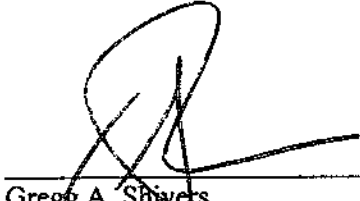


Prepared by:


Gregg A. Shivers
SHIVERS, GOSNAY & GREATREX, LLC

AMENDED BYLAWS

OF

LEISURETOWNE ASSOCIATION, INC.

Effective June 1, 2012

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**TABLE OF CONTENTS
FOR
AMENDED BYLAWS OF LEISURETOWNE ASSOCIATION, INC.**

	<u>PAGE</u>
ARTICLE I	APPLICABILITY, MEMBERS, MEMBERSHIP & DEFINITIONS 4
ARTICLE II	PRINCIPAL OFFICE 6
ARTICLE III	MEETINGS OF MEMBERS, VOTING 6
ARTICLE IV	OBLIGATIONS OF MEMBERS9
ARTICLE V	BOARD OF TRUSTEES11
ARTICLE VI	OFFICERS 16
ARTICLE VII	INDEMNIFICATION OF OFFICERS AND DIRECTORS18
ARTICLE VIII	FISCAL YEAR18
ARTICLE IX	CORPORATE SEAL18
ARTICLE X	RESPONSIBILITY.....18
ARTICLE XI	AMENDMENTS TO BYLAWS.....19
ARTICLE XII	DISSOLUTION 19

AMENDED BYLAWS
LEISURETOWNE ASSOCIATION, INC.

BURLINGTON COUNTY
CLERK

2012 OCT 22 P 4: 02

THESE AMENDED BY-LAWS (hereinafter the "ByLaws"), is made retroactive to June 1, 2012, by LEISURETOWNE ASSOCIATION, INC., a New Jersey not for profit corporation (hereinafter "Association") with a principal place of business at 102 South Plymouth Court, Southampton, New Jersey 08088.

B A C K G R O U N D

A. LEISURETOWNE ASSOCIATION, INC. ("Declarant") recorded a Declaration of Restrictive and Protective Covenants on June 29, 1970 in Deed Book 1734, Page 926 of the records of the Clerk of Burlington County ("Original Declaration"), as replaced and superseded by the Consolidated Declaration of Restrictive and Protective Covenants for LeisureTowne, Sections 1 through 11 ("Consolidated Declaration"), filed on April 5, 2002 in Deed Book 5950, page 310, encumbering the land that is described in Exhibit "D" attached to the Original Declaration and made a part hereof by reference.

B. The lands encumbered by the Original Declaration were developed as a planned residential community known as LeisureTowne and consisting of approximately 2255 residential units, including common lands and facilities for the benefit of residents in LeisureTowne.

C. The Association was created as a not for profit corporation for the social, physical, aesthetic and recreational purposes of benefiting LeisureTowne, the Unit Owners, their Tenants and the Residents (as said terms are defined below), which not for profit corporation (the "Association") has and will (i) establish, levy, collect and disburse the assessments and other charges imposed under the Original Declaration and the Consolidated Declaration, and (ii) as the agent and representative of the Members of the Association, administer and enforce all provisions of the Consolidated Declaration and these ByLaws and enforce use and other restrictions and rules and regulations imposed upon the properties and Lot Owners.

D. The original Bylaws were amended on May 3, 2004:

E. The Members have determined that it is in their mutual interest to revise, amend, update, replace and supersede the original ByLaws and the 2004 Amended Bylaws by adoption and approval of these newly amended ByLaws. It is the intent of these ByLaws that they revoke and supersede any and all prior ByLaws which may have been passed prior to the effective date of these ByLaws.

NOW THEREFORE THE UNIT OWNERS hereby declare, covenant and agree as follows:

ARTICLE I

APPLICABILITY, MEMBERS, MEMBERSHIP, & DEFINITIONS

SECTION 1. These ByLaws shall be applicable to LEISURETOWNE ASSOCIATION, INC., a not for profit corporation of the State of New Jersey, hereinafter referred to as the "Association," to all of the Members thereof, as herein after defined, and to their use of the community and recreational facilities owned by the Association. Whenever hereinafter appearing, "LeisureTowne" shall mean the Planned Residential Age-Restricted Community for Adults 55 Years of Age and Older in Southampton Township, New Jersey.

SECTION 2. All present and future owners and tenants, their guests, licensees, servants, agents, employees and any other person or persons that shall be permitted to use the facilities of the Association, shall be subject to these ByLaws, the Consolidated Declaration of Restrictive and Protective Covenants, and the Rules and Regulations issued by the Association to govern the conduct of its Members. Ownership of any unit in LeisureTowne shall be conclusively deemed to mean that the said owner, has accepted and ratified these ByLaws, the Consolidated Declaration of Restrictive and Protective Covenants and the Rules and Regulations of the Association and will comply with them.

