

**CLEARBROOK COMMUNITY  
ASSOCIATION**

**AMENDED BYLAWS**

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**BYLAWS**  
**OF**  
**CLEARBROOK COMMUNITY ASSOCIATION, INC.**

**Article I**

**Name, Principal Office, Definitions**

Section 1.1 Name. The name of the Association is the Clearbrook Community Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 1.2 Principal Office. The principal office of the Association shall be Clearbrook Clubhouse, Monroe Township, New Jersey 08831. The Association may have such other offices, either within or outside the State of New Jersey, as the Board of Directors may determine or as the affairs of the Association may require.

Section 1.3 Definitions. The words used in these Amended Bylaws shall be given their normal commonly understood definitions. Capitalized terms shall have the following meanings, unless the context indicates otherwise:

(a) **"Annual Assessment"** has the meaning set forth in Section 5.4 of these Amended Bylaws.

(b) **"Association"** means the Clearbrook Community Association, Inc.

(c) **"Board"** means the Board of Directors of the Clearbrook Community Association, Inc.

(d) **"Capital Improvement"** means the construction of a new improvement of a capital nature, but does not include the maintenance, repair, or replacement of any existing capital property. For purposes of determining whether any item of maintenance, repair, or replacement is of sufficiently different nature that the repair or replacement constitutes a Capital Improvement, the following rules shall apply: (i) where any upgrade or change in the method of construction or materials utilized in repairing or replacing existing capital property is required to comply with the then current building codes such upgrade or change will not constitute a Capital Improvement; and (ii) any upgrade or change not covered under sub-part (i) of this sentence will constitute a Capital Improvement if the cost of upgrading the materials or methods of construction would cost in excess of 10 percent more than the cost of replacing or repairing existing capital property with materials of a quality similar to that used in the construction of the existing capital property.

- (e) **“Capital Improvement Fund”** has the meaning set forth in Section 5.15 of these Amended Bylaws.
- (f) **“Clearbrook Community”** or **“Community”** means all lands described in all master deeds of all condominiums located in Clearbrook, the Common Property and all Members.
- (g) **“Closing Contribution”** shall have the meaning set forth in Section 5.17 of these Amended Bylaws.
- (h) **“Common Expenses”** shall have the meaning set forth in Section 5.3 of these Amended Bylaws.
- (i) **“Common Property”** means the real property owned by the Clearbrook Community Association.
- (j) **“Condominium Association”** means any one of the 18 condominium associations located within the Clearbrook Community. Reference to the plural (“Condominium Associations”) shall refer to all 18 of the condominium associations located within the Clearbrook Community.
- (k) **“Deferred Maintenance Reserve Fund”** has the meaning set forth in Section 5.15 of these Amended Bylaws.
- (l) **“Delinquent Owner”** has the meaning set forth in Section 5.19 of these Amended Bylaws.
- (m) **“Directed Proxy”** shall have the meaning set forth in Section 2.10 of these Amended Bylaws.
- (n) **“Directors”** mean those persons serving on the Board of Directors of the Association.
- (o) **“Election Agent”** has the meaning set forth in Section 3.4 of these Amended Bylaws.
- (p) **“Eligible Votes”** means votes that may be cast by the Voting Members.
- (q) **“Governing Documents”** means these Amended Bylaws, the Articles of Incorporation for the Association and any rules and regulations previously or hereafter adopted by the Board, as each of the same may be hereinafter lawfully amended.
- (r) **“Member”** means a Person who is an Owner and who has complied with all qualifications of membership as set forth in these Bylaws.
- (s) **“Operating Fund”** has the meaning set forth in Section 5.15 of these

Amended Bylaws.

(t) **“Owner”** means the Person or Persons appearing as record title owners of a condominium unit located within the Clearbrook Community, as set forth in the records of the Clerk of Middlesex County.

(u) **“Person”** means any natural person, corporation, partnership, limited liability company, limited liability partnership, trust, or any other entity recognized by the State of New Jersey and which is authorized to hold record title to real property.

(v) **“Special Assessment”** has the meaning set forth in Section 5.11 of these Amended Bylaws.

(w) **“Replacement Fund”** has the meaning set forth in Section 5.15 of these Amended Bylaws.

(x) **“Unit”** means a condominium unit located within a condominium that is part of the Clearbrook Community.

(y) **“Voting Member”** means a Member in good standing who is entitled to vote with respect to all matters coming before the membership.

## Article II

### Membership

Section 2.1 Membership. All Owners of a Unit as of the date of adoption of these Amended Bylaws shall be a Member of the Association. Membership in the Association shall terminate upon the conveyance of a Unit. The Purchaser of a Unit shall become a Member upon closing of title and payment of the closing contributions due in accordance with the terms of Section 5.17 of these Amended Bylaws. The failure to pay the Closing Contribution or the revocation of the rights of membership for failure to maintain status as a Member in good standing shall not excuse a Member from the payment of all assessments lawfully assessed against the Unit by the Association pursuant to the terms of these Amended Bylaws.

