. At

such time as Sponsor no longer owns one (1) or more of such units, the Trustees elected by the Sponsor shall vacate the Board and the place so vacated shall be filled by the remaining members of the Board as herein provided for the unexpired portion of the term.

4. Removal of Trustees. At any duly held 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 present, and a successor may then or thereafter be elected to fill the vacancy thus created. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting. This provision shall not apply to the Trustees appointed by the Sponsor as set forth herein, any of which Trustee may be removed for any reason by a majority of the Board.

5. Vacancies. Vacancies in the Board caused by any reason shall be filled by a vote of a majority of the remaining Trustees, including the Sponsor'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 term of the Trustee whose term he is filling and until his successor shall be elected. Notwithstanding the foregoing, in the event 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 all events, until the first annual meeting of the members, Sponsor shall have the right to fill any and all vacancies on the Board by appointment.

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 or 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. 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 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 on 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 a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all of the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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 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 adjournment 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.

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 a 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 in 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 path; 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, renovating and remodeling, and, where applicable, to supply, recall

or lease the same;

(c) Adopt and amend rules and regulations covering the details of the operation and use of the common elements and the Condominium;

(f) Maintain businesslike 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 of 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 provision of the Master Deed, Articles of Incorporation of this Association and these By-Laws;

(j) Arrange for security protection as necessary;

(k) Enforce obligations of the unit owners and do anything and everything else 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 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) 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 owners(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 decorating, 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, replacement 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 and 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 limitation:

(i) Physical Damage Insurance. To the extent available, broad form insurance against loss by fire, 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 mortgage 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 may 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 of 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 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 on 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 hereinabove 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 Master 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 such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, 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 thereon, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

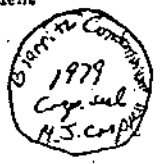
Members of the Association shall not be prohibited from carrying insurance for their own benefit provided that all such policies shall contain waivers of subrogation, and, further provided, that the liability of the carriers issuing insurance obtained by the Board shall not be effected or diminished 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,

IN WITNESS WHEREOF, the Board of Trustees has caused this instrument to be executed the day and year first above written by its President, and pursuant to a resolution duly made and unanimously adopted by the Condominium Association and its Board of Trustees.

BIARRITZ CONDOMINIUM  
BY: Eugene Scott  
EUGENE SCOTT, President

ATTEST:  
Elliott Potter  
ELLIOTT POTTER, Secretary



PREPARED BY  
LAW OFFICES OF  
Stacy L. Schwartz  
505 KINGS HIGHWAY N.  
CHERRY HILL N.J. 08034

State of New Jersey  
County of Atlantic

It is Remembered, that on this 19th day of June 1979, before me, the undersigned,

personally appeared Eugene Scott, President of The Biarritz Condominium Association

who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made by virtue of a Resolution of its Board of Directors. The full and actual consideration paid or to be paid for the transfer of title to realty evidenced by the within deed, as such consideration is defined in P.L. 1962, c. 119 Section 1(c) is \$

Stacy L. Schwartz  
Stacy L. Schwartz, Attorney at Law  
505 Kings Highway N.  
Cherry Hill NJ 08034

<u>UNIT DESIGNATION</u>	<u>PERCENTAGES OF COMMON ELEMENTS AND COMMON EXPENSES</u>	<u>VOTE</u>
1A	1.520	1
1B	.988	1
1C	1.489	1
1D	1.454	1
1E	1.085	1
1F	1.534	1
1G	1.050	1
1H	.983	1
1I	.934	1
1J	1.012	1
1K	1.394	1
2A	2.735	1
2B	3.291	1
2C	1.738	1
2D	1.998	1
2E	1.968	1
2F	1.843	1
2G	2.233	1
3A	2.765	1
3B	3.312	1
3C	1.741	1
3D	1.936	1
3E	1.963	1
3F	1.836	1
3G	2.282	1
4A	2.718	1
4B	3.306	1
4C	1.730	1
4D	1.923	1
4E	1.954	1
4F	1.843	1
4G	2.283	1
5A	2.176	1
5B	3.414	1
5C	2.295	1
5D	1.979	1
5E	1.966	1
5F	1.825	1
5G	2.283	1

Amended Exhibit "D"

<u>UNIT DESIGNATION</u>	<u>PERCENTAGES OF COMMON ELEMENTS AND COMMON EXPENSES</u>	<u>VOTE</u>
6A	2.176	1
6B	3.805	1
6C	1.733	1
6D	1.980	1
6E	1.968	1
6F	1.836	1
6G	2.268	1
7A	2.421	1
7B	2.098	1
7C	1.858	1
7D	1.069	1
	100.000	50

Amended Exhibit "D"

006360

BOOK 4256 PAGE 292

AMENDMENT TO MASTER DEED  
FOR THE BIARRITZ CONDOMINIUM ASSOCIATION

THIS AMENDMENT, made as of this 14<sup>th</sup> day of  
MAY, 1986 by the Biarritz Condominium  
Association, a New Jersey Non-Profit Corporation, having an office  
for the transaction of business at 31 S. Iowa Avenue, Atlantic  
City, New Jersey 08401.

WHEREAS, the Master Deed for the Biarritz, a Condominium was  
dated on the 9th day of October, 1979 and recorded in the Office  
of the Clerk of Atlantic County on the 9th day of October, 1979 in  
Deed Book 3402, page 1 & C and was amended by an Amendment dated  
March 4, 1980 and recorded on March 4, 1980 in Deed Book 3450,  
page 271 and was further amended by Amendment dated June 19, 1982  
and recorded November 24, 1982 in Deed Book 3739, page 120 & C.

WHEREAS, on or about the 19th day of November, 1982 BIA  
Construction Corporation purchased Unit 7D, an area formerly  
designated as the laundry room which was common area of the  
Condominium Association. Pursuant to a duly recorded Amendment,  
the laundry room was designated as Unit 7D.

WHEREAS, BIA Construction Corporation now seeks to purchase  
additional common area from the Condominium Association, which  
common area is contiguous to Unit 7D, hereinafter referred to as  
"contiguous common area".