SECTION 3. Unless it is plainly evident from the context that a different meaning is intended as used throughout these ByLaws:

- A. "Certificate of Incorporation" shall mean and refer to the Certificate of Incorporation of the LeisureTowne Association, Inc., a copy of which is attached hereto and made a part hereof as Schedule B, as the same may, from time to time, be amended.
- B. "Association" shall mean and refer to the LeisureTowne Association, Inc., a New Jersey not for Profit Corporation, its successors and assigns.
- C. "Board" or "Board of Trustees" shall mean and refer to the Board of Trustees of the Association.
- D. "Common Expenses" shall mean and refer to those expenses (including reserves) which are incurred or assessed by the Association in fulfilling its lawful responsibilities herein sometimes referred to as "Assessment."
- E. "Common Property" shall mean those portions of the Property other than the residential building lots, together with all improvements thereto or facilities thereon, or any other real or personal property owned by the Association (or utilized exclusively by its members).
- F. "Consolidated Declaration" shall mean and refer to the Consolidated Declaration of Restrictive and Protective Covenants, as the same may, from time to time, be amended.
- G. "Unit" means a residential dwelling unit in LeisureTowne.

- H. "Lot" shall mean and refer to any individual residential building lot shown on any recorded building lot shown on any recorded final subdivision map for and located within any portion of the Property, together with any buildings or improvements thereon. Lot shall also mean "unit" as same is defined in these ByLaws.
- I. "Majority of Members" means more than 50% of the Members.
- J. "Member" shall mean and refer to all those Unit Owners who are members of the Association as provided in the Certificate of Incorporation and the Bylaws of the Association.
- K. "Member in Good Standing" shall mean that a Unit Owner is (1) not in default, breach or violation of the terms, conditions, restrictions or covenants in the Consolidated Declaration of Restrictive & Protective Covenants, these ByLaws or the Rules & Regulations as determined by the Board; or (2) is not more than 30 days late in the payment of any installment due for assessments made or levied against the Unit Owner by the Association pursuant to the Consolidated Declaration of Restrictive & Protective Covenants or these ByLaws, together with all interest, costs, attorney's fees, penalties, fines and other expenses chargeable to the Member or the Member's Lot.
- L. "Owner" shall mean and refer to the record owner (person(s) whose name or names are listed on the deed). If the record owner is legally married as recognized by New Jersey law and residing with a spouse in the subject property as their principal marital residence, then the spouse shall also be an "owner" and a "member" for the purpose of these ByLaws and all governing documents of the Association. Members in these circumstances shall be considered co-owners or joint owners for the purpose of these Bylaws and the governing documents.
- M. "Residents" shall mean all individuals for whom the unit is the primary residence as defined by New Jersey law including those individuals living in a unit as an Association approved tenant or pursuant to a life estate.
- N. "Property" shall mean and refer to those real property premises located in the Township of Southampton, County of Burlington, and State of New Jersey.

SECTION 4. Only "members in good standing as defined herein are entitled to use and enjoy the Association recreational and community facilities, activities and other Association resources." Residents, as defined above shall be permitted to enjoy the recreational and community facilities of the Association but shall not vote in the affairs of the Association except as the Member shall permit the resident to exercise the proxy vote of the Member. Use of the community and recreational facilities of the Association shall be limited to the members and residents of the units and 4 guests at any one time.

In the event that a Member shall mortgage his unit, the lien of the mortgage shall be deemed to attach to the Member's rights, privileges and obligations in the Association, including the right to vote in the affairs of the Association so that if the Member should be in default of any of the terms of the mortgage and such default shall result in a judgment of foreclosure and sale thereof, the Member's membership in

the Association shall automatically terminate and all of the rights, privileges and obligations of membership shall inure to the new owners of the unit.

Every lawful transfer of title to the Member's unit shall include membership in the Association and upon making such transfer, the previous owner's membership shall automatically terminate.

Except as provided above, membership in the Association may not be assigned or transferred and any attempted assignment or transfer thereof shall be void and of no effect.

ARTICLE II

PRINCIPAL OFFICE

SECTION 1. The principal office of the Association shall be located at 102 South Plymouth Court, Southampton, New Jersey or located at such other convenient and suitable place or places as shall be permitted by law and designated by the Board of Trustees.

ARTICLE III

MEETINGS OF MEMBERS VOTING

SECTION 1. All meetings of the Members of the Association and of the Board of Trustees shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law and from time to time fixed by the Trustees and designated in the notice of such meetings.

SECTION 2. Annual meetings of the Members of the Association shall be held on the fourth Monday of June of each year. No more than 15 days prior to the Annual Meeting, there shall be elected by written ballot of the majority of the eligible Members voting at that election the new Trustees to fill the vacancies of the Association in accordance with the provisions of Article V, Section 2 of these ByLaws. At each Annual Meeting the newly elected Trustees shall take office. The Members may also speak for the good of the association at the meeting. This section shall not create any right in the Membership to force a vote on any issues that they are not otherwise empowered to vote on by the Governing Documents.

SECTION 3. Within three months after the Board of Trustees annual organizational meeting there shall be a Nominating Committee of at least three (3) Members appointed by the President of the Board. This committee shall be a standing committee.