### Section 2.2 Good Standing; Suspension of Rights.

(a) If any Owner of a Unit is not in good standing, as defined in this section, no vote may be cast with respect to any Unit in which that Owner holds an ownership interest. Any Member is not in good standing if the Owner is (i) in default, breach or violation of the terms, conditions, restrictions or covenants contained in the Governing Documents as determined following the opportunity to have a hearing before the Grievance Committee, if any, or the Board, or (ii) more than 30 days late in the payment of any installment due for assessments made or levied against the Unit by the Association pursuant to these Amended Bylaws, together with all interest and/or costs, attorney's fees, penalties, fines and other expenses chargeable to the Member, or the Member's Unit.



(b) Any Member not in good standing seven days prior to a membership meeting, will not, in connection with any Unit in which such Member has a membership interest, be permitted to cast any vote in connection with any matter coming before the membership, nor be permitted to run for any elected office of the Association, nor will the Unit(s) owned by such an owner be counted towards the Eligible Votes nor will the Unit(s) owned be calculated as part of the total number of Units in the Clearbrook Community in calculating the required quorum. The Board shall also have the right to suspend the easement rights of a Member who is not in good standing, as described in Section 8.2 of these Amended Bylaws.

(c) An Owner's rights, as set forth in subsection (b) above, will be reinstated eight days following the restoration of the Owner's good standing, provided, however, that in connection with any adjournment of a meeting in connection with which the Owner was not in good standing, the Owner will not have a right to vote or be counted as an Eligible Vote in connection with such adjourned meeting.

Section 2.3 Place of Meetings. Meetings 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 either within the Community or as convenient as possible and practical.

Section 2.4 Annual Meetings. The Annual Meeting of the Association shall be set by the Board so as to occur during the third quarter of each calendar year on a date and at a time set by the Board. The agenda, as nearly as practically possible, shall be as follows:

- (A) Calling of the roll and certifying of proxies, if any;
- (B) Proof of Notice of Meeting;
- (C) Establishment of quorum;
- (D) Reading and approval of minutes of preceding annual meeting;
- (E) Reports of officers;
- (F) Election of directors;
- (G) Old business;
- (H) New business; and
- (I) Adjournment.

Section 2.5 Special Meetings. The President may call special meetings of the Membership. In addition, it shall be the duty of the President to call a special meeting of the membership if so directed by a resolution of the Board or upon a petition signed by Voting Members representing 15 percent of the votes in the Association. Signatures on any such petition may be filed by facsimile transmission or other electronic means provided the signature is legible or the name of the signatory is clearly printed thereon and the signatory clearly acknowledges the substantive content or purpose of the petition.

Section 2.6 Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of the Voting Members shall be delivered, either personally or by mail, to each Voting Member at such meeting at the address appearing on the official records of the

Association, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these Amended Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Section 2.7 Waiver of Notice. Waiver of notice of a meeting of the Voting Members shall be deemed the equivalent of proper notice. Any Voting Member may, in writing, waive notice of any meeting of the Voting Members, either before or after such meeting. Attendance at a meeting by a Voting Member shall be deemed waiver by such Voting Member of notice of the time, date, and place thereof, unless such Voting Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

Section 2.8 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Voting Members who are present at such meeting may adjourn the meeting to a time not less than 5 nor more than 90 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Voting Members in the manner prescribed for regular meetings.

The Voting Members present at a duly called or held meeting at which quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough Voting Members to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

Section 2.9 Voting. Members shall be entitled to one vote for each Unit to which the Member holds title. When more than one person holds title, the vote for each Unit shall be exercised as the co-owners among themselves determine, provided that the co-owners may not divide or fractionalize any individual vote. Members will be allowed to cast ballots anonymously by mail, provided that a procedure will be utilized to ensure that a ballot has been cast by a Member who is in good standing. A mailed ballot will constitute a proxy for purposes of determining a quorum in connection with a vote that is required to be conducted at a meeting of the Members.

Section 2.10 Proxies. Voting Members may vote by Directed Proxy or absentee ballot in the form provided by the Association. "Directed Proxy" means a proxy that sets forth the manner in which the Voting Member desires to cast his or her ballot. If the Voting Member does not set forth the manner in which he desires to cast his or her ballot, the proxy shall be used only to establish a quorum. Directed proxies and absentee ballots shall be counted in determining whether a quorum has been met for any meeting. Proxies shall be valid only for the specific

meeting for which given and lawful adjournments of such meetings, provided that the proxy shall not remain valid for more than 11 months from the originally scheduled date of the meeting for which it was given.