Witness By  
Susan L. Schmidt atty at law  
SUSAN L. SCHMIDT  
SUITE 204 1101 R. ROAD HENNINGTON NJ 08034

MAP# 4592  
DEED DATED 5-16-86  
DEED RECORDED 6-9-86  
DEED BK. 4256 PAGE 292  
AMENDMENT TO MASTER DEED

BOOK 4256 PAGE 293

WHEREAS, subject to the Master Deed, By-laws and Rules and  
Regulations of the Biarritz Condominium Association and subject to  
the terms and conditions stated herein, the Board of Trustees and  
the Biarritz Condominium Association have unanimously approved the  
conveyance of the contiguous common area so that Unit 7D will be  
designated in accordance with the revised survey prepared by  
Robert J. Catalano and Associates, 1537 Atlantic Avenue, Suite  
210, Atlantic City, New Jersey 08401 and the boundaries contained  
in the survey will be the newly designated boundaries of Unit 7D.  
Said survey is attached hereto and incorporated herein by  
reference as Exhibit "A".

WHEREAS, notwithstanding the terms and conditions regarding  
the description of common area as may be more fully defined or  
described in the Master Deed, By-laws or Rules and Regulations of  
the Biarritz Condominium and notwithstanding the Condominium  
Association's responsibility to maintain the common elements, the  
unit owner of 7D will be responsible for all maintenance, expenses  
or other charges with respect to any improvements constructed or  
related to the construction of the improvements on the contiguous  
common area.

This will include but not be limited to the foundations,  
structural parts, columns, girders, beams, supports, concrete or  
masonry parts of all non-bearing interior walls between 7D and  
other units and between 7D and any interior corridors; the roof

AMENDMENT TO MASTER DEED  
FOR  
THE BIARRITZ CONDOMINIUM ASSOCIATION

THIS AMENDMENT, made as of the 19th day of June, 1982 by THE BIARRITZ CONDOMINIUM ASSOCIATION, a New Jersey non-profit corporation, having an office for the transaction of business at 31 South Iowa Avenue, Atlantic City, New Jersey 08401.

WHEREAS, the Master Deed for The Biarritz, a condominium, was dated on the 9th day of October, 1979 and recorded in the Office of the Clerk of Atlantic County on the 9th day of October, 1979, in Deed Book 3802, Page 1 & C, and was amended by Amendment dated March 4, 1980 and recorded on March 4, 1980 in Deed Book 3850, Page 271;

WHEREAS, the Master Deed indicates that the Condominium contains 49 residential units, as shown in the plans and specifications in the Master Deed. Each unit having been designated a unit number and a letter for better identification;

WHEREAS, on the seventh floor of the Condominium there now exists a common area commonly designated as the Laundry Room;

WHEREAS, the Association now desires to redesignate that area of the common elements to that of an additional condominium unit to be commonly known as Unit 7 D, and the Association desires to sell this newly designated condominium unit to a third-party purchaser;

WHEREAS, the Association has concluded that this redesignation of the common element to a unit is not a material amendment

and the Association, therefore, desires to amend the Master Deed in order to create and do everything necessary to enable the Board of Directors to carry out the creation of this additional unit;

WHEREAS, by creating this additional unit to fifty (50) units, the individual unit's pro rata share of the common element, and common expenses will be also amended from that stated in Exhibit "D" attached to the Master Deed, to that stated in the newly created amended Exhibit "D" attached hereto and incorporated herein by reference.

THEREFORE WITNESS, the Association at the Annual Meeting, on June 19, 1982, with notice, after discussion, has unanimously approved the following:

1. That the Laundry Room will be redesignated as Unit 7 D and it may be sold to a third-party purchaser.
2. That the Master Deed and related documents be amended to include and incorporate by reference, the newly created unit.
3. That the Board of Trustees are hereby authorized to enter into an Agreement of Sale, to execute and deliver a Deed to a proposed purchaser to evidence ownership in Unit 7 D.
4. That the Board of Trustees are hereby authorized to do everything necessary to create this additional unit and to carry out its purpose.

State of New Jersey  
County of Atlantic

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Be it remembered, that on this 16th day of May, in the year of our Lord one thousand nine hundred eighty six before me the subscriber

personally appeared Birchard T. Clothier, President of the Biarritz Condominium Association who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, sealed with the corporate seal and delivered the same to the officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made by virtue of a resolution of its Board of Directors. The full and actual consideration paid or to be paid for the transfer of title is evidenced by the within deed. Such consideration is defined in N.J.S.A. 46:15-5.

*Victoria S. Costello*

VICTORIA S. COSTELLO  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires June 9, 1988

In compliance with statute I have prepared an abstract of the within to all persons of the living (which) think so entitled.  
LEO BACHT, Clk

270660136  
109016  
8803  
AGREEMENT TO MASTER DEED FOR THE BIARRITZ CONDOMINIUM ASSOCIATION

*Handwritten signature*

RECORDED 6-9-86  
Atlantic County, N.J.  
*Leo Bacht*  
County Clerk



APR 21 1986  
CLERK OF SUPERIOR COURT  
ATLANTIC COUNTY, N.J.

Prepared by

*William A. Thompson III*  
William A. Thompson III

I hereby certify that the attached By-Laws of the Biarritz Condominium Association were duly adopted by a unanimous vote of the membership at an annual meeting held on June 9, 1990. I further certify that the previous By-Laws of the Biarritz Condominium Association originally recorded in Deed Book 3402 at Page 37 in the Office of the Clerk of Atlantic County were duly rescinded and are of no further force and effect.

Dated:

BIARRITZ  
CNDM  
ASSN

*Dena Ribert*  
Dena Ribert, President

*Doris B. Thompson*  
Doris B. Thompson, Secretary

001695

STATE OF NEW JERSEY, COUNTY OF ATLANTIC SS:

I CERTIFY that on February 20, 1991,

Dena Ribert and Doris B. Thompson

personally came before me and each person acknowledged under oath, to my satisfaction, that:

- a) Dena Ribert signed, sealed and delivered the attached document as President of the Biarritz Condominium Association;
- b) Doris B. Thompson signed, sealed and delivered the attached document as Secretary of the Biarritz Condominium Association
- c) this document was signed and made by the Association as its voluntary act and deed by virtue of authority from its membership.

*Joseph P. ...*  
APRIL WINCHESTER  
Notary Public of N.J.  
My Comm. Expires June 18, 1995

DB5192P056

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3. That the Board of Trustees are hereby authorized to enter into an Agreement of Sale and related finance documents to execute and deliver a Deed to the unit owner of 7D for the sale of the additional contiguous common area, subject to the terms and conditions of the Master Deed as may be modified by amendment.

4. That the Board of Trustees are hereby authorized to do everything necessary to create and sell the additional contiguous common area adjacent to Unit 7D and to carry out its purpose.