This committee shall seek candidates for the office of Trustee who are the best qualified and willing to serve the interests of the Association. All Members in Good Standing are eligible to run for the office of Trustee. A list of available candidates should be kept updated by this committee for use by the Trustees should they need to fill a Board vacancy between elections, and to recommend a slate for an annual election. This slate shall be presented to the Members of the Association at the last quarterly public Trustees meeting to be held in March of each fiscal year.

The Board president shall appoint a judge of elections and at least two (2) clerks to preside over an election. In the instance of a Trustee election the judge of elections may post the election results as soon as they are verified, but the official results will be presented to the President of the Board at the annual meeting. Any other special election results will be presented officially as directed by the President.

SECTION 4. The Secretary shall mail notices of annual meetings to each Member of the Association, directed to his/her last known post office address as shown on the records of the Association, by regular mail or bulk mail, which mailing may be in the form of a postcard. Such notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date of such meeting and shall state the date, time and place of the meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand to the Members or left at their residence in their absence.

SECTION 5. It shall be the duty of the President to call a special meeting of the Members of the Association whenever he is directed to do so by resolution of the Trustees or upon presentation to the Secretary of a petition signed by 20% of the Members entitled to vote at such meeting. This section shall not create any right in the Membership to force a vote on any issues that they are not otherwise empowered to vote on by the Governing Documents.

SECTION 6. The Secretary shall mail notice of such special meeting to each Member of the Association in the manner provided in Section 4 of this Article, except that the notices of such special meetings shall be mailed not less than ten (10) days or more than thirty (30) days before the date fixed for such meetings. In lieu of mail notice as herein provided, such notice may be delivered by hand to the Members or left at their residence in their absence. No business shall be transacted at any special meeting except as stated in the notice thereof.

SECTION 7. The Secretary shall make his/her best effort to ensure that a complete list of Members and their last known post office addresses is compiled and kept up to date at the principal office of the Association. Each member is responsible to provide the Association with any change in address. Failure to do so shall eliminate such Member's right to object to any action by the Board or Association on the basis of lack of notice. This list shall be open to inspection by all Members and other persons lawfully entitled to inspect the same at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minute book of the Association, containing the minutes of all annual and special meetings of the Association and all resolutions of the Trustees.

SECTION 8. In any matter which is before the membership for a vote, there shall only be one vote cast per unit, regardless of how many members reside in or own the Unit. If the unit is jointly owned, the Member/Owners shall have the right to split the vote for that unit.

SECTION 9. A Member shall be deemed to be in "good standing" and "entitled to vote" on any matter coming before the Association, if, and only if, he/she is in compliance with the requirements set forth in Article I, Section 3(K) hereinabove.

SECTION 10.

- A. Except as otherwise provided in these ByLaws the presence in person or by proxy of 250 Members of the Association shall constitute a quorum at any meeting of the Members

requiring a vote of the membership. Those members who vote by written ballot shall be counted toward the quorum. Once a quorum is established, the quorum will remain in effect despite the subsequent departure or absence of one or more persons from the meeting. If any meeting of the Members cannot be organized because a quorum has not been attained, the meeting will be declared null and void. No votes are to be taken that would supersede or be in conflict with Article V, Section 10, of the Amended By-laws, or other powers reserved to the Board by law or by the governing documents.

- B. Any vote conducted by written ballot except where otherwise provided in these ByLaws shall be determined by a majority of the Members voting, provided that a minimum of one-third of the Members of the Association cast a ballot. The number of Members constituting one-third of the membership shall be obtained from the Association records to be determined not more than 30 days prior to the date on which balloting is scheduled to take place. The election of Trustees shall be determined by the majority of those eligible Members voting at the election in person or by written ballot.

SECTION 11. Election votes may be cast either by mail, in person or by absentee ballot, which ballot must be in writing, and filed with the Secretary at least two days before the time appointed for each election in the notice thereof, assuming there are more candidates than open trustee positions. If there is same number of candidates as openings, the Secretary shall cast one ballot for the election.

SECTION 12. The Board of Trustees shall prepare an annual operating budget and an annual capital projects fund budget prior to the start of each fiscal year. The Board shall approve these budgets at a regular Board meeting held prior to the start of the new fiscal year. The Board of Trustees shall also determine what the monthly assessment should be in order to meet the anticipated obligations of the proposed annual operating budget and the annual capital projects fund budget. If the Board of Trustees does not approve a new budget prior to the start of the fiscal year, the monthly assessments will remain the same until such time as a new budget is approved by the Board.

Capital projects funding shall include the long-term planning for the replacement, major repair, or upgrading of all Association properties, equipment, buildings, swimming pools, tennis courts, motorized vehicles (including trucks and buses), and any other assets and properties owned by the Association.

Capital projects requiring major expenditures, as defined from time to time by Resolution of the Board, for the procurement of new assets, excluding the replacement or upgrading of the properties set forth above, will require the approval of the Members of the Association as outlined in Article III, Section 10B of these ByLaws.

SECTION 13. The order of business at the Annual meetings of the Members of the Association when a quorum has been obtained shall be as follows:

- A. Proof of Notice of Meeting or Waiver of Notice
- B. Reading of minutes of prior meeting (if a quorum was obtained), corrections, additions, and acceptance thereof, by a majority of members present at the meeting.
- C. Treasurers Report

- D. Reports of Trustees.
- E. Community Manager's Report
- F. Reports of Committees.
- G. Report of inspectors of election (Only if membership votes have been taken during the year).
- H. Introduction and installation of new Trustees.
- I. Old business.
- J. New business.
- K. Statements from the audience for the good of the Association.
- L. Motion to adjourn.

ARTICLE IV

OBLIGATIONS OF MEMBERS

SECTION 1. Each Member shall perform promptly and at his own risk, cost and expense, all maintenance and repair work with respect to each unit owned by him/her.

SECTION 2. Each Member is bound to contribute to the common expenses of administering and maintaining the Association and all of its real and personal property in such amounts as shall from time to time be fixed by the Trustees, and to any other expense that may be lawfully agreed upon. No Member may exempt him/her from contributing toward such expenses by waiver of the use or enjoyment of the community or recreational facilities of the Association or by abandonment of the unit owned by him/her. Each Member of each unit is jointly and severally responsible for all obligations created for owners under the governing documents of the Association and is liable for the payment of all expenses payable under the governing documents relating to the ownership of the unit including all dues, assessments and other costs properly chargeable to the unit owners.

SECTION 3. Payment by the Member of his share of the aforesaid expenses shall be made monthly on or before the first day of each month, in the amount as determined by the Board of Trustees. These payments may be made by check, electronic transfer, or such other methods as approved by the Association at such location designated by the Association.

SECTION 4. All such charges and expenses chargeable to a Member and his unit shall constitute a lien against the said unit in favor of the Association for the use and benefit of the Members of the Association prior to all other liens except (1) assessments, liens and charges for taxes past due and unpaid on the unit, and (2) payments due under mortgages, if any, duly recorded. The said lien may be foreclosed in the manner provided for the foreclosure and sale of real estate mortgages and in the event

of foreclosure, the Association shall, in addition to the amount due, be entitled to accelerate the balance of the common expense assessments due for the fiscal year, and recover actual expenses incurred for the action including costs and Attorney's fees. The right of the Association to foreclose the lien aforesaid shall be in addition to any other remedy which may be available to it at law for the collection of the monthly charges and expenses including the right to proceed personally against any delinquent Member for the recovery of a personal judgment against him.

SECTION 5. In the event a Member shall fail to pay any assessment levied against him/her and the unit owned by him/her within 10 days after the same shall become due and payable, the Association shall be entitled to initiate foreclosure proceedings with regard to the lien referred to in the preceding Section.

SECTION 6. Upon the sale, conveyance or other lawful transfer of title to a unit, all unpaid assessments against a Member for his share in the expenses of administration, maintenance and repair of the community and recreational facilities of the Association and other expenses agreed upon, including unpaid penalties, fines and damages imposed for violations of the Consolidated Declaration of Restrictive and Protective Covenants and/or the Rules and Regulations of the Association, shall first be paid out of the sales price or by the acquirer in preference over any other assessments or charges of whatever nature except the following:

(a) Assessments, liens and charges for taxes past due and unpaid on the unit, and

(b) Payments due under mortgages, if any, duly recorded prior to any lien filed by the Association.

SECTION 7. The acquirer(s) of a unit shall be jointly and severally liable with the seller for the amounts owing by the latter to the Association up to the time of the conveyance or transfer, without prejudice to the acquirer's right to recover from the seller the amount paid by him/her as such joint debtor. The Association shall provide for the issuance and issue to every acquirer, upon his request, a statement of such amounts due by the seller and the acquirer's liability under this section shall be limited to the amount as set forth in said statement.

SECTION 8. All units shall be utilized for residential purposes only. A Member shall not make exterior modifications or alterations to his/her unit or property (Lot) without the written consent of the Architectural Control Committee.

SECTION 9. In the event that an owner, or his heirs or assignees, shall contemplate to sell or otherwise transfer title to the unit, they shall first advise the Association, who will then inspect the grounds and exterior of the house for compliance with the ByLaws, Consolidated Declaration of Restrictive and Protective Covenants and Rules & Regulations. Violations (including those previously grand-fathered) must then be abated/cured at the owner's expense before the sale or transfer may proceed.

SECTION 10. Each Unit Member, their tenants, other Residents and guests shall comply strictly with these ByLaws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time and with the covenants, conditions and restrictions recorded in the Burlington County Clerk's Office. Failure to comply with any of the same shall be grounds for a civil action to recover sums due, for damages or injunctive relief, or both, maintainable by the Association on behalf of the Members or, in a proper case, by an aggrieved Member.

ARTICLE V

BOARD OF TRUSTEES

SECTION 1. The affairs of the LeisureTowne Association, Inc. shall be governed by a Board of Trustees, consisting of seven (7) persons, all of whom shall be resident Members.

SECTION 2. Each Trustee shall be elected to serve for a period of three years provided that each Trustee shall continue to hold office until his or her successor is elected. No more than three Trustees shall be elected at any annual election, except in the case of a vacancy. Trustees shall serve without compensation. Candidates receiving the highest number of votes cast shall be certified at the next meeting of the Board of Trustees as having been elected to the position of Trustee for which the election was held.