WHEREAS, the unit owner of 7D and the Biarritz Condominium Association agree that this Amendment and the conditions contained herein effecting the use and occupancy of unit 7D shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors, assigns, mortgagees, invitees, and any other persons or entities to whom may be granted rights for the use or occupancy of 7D or to those persons or entities to which rights may properly and lawfully pass.

WHEREFORE, it is understood by the unit owner of 7D that the aforesaid restrictions, constitute covenants which run with all of the aforesaid described property perpetually.

If any term of this Amendment or the application thereof to any person shall be invalid or unenforceable, the parties agree

that the remainder of this Amendment or the application of same shall not be affected thereby.

IN WITNESS WHEREOF, the Board of Trustees and the unit owner of 7D have caused this instrument to be executed the day and year first above written.

BIARRITZ CONDOMINIUM ASSOCIATION

BY: *[Signature]*  
RICHARD T. CLOTHIER, President



ATTEST:

*[Signature]*  
Secretary

BIA CONSTRUCTION CORP.

BY: *[Signature]*  
ALBERT HARVY, President



ATTEST:

ALBERT HARVY  
*[Signature]*

Prepared by the Law Offices of  
Stacey L. Schwartz, Esquire  
1101 Kings Highway North  
Cherry Hill, NJ 08034

Stacey Schwartz

UNIT	OWNER		AMOUNT
1-B	Frank Rizzo	0.8140	177.00
1-B	Mary Kamilian	0.8097	116.00
1-C	Norma Forbel	0.8145	174.00
1-D	Yvonne Eskelson	0.8145	183.20
1-D	Yvonne Eskelson	0.8106	187.20
1-F	Margaret Barber	0.8119	128.00
1-F	Yvonne Eskelson	0.8103	122.50
1-H	Louise Bazilion	0.8096	113.20
1-I	Karla Brumback	0.8077	118.00
1-J	Charles Cherraman	0.8099	118.00
1-M	Marshall Frumer	0.8126	152.20
2-A	Robert Goldstein	0.8264	218.20
2-B	Scully Real Estate	0.8119	362.00
2-C	Eugene Hughes	0.8167	202.50
2-B	Kathleen Schwartz	0.8132	234.00
2-E	John Barber	0.8182	234.00
2-F	Jeffrey Fogaly	0.8170	214.00
2-B	Charles Nayel	0.8217	260.00
2-A	Seymour Thomas	0.827	324.00
2-B	Steven Park	0.8221	305.20
2-C	Steven Poma	0.8165	202.00
2-D	Leonard Landau	0.8180	225.50
2-E	Samuel Freedman	0.8191	225.20
2-F	Andrew Kasper	0.8170	212.50
2-G	Sidney Kaplan	0.8222	266.00
2-B	Mosud Iqbal	0.8264	216.00
2-B	Julius Jaitelbaum	0.8132	204.00
2-C	Paul Staszgord	0.8169	202.50
2-B	Biarritz Assoc.	0.8187	224.00
2-C	Hilton Goldson	0.8191	224.20
2-F	Eugene Scott	0.8170	214.00
2-E	Dorinda Vanquet	0.8222	208.00
2-B	Lillian Cantor	0.8213	225.50
2-B	Jeanne Harry	0.8231	207.20
2-C	Elliott Foster	0.8232	228.00
2-D	William Sharp	0.8192	234.00
2-E	J. Scott Zepher	0.8191	225.20
2-F	Birchard Clothier	0.8177	212.00
2-G	Dena Ribert	0.8222	256.00
2-B	Scully Real Estate	0.8212	224.00
2-B	Mosud Iqbal	0.8268	412.50
2-C	Leonard Landau	0.8168	201.50
2-D	J. Jurg	0.8192	228.00
2-E	Mitchell Berer (T.R.D.)	0.8191	209.20
2-F	Mitchell Berer (T.R.D.)	0.8170	212.50
2-G	Mitchell Berer (T.R.D.)	0.8221	265.20
2-D	Joel Cohen	0.8235	202.00
2-B	Joseph Fagan	0.8294	241.50
2-C	Ryan Levine	0.818	216.00
2-D	Albert Navey	0.8362	452.00

EXHIBIT B

Undersigned, Secretary of THE BIARRITZ CONDOMINIUM ASSOCIATION, a Non-Profit Corporation of the State of New Jersey, hereby certifies that the attached resolution was adopted at a special meeting of the members of the Company held on July 1987 that the attached resolution received the affirmative vote of a majority of the members present; and that the attached copy of the resolution is true and correct.

*Stacey L. Schwartz*  
 Secretary  
 Stacey L. Schwartz

SWORN TO AND SUBSCRIBED  
 before me this 16<sup>th</sup> day  
 of May, 1986.

*Wickie Costello*

BY - LAWS

OF

THE BIARRITZ CONDOMINIUM ASSOCIATION

  
Prepared By:  
WILLIAM A. THOMPSON

ARTICLE I - NATURE OF BY-LAWS

1. Purpose. These By-Laws are intended to govern the administration of the BIARRITZ CONDOMINIUM ASSOCIATION (hereinafter 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, administrations, utilization and maintenance of the common elements of the Biarritz, a condominium (hereinafter referred to as the "condominium"), as described in the Master Deed for Biarritz, a Condominium.

2. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed or in N.J.S.A. 45:8B-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 Fifty (50) votes in the Association, each of equal weight. There shall be one (1) vote for each unit. Votes shall be cast in person or by proxy as otherwise provided herein. Anything contained herein to the contrary notwithstanding, it is understood that, in event that the number of units ultimately contained in the condominium is more or less than fifty (50) as result of the combining 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 of 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 cancelled or superseded by written notice 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-owners 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 the members as may be designated by the Board of Trustees.

2. Annual Meetings. Annual meetings of the Members of the Association will be held between May and August of each year. 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. 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 of 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 as the 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 members, whether annual or special, shall be given not less than ten (10) days or 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. 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 meeting 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 are entitled to vote may, by 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 transacted had a meeting originally been called.

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 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 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 longer 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 or such proxy.

The election of Trustees shall be by ballot. 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 report the number of votes represented at the meeting and entitled to vote on any question requiring a ballot, and they shall conduct the voting, accept the votes, and, when the voting is completed, they shall ascertain and report the number of votes and the results of the balloting. Reports of inspectors shall be in writing and shall be 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 any special meeting as far 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) 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 shall consist of seven (7) persons all of which must be unit owners.

3. Election and Terms of Office. Three trustees shall serve for three year terms, with one term expiring each year. The remaining four trustees shall serve two year terms with two trustees elected each year. All trustees shall serve 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 their 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 time election of the new Board of Trustees has been held. Each member shall vote in accordance with the provision of these By-Laws and the Master Deed for each position to be filled. 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 candidates 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.

4. Removal of Trustees. At any duly held 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 present, and a successor may then or thereafter be elected to fill the vacancy thus created. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting.

5. Vacancies. Vacancies in the Board caused by any reason 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 shall be a Trustee for the remainder of the term of the Trustee whose terms he is filling and until his successor shall be elected. Notwithstanding the foregoing, in the event 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.

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 or for the Condominium or the Association in any other capacity.

7. Meetings of the Board. Regular meetings of the Board may be held at such time 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. All meetings shall be held in Atlantic County. Notice of regular meetings of the Board shall be given to each Trustee by telephone, mail, or telegram at least ten (10) 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 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 on 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 a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all of the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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 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 adjournment 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.

9. Joiner 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 a 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 or 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 in 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 path; lay pipes, culverts, utility lines; to construct or erect lights or poles, signs.

(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, snow-plowing or removal, painting, building, repairing, renovating 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 businesslike 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 of such items and maintenance for which they are responsible;

(g) Set minimum standards for floor coverings installed by all unit owners;

(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 their owners or occupants;

(i) Arrange for security protection as necessary;

(j) Enforce obligations of the unit owners and do anything and everything else 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 owned by the particular unit owner or unit owners.

(k) 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 make and enter into contracts; enter 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 thereof;

(l) Grant and obtain easements, licenses and other property rights, including riparian grants, with respect to contiguous lands and lands acquired by the Association;

(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.

(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;

(o) Sell, lease, or otherwise deal with units acquired by, and to sublease units leased by, the Association or its designees, on behalf of all unit owners;

(p) 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 owners (s);

(q) The votes appurtenant to units owned by the Association shall not be voted.

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#### 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 decorating, plumbing, steam cleaning, carpentry, removal of refuse from all buildings and common areas, snow removal where necessary, maintenance of roads, walkways and such other maintenance, replacement 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 and 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 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;

(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 limitation;

(i) PHYSICAL DAMAGE INSURANCE. To the extent available, broad form insurance against loss by fire, 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, 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 mortgage 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 may appear. Such policy or policies shall provide, to the extent possible, that adjustments or payments of 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 of 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, however such public liability insurance shall be in amounts not less than \$1,000,000 for bodily injury claims and \$25,000 for property damage claims.

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(iii) WORKMEN'S COMPENSATION INSURANCE. As required by law.

(iv) ADDITIONAL INSURANCE. Such other insurance as the Board may determine to be necessary or desirable.

All policies shall, to the extent possible (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 Master 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 such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, 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 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 member/unit owner, his, her or their 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 accounts shall be only by checks signed by 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;

(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) Reserves 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 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.

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 required 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 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, 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 proved to be insufficient, the budget and assessment 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 after delivery of the notice to the member, or not less than ten (10) days after the

mailing of such notice to him by certified mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board shall be obligated to (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 shall have the duty to foreclose the foregoing 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-five (25) 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 such 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 all reasonable expenses which may be incurred by 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 for 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 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 at a reasonable time on business days; provided, however, that the Board has been 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 who are responsible for Association funds. The amount of such bond shall be determined by the Trustees. The premiums on such bond 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 of 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.

(d) TREASURER. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full 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. This position shall be in conjunction with the management firm, should such firm be hired to handle the accounts for the Association.

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; complaint 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 member 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 than One Hundred (100) Dollars for any one violation, but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against any member 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 designees or appointees, shall be indemnified by the Association against the actual amount of net loss, including 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 appointee of same, except as to matters as to which he shall be finally 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 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 delegates 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 delegates 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 lobby, vestibule, stairway, elevator 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 care about making noise 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 white or 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.

(k) No portion of the unit or building exterior, including doors and door jambs 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) 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.

(p) 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.

(q) 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 unit for sale, and, upon closing of title shall forthwith notify such secretary of the names and home addresses of the purchasers.

(r) 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 such 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.

(s) Each member shall have the right to mortgage or encumber his unit, provided that such mortgage or encumbrance is made to a bank, mortgage banker, trust company, insurance company, lender or is a purchase money made to the immediate predecessor in title to a unit.

(t) Further house rules and appropriate rules and regulations controlling the use of the units, lobby, common spaces and facilities including the grounds and walks 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 shall 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.

#### 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 damage, 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, repair 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 caused 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. ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION. Whenever in the judgement of the Board, the common elements require improvements costing in excess of ten thousand (\$10,000) dollars, said improvements shall not be made unless they have been approved. When said approval has been obtained, all unit owners shall be assessed for the cost thereof as a common expense. 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 The Thousand (\$10,000) Dollars to protect said property and the judgment of the Board will 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 the 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 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 - 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 the purpose, and previous to which written notice to members of the exact language of the amendments 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 the obligation or 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 amendment or repeal.

#### ARTICLE XIII - CONFLICT

Anything to the contrary here in notwithstanding, if any provision of these By-Laws is in conflict with or contradicts 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 such amendments in these By-Laws or the Articles of Incorporation of the Association or any other documents (other than the Master Deed) as will remove such conflicts or inconsistencies.

#### ARTICLE XIV - 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 XV - MISCELLANEOUS

1. NOTICE. 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 managing agent.

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 mailed, by regular post with postage prepaid, addressed to the unit owner or member at the last known post office address of the person who appears as a member of the records of the Association at the time of such mailing. 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.

Unless otherwise provided herein or in the Master Deed all notices shall be deemed to have been given when 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 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 "The Biarritz Condominium Association".

RECORDED  
ATLANTA COUNTY  
ESR FEB 20 11 05 AM '05  
DEPUTY CLERK

W-051802 CP

Printed  
By - Jones  
Biarritz Club  
asa

(Rec'd in  
Book -  
Date  
3/02/05)  
ME

Van Chapman  
1701 Atlantic Ave  
S.W.  
Atlanta, GA 30333

085192P073

085192P072

BOOK 3450 PAGE 272

- (1) Eastwardly, along Monterey Avenue, 9.91 feet, more or less; thence
- (2) Southwardly, 59 feet; thence
- (3) Westwardly, parallel with Monterey Avenue, 78.125 feet to a point in the wall of the Iowa Apartments; thence
- (4) Northwardly, along that certain wall, 8.125 feet, more or less, to a point in the corner of said wall; thence
- (5) Eastwardly, 67.835 feet, more or less, to a point in the extreme Easterly wall of the Iowa Apartments; thence
- (6) Northwardly, along the Easterly wall, 50.46 feet to BEGINNING.