SECTION 3. If the office of any Trustee shall become vacant by reason of their death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Trustees, at a special meeting duly called for such purpose, shall choose a successor who shall hold office for the unexpired term in respect to which such vacancy occurred. A trustee who resigns or is removed for any reason cannot be elected or appointed until the original term has been completed by their replacement or the withdrawing Trustee has been off the board for one year, whichever is the longest, before they are eligible for reelection or appointment unless the board determines that the resignation was due to circumstances beyond the resigning Trustee's control.

SECTION 4. A Trustee may be removed with cause. A closed special meeting of the Board of Trustees shall be called for the sole purpose of conducting a hearing unless the Trustee(s) about whom the hearing shall be called, requests such hearing to be held in an open meeting. Subsequent to the hearing, a majority vote of the Board of Trustees shall prevail. Alternatively, a Trustee may be removed for cause at an open special meeting of the Members called in accordance with the provisions of Article III, Section 5 of these ByLaws. At such meeting, an affirmative vote of a majority of all Members eligible to vote in the Association, shall be sufficient to remove such Trustee(s), after such Trustee(s) have had an opportunity to be heard. Votes shall be by written ballot and may be cast either in person or by absentee ballot.

SECTION 5. The first or organizational meeting of each newly elected Board of Trustees shall be held immediately upon the adjournment of the meeting at which they were installed, and at the same place where the meeting of the Members was held, provided a quorum is present. If the quorum of the Board is not present, such first or organizational meeting shall be held as soon thereafter as may be practicable provided notice is given each Trustee as set forth in Section 6 of this Article.

SECTION 6. Regular meetings of the Board of Trustees may be held at such time and place permitted by law as from time to time may be determined by the Trustees, but at least four such meetings shall be held in each fiscal year. Notice of regular meetings of the Board shall be given to each Trustee personally or by United States mail, at least five days before the date appointed for such meeting. Such notice shall state the date, time and place of such meeting and the purpose thereof.

A. The Board may elect to conduct more than four annual meetings at its sole discretion.

- B. All meetings of the Board of Trustees (other than conference, executive or working sessions at which no binding votes are to be taken) and the Annual meeting of the Members shall be open to attendance by all Members in good standing. Members may be excluded from meetings or portions of meetings which deal with the following:
1. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.
 2. Any pending or anticipated litigations or contract negotiations.
 3. Any matter involving attorney-client privilege and requiring confidentiality.
 4. Any matter involving personnel matters.

Members in good standing may attend open Board meetings as observers but may not participate in the proceedings. They may, however, express their opinions during designated public-comment sessions during each meeting.

Adequate notice of the date of open meetings shall be provided by posting of notices in the Association Office and in other common-property halls and by publication in the newsletter. Minutes of the proceedings of each open meeting shall be available to all owners at the Association Office.

The contents of all discussions and all information disclosed at closed meetings of the Trustees are to be held strictly confidential by the Trustees.

SECTION 7. Special meetings of the Board of Trustees may be called by the President of the Association. If such meetings are closed pursuant to Section 6 B, above, three days' notice to each Trustee is required. Special meetings of the Board shall be called by the President or the Secretary in like manner upon the written request of any two Trustees. Unless meetings referred to in this Section are closed pursuant to Section 6 B, above, notice shall be given to all members in the same manner as required for the annual meeting.

SECTION 8. Attendance by a Trustee at any meeting of the Board shall constitute a waiver by him/her of such notice. If all Trustees are present at any meeting of the Board, the notice requirement *as to Trustees*, as stated in Section 6 above, are deemed waived and any business may be transacted at such meeting unless prohibited by law or these ByLaws.

SECTION 9. At all duly convened meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business except as otherwise expressly provided in these ByLaws or by law, and the acts of the majority of the Trustees present at such meeting at which a quorum is present, shall be the acts of the Board of Trustees. Once a quorum is established for a meeting of the Board of Trustees, the quorum will remain in effect despite the subsequent departure or absence of one or more of the Trustees thereafter. If at any meeting of the Board of Trustees there shall be less than a quorum present, the Trustee or Trustees present may adjourn the meeting from time to time, and at any such adjourned meeting at which a quorum is present, any business that might have

been transacted at the meeting as originally called, may be transacted without further notice to any Trustee.

SECTION 10. The Board of Trustees shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and may do or cause to be done all lawful acts and things as are not by law, by these ByLaws or otherwise, directed or required to be done or exercised by Members of the Association or owners of units or by others. In the performance of its duties as the administering body of the Association, the Board of Trustees shall have powers and duties including, but not limited to, the following:

- A. The operation, maintenance, renewal, replacement, care, upkeep, protection and surveillance of the community and recreational facilities and all other property, real or personal, of the Association.
- B. By majority vote of the Board, to adjust or increase the amount of any monthly assessment, and to levy and collect in addition thereto, special assessments in such amounts as the Board may deem proper, whenever the Board is of opinion it is necessary to do so in order to meet increased operating or maintenance costs, or additional capital expenses, or because of emergencies.
- C. To use and expend any sums collected from such assessments for the operation, maintenance, renewal, care, upkeep, surveillance and protection of the community and recreational facilities of the Association and all of its real and personal property.
- D. To furnish all Trustees and employees of the Association handling or responsible for funds of the Association or funds in its possession or under its control with adequate fidelity bonds, in form, penalties, and with corporate surety satisfactory to the Board of Trustees. The premiums on such bonds shall be paid by the Association as part of the common expenses.
- E. To pay all taxes and assessments levied or assessed against any property of the Association.
- F. To employ and dismiss such clerks, bookkeepers, workmen, custodians, gardeners, guards and other personnel, and to purchase or arrange for such services, machinery, equipment, tools, materials and supplies, as in the opinion of the Board of Trustees may from time to time be necessary for the proper operation and maintenance of the community and recreational facilities of the Association. The Board of Trustees may employ a community manager or management company to assist in the management of LeisureTowne. All LeisureTowne Association employees and contractors including the employees of the management company who have access to confidential information concerning the business of the Association and/or any of the Members or the Association shall be nonresidents of LeisureTowne. Employees who have no such access, such as gate guards and bus drivers, may be residents at the discretion of the Board.
- G. To collect delinquent monthly assessments and/or fines levied by the Association through the Board of Trustees against any units and the respective owners thereof, together with

such cost and expenses incurred in connection therewith, including but not limited to court costs and attorney's fees, whether by suit or otherwise, to abate nuisances and enforce observance of the rules and regulations of the Association by injunction or such other legal action or means as the Board of Trustees may deem necessary or appropriate.

- H. To employ or retain legal counsel, engineers and accountants, and to fix their compensation whenever such professional advice or services may be deemed necessary by the Board for any proper purposes of the Association, including but not limited to those hereinbefore or hereinafter referred to in these ByLaws.
- I. To cause such operating accounts, capital projects fund accounts, and escrow and other accounts, if any, to be established and opened as the Board of Trustees may deem appropriate from time to time and as may be consistent with good accounting practices.
- J. To cause a complete audit of the books and accounts of the Association to be made by an independent certified public accountant at the end of each fiscal year, and at such other time or times as may be deemed necessary.
- K. To make and enforce compliance with such reasonable rules and regulations relative to the Association facilities, and to amend the same from time to time as the Board shall deem necessary or appropriate, which rules and regulations shall be binding on the owners and occupants of units, their successors and assigns.
- L. The Association will not be obligated to enforce every technical violation of the terms, conditions, covenants, restrictions, rules or regulations contained in any of the governing documents if the Board of Trustees determines, in the reasonable exercise of its discretion, that it is imprudent, impractical or infeasible to enforce any particular Rule. However, the Board of Trustees will have an obligation to enforce the Rules if the failure to do so would have a material detrimental impact upon the value of any of the Lots or would materially affect the common welfare of the Owners. Nothing herein is intended to prevent any Owner from undertaking an appropriate action at law or in equity to enforce the Rules.
- M. 1. The Board of Trustees shall keep all buildings, fixtures, equipment and personal property owned by the Association insured for the benefit and protection of the Association in amounts equal to their maximum insurable values, excluding foundation and excavation costs, as determined annually by the insurance carrier or carriers, against the following hazards, casualties and contingencies:
 - (a) Loss or damage by fire and other casualties covered by a standard extended coverage endorsement.
 - (b) Such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other buildings, fixtures and equipment similar in construction, design, use and location to the buildings and other property hereinbefore mentioned. All such policies shall provide that in the event of loss or damage, the proceeds shall be payable to the Association.

2. The Board of Trustees shall also maintain public liability insurance insuring the Association and its Members against liability for any negligent act of commission or omission attributable to the Association or any of its Members and which occurs on or in any of the community or recreational facilities of the Association. The Board shall also maintain workers compensation, boiler, glass, burglary, theft and such other insurance as will protect the interests of the Association, its employees and Members. All insurance premiums shall be paid by the Association as common expenses.

3. The Board of Trustees shall also maintain, to the extent obtainable in the normal commercial marketplace, liability insurance indemnifying the Trustees, Officers and committee members of the Association against liability for errors and omissions occurring in connection with the performance of their duties in an amount of at least \$5,000,000 with any deductible amount to be in the sole discretion of the Board. Any change to this section must be accomplished via an amendment to the ByLaws in accordance with Article X hereinafter.

- N. To determine by a majority vote of the Board of Trustees to elect on behalf of the membership of the Association to return yearly excess assessments by (a) deferring the excess assessments to the next fiscal year's operating budget, or (b) contributing the excess assessments to the Association's capital projects fund or (c) returning excess assessments to the Members on a pro-rata basis.
- O. To establish a fining schedule and to impose and collect such fines, where, after due process has been invoked as defined in the Rules and Regulations of the Association, a resident who has been cited for violating one or more of the provisions of the Consolidated Declaration of Restrictive & Protective Covenants and/or Rules and Regulations of the Association has not taken positive action to correct or remove the violation(s) to the satisfaction of the Board or its agents.
- P. 1. Subject to the rights of holders of first security interests, the Association may collect from rent due from a tenant to a delinquent Owner an amount not more than the unpaid common expenses, late fees, interest, and costs of collection, including reasonable attorney's fees (collectively, "charges"). "Delinquent Owner" means an Owner who owes any monthly assessment fee or any other charges to the Association which are thirty (30) or more days past due.
2. Prior to taking any action permitted by this Article, the Association will give written notice by certified mail, return receipt requested to the Delinquent Owner at the Owner's last known address of the Association's intent to collect the rent. The notice will set forth the exact amount the Association claims is due and will indicate the intent of the Association to collect the past due charges from rent, along with any other amounts that become due in the future and that remain unpaid for 30 days after becoming due, including any monthly assessment fees lawfully accelerated pursuant to the Consolidated Declaration of Restrictive and Protective Covenants and ByLaws. A copy of the notice will also be sent to the holder of the Unit's first security interest of record. Any cost