It being the intention to create and preserve light, air and passage-way on the premises described in the above paragraph as Tracts A and B for the use and benefit of the owners, tenants and occupants of the Iowa Apartments, and the owners, tenants and occupants of the land adjoining the Iowa Apartments on the South.

THEREFORE, WITNESSETH:

That the aforesaid Master Deed shall be amended as follows:

- 1. Page 20 of the aforesaid Master Deed is altered by the deletion of Paragraph 24 in its entirety.

In all other respects Page 20 of the Master Deed remains the same.

WITNESS:

*William W. Shultz*  
WILLIAM W. SHULTZ, ESQUIRE

BIARRITZ CONDOMINIUM ASSOCIATION

BY: *James D. Scully, Jr.*  
JAMES D. SCULLY, JR.,  
President

STATE OF NEW JERSEY  
S.S.  
COUNTY OF ATLANTIC

BE IT REMEMBERED that on this 4th day of March in the year of our Lord one thousand nine hundred and eighty before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared James D. Scully, Jr., President of the Biarritz Condominium Association, a nonprofit corporation of the State of New Jersey, who I am satisfied is the person who signed the within instrument and he acknowledged that he signed, sealed, with the corporate seal and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made by virtue of a Resolution of its Board of Directors. The full and actual consideration paid or to be paid for the transfer of title to realty evidenced by the within deed, as such consideration is defined in P.L. 1964, c. 49, Sec. 1(c), is \$NO CONSIDERATION.

*James D. Scully, Jr.*  
- 2 -

BOOK 3450 PAGE 273

Recorded Mar. 4th 19 80 at  
12:05 P. M. and recorded in the  
Clerk's Office of Atlantic County, at  
Atlantic City, N.J. in Book  
of Deeds  
No. 3450 Page 271 &c.

*Lori Mooney* CLERK

In compliance with statute I have prepared an abstract of this within to all spectators of the taxing district therein mentioned.  
Lori Mooney, Clerk

AMENDED MASTER DEED  
FOR  
THE BIARRITZ, A CONDOMINIUM  
*(Record in Deeds of 702)*

PREPARED BY:  
William W. Shultz, Esquire  
ALLEN, VALENTINE, SELTZER & SHULTZ  
1009 South Shore Road  
P.O. Box 910  
Pleasantville, N.J. 08232  
(609) 646-6112

REC-4 89 12 05  
ATLANTIC COUNTY  
CLERK'S OFFICE

BOOK 3450 PAGE 273

DB 3739/100  
R: 11/24/82  
A 3739 no. 120

AMENDMENT TO MASTER DEED  
FOR  
THE BIARRITZ CONDOMINIUM ASSOCIATION

THIS AMENDMENT, made as of the 19th day of June, 1982 by THE BIARRITZ CONDOMINIUM ASSOCIATION, a New Jersey non-profit corporation, having an office for the transaction of business at 31 South Iowa Avenue, Atlantic City, New Jersey 08401.

WHEREAS, the Master Deed for The Biarritz, a condominium, was dated on the 9th day of October, 1979 and recorded in the Office of the Clerk of Atlantic County on the 9th day of October, 1979, in Deed Book 3402, Page 1 & C, and was amended by Amendment dated March 4, 1980 and recorded on March 4, 1980 in Deed Book 3450, Page 271;

WHEREAS, the Master Deed indicates that the Condominium contains 49 residential units, as shown in the plans and specifications in the Master Deed. Each unit having been designated a unit number and a letter for better identification;

WHEREAS, on the seventh floor of the Condominium there now exists a common area commonly designated as the Laundry Room;

WHEREAS, the Association now desires to redesignate that area of the common elements to that of an additional condominium unit to be commonly known as Unit 7 D, and the Association desires to sell this newly designated condominium unit to a third-party purchaser;

WHEREAS, the Association has concluded that this redesignation of the common element to a unit is not a material amendment

DB 3739 no. 121

and the Association, therefore, desires to amend the Master Deed in order to create and do everything necessary to enable the Board of Directors to carry out the creation of this additional unit;

WHEREAS, by creating this additional unit to fifty (50) units, the individual unit's pro rata share of the common element, and common expenses will be also amended from that stated in Exhibit "D" attached to the Master Deed, to that stated in the newly created amended Exhibit "D" attached hereto and incorporated herein by reference.

THEREFORE WITNESS, the Association at the Annual Meeting, on June 19, 1982, with notice, after discussion, has unanimously approved the following:

1. That the Laundry Room will be redesignated as Unit 7 D and it may be sold to a third-party purchaser.
2. That the Master Deed and related documents be amended to include and incorporate by reference, the newly created unit.
3. That the Board of Trustees are hereby authorized to enter into an Agreement of Sale, to execute and deliver a Deed to a proposed purchaser to evidence ownership in Unit 7 D.
4. That the Board of Trustees are hereby authorized to do everything necessary to create this additional unit and to carry out its purpose.

3739 122

IN WITNESS WHEREOF, the Board of Trustees has caused this instrument to be executed the day and year first above written by its President, and pursuant to a resolution duly made and unanimously adopted by the Condominium Association and its Board of Trustees.

BIARRITZ CONDOMINIUM

BY: *[Signature]*  
EUGENE SCOTT, President

ATTEST:

*[Signature]*  
ELLIOTT FOOTER, Secretary



Witness by *[Signature]*  
Shirley L. Schmitt  
905 Kensington  
Clarey New H.J. 07037

3739 123

State of New Jersey  
County of Atlantic

We H. Krumboltz, that on this 19th day of June 1976 in the year of our Lord one thousand nine hundred and eighty-two, the subscriber,

personally appeared Eugene Scott, President

of the BIARRITZ CONDOMINIUM ASSOCIATION

who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made by virtue of a Resolution of its Board of Directors. The full and actual consideration paid or to be paid for the transfer of title as evinced by the within deed, as such consideration is defined in P.L. 1964, c.49 Section 1(c) is \$

*[Signature]*  
Shirley L. Schmitt Attorney at Law  
905 Kensington  
Clarey New H.J. 07037

DB 4256/293 R-6/9/86

006360

AMENDMENT TO MASTER DEED  
FOR THE BIARRITZ CONDOMINIUM ASSOCIATION

THIS AMENDMENT, made as of this 16<sup>th</sup> day of May, 1986 by the Biarritz Condominium Association, a New Jersey Non-Profit Corporation, having an office for the transaction of business at 31 S. Iowa Avenue, Atlantic City, New Jersey 08401.

WHEREAS, the Master Deed for the Biarritz, a Condominium was dated on the 9th day of October, 1979 and recorded in the Office of the Clerk of Atlantic County on the 9th day of October, 1979 in Deed Book 3402, page 1 & C and was amended by an Amendment dated March 4, 1980 and recorded on March 4, 1980 in Deed Book 3450, page 271 and was further amended by Amendment dated June 19, 1982 and recorded November 24, 1982 in Deed Book 3739, page 120 & C.

WHEREAS, on or about the 19th day of November, 1982 BIA Construction Corporation purchased Unit 7D, an area formerly designated as the laundry room which was common area of the Condominium Association. Pursuant to a duly recorded Amendment, the laundry room was designated as Unit 7D.

WHEREAS, BIA Construction Corporation now seeks to purchase additional common area from the Condominium Association, which common area is contiguous to Unit 7D, hereinafter referred to as "contiguous common area".

Prepared by  
Soren L. Selowitz Attorney at Law  
Soren L. Selowitz  
3208 24<sup>th</sup> Street  
Atlantic City, New Jersey 08401

MAP 4492  
DEED DATED 5-16-86  
DEED RECORDED 6-9-86  
DEED BK. 44156 PAGE 293  
AMENDMENT TO MASTER DEED

WHEREAS, subject to the Master Deed, By-laws and Rules and Regulations of the Biarritz Condominium Association and subject to the terms and conditions stated herein, the Board of Trustees and the Biarritz Condominium Association have unanimously approved the conveyance of the contiguous common area so that Unit 7D will be designated in accordance with the revised survey prepared by Robert J. Catalano and Associates, 1537 Atlantic Avenue, Suite 210, Atlantic City, New Jersey 08401 and the boundaries contained in the survey will be the newly designated boundaries of Unit 7D. Said survey is attached hereto and incorporated herein by reference as Exhibit "A".

WHEREAS, notwithstanding the terms and conditions regarding the description of common area as may be more fully defined or described in the Master Deed, By-laws or Rules and Regulations of the Biarritz Condominium and notwithstanding the Condominium Association's responsibility to maintain the common elements, the unit owner of 7D will be responsible for all maintenance, expenses or other charges with respect to any improvements constructed or related to the construction of the improvements on the contiguous common area.

This will include but not be limited to the foundations, structural parts, columns, girders, beams, supports, concrete or masonry parts of all non-bearing interior walls between 7D and other units and between 7D and any interior corridors; the roof

over the newly constructed portion of 7D, the floor below the newly constructed portion of 7D; the ceiling above the newly constructed portion of 7D, the space between the floor of 7D and the ceiling of the unit immediately below the newly constructed portion of 7D, the unit door or doors of 7D, their hinges, frames and doorsill leading to the corridor or outside of 7D, any additional electric or telephone wiring, cables, lines, pipes, fixtures, meters and associated equipment regarding the construction of additional improvements on 7D.

WHEREAS, the unit owner of 7D shall be responsible for and at its own expense all of the maintenance, repair and replacement within or without his or their unit as the case may be provided, however, that the Association, its agents and/or employees may effect emergency or other necessary repairs which the unit owner of 7D has failed to perform, and if the unit owner of 7D fails to perform such work the Association may do so at the unit owner's expense and charge the reasonable expense thereof, if applicable, to the unit owner. The unit owner of 7D agrees to maintain, repair, replace all improvements constructed on the contiguous common area.

WHEREAS, the unit owner of 7D shall indemnify and hold harmless the Biarritz Condominium Association, its Board of Trustees, its officers and its agents from all loss, expense, damages, and all liabilities, fines, claims, demands, and actions and costs and reasonable expenses of any kind or any nature or by

anyone whatsoever due to or rising out of the construction of improvement on the contiguous common area, improper construction, defect or maintenance of any improvements so constructed on the contiguous common area.

WHEREAS, the Biarritz Condominium Association and its Board of Trustees has concluded that this redesignation and sale of the contiguous common area adjacent to unit 7D is not a material amendment and the Condominium Association therefore desires to amend its Master Deed in order to create and do everything necessary to enable the Board of Trustees, its duly designated officers and its agents to sell to the unit owner of 7D the contiguous common area as referred to herein.

WHEREAS, by selling additional contiguous common area to the unit owner of 7D and thereby enlarging unit 7D, the Biarritz Condominium Association's unit owner's pro rata share of the common elements and common expenses will also be amended as set forth in Exhibit "B" attached hereto and made a part hereof.

W I T N E S S E T H:

THEREFORE, the Association at its annual meeting with notice, after discussion, has unanimously approved the following:

1. That the unit owner of 7D may purchase the additional contiguous common area so that the newly created 7D will be designated as set forth in the survey prepared by Robert J. Catalano attached as Exhibit "A".
2. That the Master Deed and related documents be amended to include and incorporate by reference, 7D in its expanded form.

3. That the Board of Trustees are hereby authorized to enter into an Agreement of Sale and related finance documents to execute and deliver a Deed to the unit owner of 7D for the sale of the additional contiguous common area, subject to the terms and conditions of the Master Deed as may be modified by amendment.

4. That the Board of Trustees are hereby authorized to do everything necessary to create and sell the additional contiguous common area adjacent to Unit 7D and to carry out its purpose.

WHEREAS, the unit owner of 7D and the Biarritz Condominium Association agree that this Amendment and the conditions contained herein effecting the use and occupancy of unit 7D shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors, assigns, mortgagees, invitees, and any other persons or entities to whom may be granted rights for the use or occupancy of 7D or to those persons or entities to which rights may properly and lawfully pass.

WHEREFORE, it is understood by the unit owner of 7D that the aforesaid restrictions, constitute covenants which run with all of the aforesaid described property perpetually.

If any term of this Amendment or the application thereof to any person shall be invalid or unenforceable, the parties agree

that the remainder of this Amendment or the application of same shall not be affected thereby.

IN WITNESS WHEREOF, the Board of Trustees and the unit owner of 7D have caused this instrument to be executed the day and year first above written.