incurred by the Association to ascertain the identity of the holder of the first security interest, including the cost of the preparation of a title search, will constitute additional charges due with respect to the Lot.

3. A Delinquent Owner will have 10 days from certified mail receipt of the notice required to be sent pursuant to paragraph P. 2, above to provide proof of payment or a statement of the grounds upon which the assessment is disputed. Upon the failure of the Delinquent Owner to respond within 10 days after receipt of the notice, or within 15 days of mailing if no receipt is obtained, and provided that no notice is received from the holder of the first security interest that it is exercising its right of assignment of rental proceeds, the Association will be entitled to notify and direct each tenant renting a Lot from the Delinquent Owner to pay all or a portion of the rent otherwise due from the Delinquent Owner to the Association. The amount to be applied from the rent will be limited to the lesser of: (1) the amount as stated in the notice to the Delinquent Owner or, (2) an amount adjusted to reflect any calculation errors sought to be corrected by the Owner, as stated in the response to the Association, if timely sent. No offset will be allowed for amounts which are unrelated to claims of calculation errors. The Association will have a continuing right to collect the rent from the tenant or tenants until the delinquent charges are paid in full.

4. Nothing in this Article will prevent an Owner, at their own expense, or the Association from seeking a judicial remedy in a court of competent jurisdiction.

5. This Article will not affect the right of a holder of a first security interest which is entitled to an assignment of rents and which has exercised its rights by written notice recorded in the Burlington County Clerk's Office and such holder of a first security interest may collect such rents in accordance with an assignment of rents under which it is an assignee.

ARTICLE VI

OFFICERS

SECTION 1. The officers of the Association shall be a President, Vice-President, Secretary, Treasurer and the Board may appoint an Assistant Secretary and an Assistant Treasurer.

SECTION 2. The Officers of the Association shall be elected annually by the Board of Trustees at the organization of each new Board and shall hold office until their successors are elected or appointed by the Board and qualify, provided that each officer shall hold office at the pleasure of the Board of Trustees and may be removed either with or without cause by the Board of Trustees. The successor shall be elected at any annual, special or regular meeting of the Board called for such purpose, upon the affirmative vote of a majority of the Members of the Board. The Board of Trustees, may, from time to time, appoint such other officers as in their judgment are necessary.

SECTION 3. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Trustees. The President shall have the general powers and duties usually vested in the office of president of an Association, including but not limited to, the power to appoint

committees from among Members and residents from time to time as he/she may deem appropriate to assist in the conduct of the affairs of the Association. However, Members of the Association must constitute a majority of any committee and the chairperson of each such committee shall be such a Member. The President shall execute such deeds, contracts and other instruments, in the name and on behalf of the Association and under its corporate seal when a seal is required, except when such documents are required or permitted by law to be otherwise executed and except when the signing and execution thereof shall be delegated by the Board of Trustees to another officer or agent of the Association.

SECTION 4. The Vice-President shall assist the President in performance of his/her duties, shall act as President in the latter's absence or incapacity, and shall perform the duties as may be required.

SECTION 5. The Secretary or a designee approved by the Board shall attend all meetings of the Board of Trustees and all meetings of the Members and ensure that all votes and the minutes of all meetings and proceedings, including resolutions are recorded in a minute book. The Secretary or his/her designee shall have charge, but not possession of the minute book and such records and papers as the Board shall direct and shall perform all duties incident to the office of Secretary, including overseeing the sending of notices of meetings to the Members, the Board of Trustees and committees and such other duties as may be prescribed by the ByLaws or by the Board of Trustees or the President. The Secretary shall also ensure the security of the corporate seal and when authorized by the Board, affix the same to any instrument requiring it and attest the same when appropriate.

SECTION 6. The Assistant Secretary, if one is appointed by the Board, shall assist the Secretary in the performance of his/her duties, shall act for and with the Secretary in the latter's absence or incapacity, and shall perform other duties as may be required.

SECTION 7. The Treasurer shall have the responsibility for overseeing the Association's funds and securities. The Treasurer shall ensure that full and accurate accounts of receipts and disbursements are kept in books belonging to the Association and that all monies, checks and other valuable effects are deposited in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Trustees. The Treasurer shall oversee the disbursement of the funds of the Association in such depositories as may from time to time be ordered by the Board or by the President, making proper vouchers for such disbursements. The Treasurer shall render to the President and Trustees, at the regular meetings of the Board or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Association.