BIARRITZ CONDOMINIUM ASSOCIATION

BY: [Signature]  
RICHARD T. CLOTHIER, President



ATTEST:  
[Signature]  
Secretary

BIA CONSTRUCTION CORP.

BY: [Signature]  
ALBERT HARVEY, President



ATTEST:  
ALBERT HARVEY  
[Signature]

Prepared by the Law Offices of  
Stacey L. Schwartz, Esquire  
1101 Kings Highway North  
Cherry Hill, NJ 08034

UNIT	NAME	\$	AMOUNT
1-B	Frank Blum	0.0146	177.00
1-B	Bury Lonsdale	0.0057	114.00
1-C	Harmon Perkel	0.0143	174.00
1-B	Carlton Education	0.0141	182.00
1-B	Yakovlev Education	0.0140	177.00
1-F	Margaret Barner	0.0141	176.00
1-B	Yakovlev Education	0.0141	174.00
1-B	Louise Bezzion	0.0076	113.20
1-J	Aurice Brumman	0.0077	110.00
1-J	Charles Chastanet	0.0099	110.00
1-B	Barthall Frumer	0.0126	142.20
1-B	Samira Goussoun	0.0254	178.20
1-B	Scully Abel Eskola	0.0121	142.00
1-C	Tapas Ingpat	0.0148	192.00
1-B	Kathie Schwartz	0.0195	124.00
1-B	John Berger	0.0192	120.00
1-F	Jeffrey Fogly	0.0179	174.00
1-B	Charles Hapil	0.0217	164.00
1-B	Suzanne Thomas	0.0077	124.00
1-B	Steven Park	0.0201	181.20
1-C	Steven Jones	0.0145	182.00
1-B	Leonard London	0.0190	174.00
1-C	Samuel Freeman	0.0191	174.20
1-F	Esther Kasper	0.0176	174.00
1-B	Sidney Kaplan	0.0222	164.00
1-B	David Iqbal	0.0254	114.00
1-B	Julia Fectelbaum	0.0122	184.00
1-C	Paul Steinyard	0.0145	182.00
1-B	Barbara Pennic	0.0147	174.00
1-B	Hilma Goldan	0.0141	174.20
1-F	Tapas Scott	0.0179	174.00
1-B	Corvino Vignani	0.0252	164.00
1-B	Millian Center	0.0013	174.00
1-B	Joanna Marry	0.0121	177.20
1-C	Ellen Foster	0.0139	174.00
1-B	Millian Sharp	0.0192	174.00
1-B	L. Scott Jumper	0.0139	174.20
1-F	Bernard Clakauer	0.0477	174.00
1-B	Benja Albert	0.0222	164.00
1-B	Scully Abel Eskola	0.0212	174.00
1-B	David Iqbal	0.0260	141.00
1-C	Leonard London	0.0146	181.00
1-B	J. Jung	0.0139	174.00
1-C	Ritchell Barver (L.B.B.)	0.0191	174.20
1-F	Ritchell Barver (L.B.B.)	0.0176	174.00
1-B	Ritchell Barver (L.B.B.)	0.0201	162.00
1-B	Neil Cohen	0.0225	162.00
1-B	Joseph Fagan	0.0294	174.00
1-C	Dylan Lyman	0.014	174.00
1-B	Albert Marry	0.0302	164.00

Amount \$

Undersigned, Secretary of THE BIARRITZ CONDOMINIUM ASSOCIATION, a Non-Profit Corporation of the State of New Jersey, hereby certifies that the attached resolution was adopted at a special meeting of the members of the Company held on July 1986 that the attached resolution received the affirmative vote of a majority of the members present; and that the attached copy of the resolution is true and correct.

*Stacey L. Schwartz*  
 Secretary  
 Stacey L. Schwartz

SUBORN TO AND SUBSCRIBED  
 before me this 16<sup>th</sup> day  
 of May, 1986.

*Wickie Costello*

THE BIARRITZ CONDOMINIUM ASSOCIATION

ARTICLE I - NATURE OF BY-LAWS

1. Purpose. These By-Laws are intended to govern the administration of the BIARRITZ CONDOMINIUM ASSOCIATION (hereinafter 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, administrations, utilization and maintenance of the common elements of the Biarritz, a condominium (hereinafter referred to as the "condominium"), as described in the Master Deed for Biarritz, a Condominium.

2. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed or in N.J.S.A. 45:8B-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 Fifty (50) votes in the Association, each of equal weight. There shall be one (1) vote for each unit. Votes shall be cast in person or by proxy as otherwise provided herein. Anything contained herein to the contrary notwithstanding, it is understood that, in event that the number of units ultimately contained in the condominium is more or less than fifty (50) as result of the combining 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 of 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 cancelled or superseded by written notice 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-owners 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.

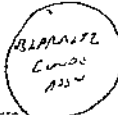
DB5192P057

Prepared by  
*William A. Thompson III*  
William A. Thompson III

I hereby certify that the attached By-Laws of the Biarritz Condominium Association were duly adopted by a unanimous vote of the membership at an annual meeting held on June 9, 1990. I further certify that the previous By-Laws of the Biarritz Condominium Association originally recorded in Deed Book 3402 at Page 37 in the Office of the Clerk of Atlantic County were duly rescinded and are of no further force and effect.

Dated:

*Doris B. Thompson*  
Doris B. Thompson, Secretary



*Dena Ribert*  
Dena Ribert, President

001695

STATE OF NEW JERSEY, COUNTY OF ATLANTIC SS:

I CERTIFY that on February 20, 1991,

Dena Ribert and Doris B. Thompson

personally came before me and each person acknowledged under oath, to my satisfaction, that:

- a) Dena Ribert signed, sealed and delivered the attached document as President of the Biarritz Condominium Association;
- b) Doris B. Thompson signed, sealed and delivered the attached document as Secretary of the Biarritz Condominium Association
- c) this document was signed and made by the Association as its voluntary act and deed by virtue of authority from its membership.

*Arthur Williams*  
Arthur Williams  
Notary Public  
My Comm. Expires June 18, 1995

DB5192P056

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 the members as may be designated by the Board of Trustees.

2. Annual Meetings. Annual meetings of the Members of the Association will be held between May and August of each year. 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. 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 of 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 as the 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 members, whether annual or special, shall be given not less than ten (10) days or 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. 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 meeting 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 are entitled to vote may, by 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 transacted had a meeting originally been called.

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 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 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 longer 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 or such proxy.

The election of Trustees shall be by ballot. 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 report the number of votes represented at the meeting and entitled to vote on any question requiring a ballot, and they shall conduct the voting, accept the votes, and, when the voting is completed, they shall ascertain and report the number of votes and the results of the balloting. Reports of inspectors shall be in writing and shall be 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 any special meeting as far 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) 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 shall consist of seven (7) persons all of which must be unit owners.

3. Election and Terms of Office. Three trustees shall serve for three year terms, with one term expiring each year. The remaining four trustees shall serve two year terms with two trustees elected each year. All trustees shall serve 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 their 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 time election of the new Board of Trustees has been held. Each member shall vote in accordance with the provision of these By-Laws and the Master Deed for each position to be filled. 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.

4. Removal of Trustees. At any duly held 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 present, and a successor may then or thereafter be elected to fill the vacancy thus created. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting.

5. Vacancies. Vacancies in the Board caused by any reason 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 shall be a Trustee for the remainder of the term of the Trustee whose terms he is filling and until his successor shall be elected. Notwithstanding the foregoing, in the event 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.

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 or for the Condominium or the Association in any other capacity.

7. Meetings of the Board. Regular meetings of the Board may be held at such time 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. All meetings shall be held in Atlantic County. Notice of regular meetings of the Board shall be given to each Trustee by telephone, mail, or telegram at least ten (10) 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 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 on 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 a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all of the Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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 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 adjournment 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.

9. Waiver 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 a 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 or 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 in 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.

(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, renovating 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 businesslike 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 of such items and maintenance for which they are responsible;

(g) Set minimum standards for floor coverings installed by all unit owners;

(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 their owners or occupants;

(i) Arrange for security protection as necessary;

(j) Enforce obligations of the unit owners and do anything and everything else 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 owned by the particular unit owner or unit owners.

(k) 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 make and enter into contracts; enter 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 thereof;

(l) Grant and obtain easements, licenses and other property rights, including riparian grants, with respect to contiguous lands and lands acquired by the Association;

(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.

(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;

(o) Sell, lease, or otherwise deal with units acquired by, and to sublease units leased by, the Association or its designees, on behalf of all unit owners;

(p) 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 owners (s);

(q) The votes appurtenant to units owned by the Association shall not be voted.

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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 decorating, plumbing, steam cleaning, carpentry, removal of refuse from all buildings and common areas, snow removal where necessary, maintenance of roads, walkways and such other maintenance, replacement 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 and 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 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;

(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 limitation;

(i) PHYSICAL DAMAGE INSURANCE. To the extent available, broad form insurance against loss by fire, 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, 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 mortgage 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 may appear. Such policy or policies shall provide, to the extent possible, that adjustments or payments of 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 of 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, however such public liability insurance shall be in amounts not less than \$1,000,000 for bodily injury claims and \$25,000 for property damage claims.

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by law. MEMBER'S COMPENSATION INSURANCE. As required

(lv) ADDITIONAL INSURANCE. Such other insurance as the Board may determine to be necessary or desirable.

All policies shall, to the extent possible (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 Master 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 such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, 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 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 member/unit owner, his, her or their 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 accounts shall be only by checks signed by 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;

(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) Reserves 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 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.

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 required 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 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, 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 proved to be insufficient, the budget and assessment 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 after delivery of the notice to the member, or not less than ten (10) days after the

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mailing of such notice to him by certified mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board shall be obligated to (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 shall have the duty to foreclose the foregoing 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-five (25) 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 such 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 all reasonable expenses which may be incurred by 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 for 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 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 at a reasonable time on business days; provided, however, that the Board has been 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 who are responsible for Association funds. The amount of such bond shall be determined by the Trustees. The premiums on such bond 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 of 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.

(d) TREASURER. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full 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. This position shall be in conjunction with the management firm, should such firm be hired to handle the accounts for the Association.

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 EXCULPADILITY

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; complaint 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 member 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 than One Hundred (100) Dollars for any one violation, but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against any member 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 designees or appointees, shall be indemnified by the Association against the actual amount of net loss, including 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 appointee of same, except as to matters as to which he shall be finally 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 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 delegates 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 delegates 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 lobby, vestibule, stairway, elevator 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 care about making noise 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.

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(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 white or 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.

(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) 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.

(p) 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.

(q) 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 unit for sale, and, upon closing of title shall forthwith notify such secretary of the names and home addresses of the purchasers.

(r) 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 such or upon the common elements which would be in

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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.

(s) Each member shall have the right to mortgage or encumber his unit, provided that such mortgage or encumbrance is made to a bank, mortgage banker, trust company, insurance company, lender or is a purchase money made to the immediate predecessor in title to a unit.

(t) Further house rules and appropriate rules and regulations controlling the use of the units, lobby, common spaces and facilities including the grounds and walks 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 shall 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.

#### 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 damage, 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, repair 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 caused 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. ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION. Whenever in the judgment of the Board, the common elements require improvements costing in excess of ten thousand (\$10,000) dollars, said improvements shall not be made unless they have been approved. When said approval has been obtained, all unit owners shall be assessed for the cost thereof as a common expense. 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 The Thousand (\$10,000) Dollars to protect said property and the judgment of the Board will 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 the 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 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 - 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 the purpose, and previous to which written notice to members of the exact language of the amendments 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 the obligation or 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 amendment or repeal.

#### ARTICLE XIII - CONFLICT

Anything to the contrary here in notwithstanding, if any provision of these By-Laws is in conflict with or contradicts 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 such amendments in these By-Laws or the Articles of Incorporation of the Association or any other documents (other than the Master Deed) as will remove such conflicts or inconsistencies.

#### ARTICLE XIV - 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 XV - MISCELLANEOUS

1. NOTICE. 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 managing agent.

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 mailed, by regular post with postage prepaid, addressed to the unit owner or member at the last known post office address of the person who appears as a member of the records of the Association at the time of such mailing. 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.

Unless otherwise provided herein or in the Master Deed all notices shall be deemed to have been given when 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 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 "The Biarritz Condominium Association".

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RECORDED  
MAY 20 11 05 AM  
COUNTY CLERK

M-551522 CA

Appointment  
for AG - Jones

Biarritz Club  
ADA

(New in)  
2005  
2006  
3100-57  
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ME

Rev. Oloperon  
11/11  
1921 Atlantic Ave  
Apt 510  
Atlantic City, NJ  
or wife