SECTION 8. The Assistant Treasurer, if one is appointed by the Board, shall assist the Treasurer in the performance of their duties, and shall act for and with the Treasurer in the latter's absence or incapacity, and shall perform other duties as may be required.

SECTION 9. The officers and Trustees of the Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

ARTICLE VII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

SECTION 1. The Association shall indemnify every Trustee and officer, his heirs, executors and administrators, against all loss, costs and expenses, including counsel fees, reasonably incurred by him/her 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 except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, 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 in the performance of his duty as such Trustee or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Trustee or officer may be entitled. All liability, loss, damage, cost and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as common expenses provided, however, that nothing contained in this Article shall be deemed to obligate the Association to indemnify any Member or owner of a unit, who is or has been a Trustee or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him/her under and by virtue of his membership in the Association or as a Member or owner of a unit.

ARTICLE VIII

FISCAL YEAR

SECTION 1. The fiscal year of the Association shall begin on the first day of April in each year.

ARTICLE IX

CORPORATE SEAL

SECTION 1. The corporate seal of the Association shall consist of two concentric circles between the circumferences of which shall be inscribed the name "LeisureTowne Association, Inc." and within the circumference of the inner circle the words "incorporated, New Jersey" and the year of incorporation.

ARTICLE X

RESPONSIBILITY

SECTION 1. In accordance with N.J.S.A. 2A:62A-13, the Association will not be liable in any civil action brought by or on behalf of an Owner to respond in damages as a result of bodily injury to the Owner occurring on the Association's Common Property if the improvement on which the injury occurs is one for which the Association has exterior maintenance responsibility. This grant of immunity from liability will not be effective if the Association causes bodily injury to the Owner on the Common Property by its willful, wanton or grossly negligent act of commission or omission.

ARTICLE XI

AMENDMENTS TO BYLAWS

SECTION 1. These ByLaws may be amended by an affirmative vote on printed ballots. Any such vote shall be determined by a majority of the Members voting, provided that a minimum of one-third of the Members of the Association cast a ballot. The number of Members constituting one-third of the membership shall be obtained from the Association records to be determined not more than 30 days prior to the date on which balloting is scheduled to take place.

SECTION 2. The Board of Trustees may amend the ByLaws upon approval by majority vote of the fully constituted Board, solely when necessary to render these ByLaws in compliance with any applicable law as determined by the Association's counsel, but only to the extent necessary to render the ByLaws compliant. An amendment will be effective upon its recordation in the Burlington County Clerk's Office. Any amendment adopted under this provision will be distributed to the Owners within 30 days of receipt of the recorded amendment, provided, however that the failure to distribute will not render the amendment ineffective or void.

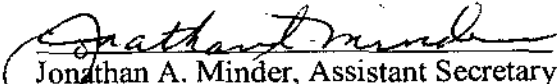
ARTICLE XIII

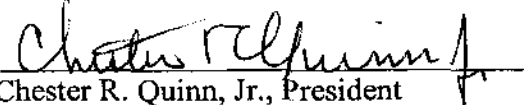
DISSOLUTION

SECTION 1. In the event it shall be deemed advisable for the benefit of the Members of the Association that the Association should be dissolved, the procedure concerning dissolution set forth in Chapter 12, Section 1 et. Seq. of Title 15A:12-1 of the revised statutes of the State of New Jersey, entitled "New Jersey Non-Profit Corporation Act" shall be followed.

ATTEST:

LEISURETOWNE ASSOCIATION, INC.

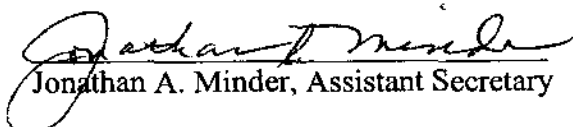

Jonathan A. Minder, Assistant Secretary

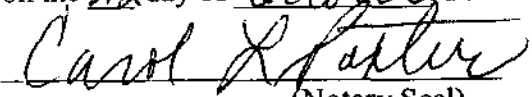
By: 
Chester R. Quinn, Jr., President

STATE OF NEW JERSEY)
) SS:
COUNTY OF BURLINGTON)

I CERTIFY that on October 22, 2012, Jonathan A. Minder personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Assistant Secretary of **LEISURETOWNE ASSOCIATION, INC.** (the "Association"), a corporation of the State of New Jersey, named in this document;
- (b) this person signed this document as attesting witness for the proper corporate officer who is Chester R. Quinn, Jr., the President of the Association;
- (c) this person knows the proper corporate seal of the Association and the proper corporate seal was affixed;
- (d) this document was signed and delivered by the Association as its voluntary act and deed by virtue of authority from its Board of Trustees (the "Board");
- (e) this person signed this acknowledgment to attest to the truth of these facts; and
- (f) This Resolution was duly introduced and was thereafter adopted at a regular scheduled meeting of the Board at which a quorum was present, by a majority vote of the members of the Board eligible to vote on this matter.


Jonathan A. Minder, Assistant Secretary

Signed and sworn to before me
on the 22 day of October, 2012

(Notary Seal)