Section 2.11 Electronic Balloting. Any vote permitted under these Amended Bylaws may, at the election of the Board, be made electronically, provided that (i) the Association is able to verify that the vote is cast by a Voting Member having the right to do so; and (ii) the ballot may be cast anonymously or, where that is not reasonably practicable, the identity of a Member and the selection indicated on any ballot will only be known to the judges of the election, which judges may not be a member of the Board and who must subscribe to an oath not to divulge the identity of, or selection indicated by, any Member. If the anonymity of an electronic ballot cannot be guaranteed, electronic voting will be permitted, provided the Members are given the option of casting an anonymous paper ballot. A Member voting by electronic means will be deemed to be present at a meeting. A ballot cast electronically shall, for all purposes under these Amended Bylaws, be deemed an absentee ballot.

Section 2.12 Majority. As used in these Amended Bylaws the term "majority" shall mean those votes constituting more than 50 percent of those Members present in person, by proxy or by absentee ballot.

Section 2.13 Quorum. Except as otherwise provided in these Amended Bylaws the presence of 15 percent of the Voting Members in the Association shall constitute a quorum at all meetings of the Association.

Section 2.14 Conduct of Meetings. The President, or in the President's absence, the Vice President, or in the absence of the both of them, the Treasurer, shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 2.15 Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Voting Members, except the Annual Meeting, may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by Voting Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Voting Members entitled to vote thereon were present. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of New Jersey. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Voting Members at a meeting. All Members shall be provided notice of the request for consent in the same manner as set forth in Section 2.6 of these Amended Bylaws. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Voting Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

## Article III

### Board of Directors

Section 3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. The Board of Directors shall have the authority to delegate any of its duties to agents, employees, or others; provided, however, in the event of such delegation, the Board of Directors shall remain responsible for any action undertaken by such delegate.

Section 3.2. Number of Directors. The Board shall consist of nine Directors.

Section 3.3. Qualifications for Candidates. All Voting Members may vote for candidates for all Directorships. Directors may be elected to serve any number of consecutive terms. A person may be a candidate for the Board of Directors if: (a) he or she is, at the time of nomination, a Member in good standing, or in the event the candidate is an authorized representative of a partnership, limited liability company, limited liability partnership, corporation, trust or other permitted entity, the entity Member is a Member in good standing, or if permitted to stand for election as a resident under subparagraph (b) of this section, the Owner is a Member in good standing; (b) the person has been or will be, for not less than 365 days prior to the scheduled date of the Annual Meeting at which the person intends to stand for election, an Owner, the spouse of an Owner, or a resident of a Unit that is owned by the resident's child, children or living family trust, or is owned by the resident's spouse's child, children or living family trust; and (c) the person has not been absent from the Clearbrook Community for three consecutive months or more during the 12 months immediately preceding the scheduled date of the Annual Meeting, provided, however, that any absence relating to an illness requiring hospitalization or long-term rehabilitation shall not preclude candidacy.

Section 3.4. Nomination and Election Procedures.

(a) Nominations and Declarations of Candidacy. Prior to each election of Directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona fide interest in serving as a Director may file as a candidate for any position to be filled by the Voting Members. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of Directors in a fair, efficient and cost-effective manner.

Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(b) Election Procedures. All elections shall be by ballot cast at the Annual Meeting in person or by Directed Proxy, absentee ballot or electronic ballot. The Secretary shall cause notice of the elections to be mailed or delivered to each Owner at least 21 days prior to the Annual Meeting established by the Board for filing of ballots. Such notice shall be accompanied by a written ballot listing all candidates for each vacancy who have qualified in accordance with the procedures described in subparagraph (a) of this section, and all candidates for each vacancy

nominated by the Nominating Committee, if any. The notice shall specify the name and address to which the ballots should be returned and, where a Member will not attend the date by which they must be received in order to be counted, which date shall be the "election date."

Each Voting Member may cast the vote assigned to his Unit for each position to be filled from the slate of candidates on which the Voting Member is entitled to vote. There shall be no cumulative voting.

In any election where there are more candidates than vacancies open for election, the ballots shall be counted by either (i) a committee of impartial Owners having no relationship with any of the candidates; (ii) by a reputable, independent third-party organization organized to provide such services; or (iii) by the Association's accountant (the "Election Agent"). The Election Agent may commence the counting of the ballots that have been received by the Association at 5:00 PM on the date of the Annual Meeting, provided that each candidate who so desires may be present or have a representative present to observe the counting of the ballots. The Election Agent will also count all ballots cast in person at the election meeting. The Election Agent shall determine the validity of all ballots and proxies, and may consult with counsel to the Association in connection with determining the validity of any ballot or proxy. If the Election Agent disqualifies any proxy or ballot, it shall not be counted, but shall be maintained by the Election Agent for a period of a minimum of 60 days in the event the election is contested. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected.

Section 3.5. Election and Term of Office. Three Directors shall be elected at each Annual Meeting to serve for a term of three years. At least 21 days prior to the Annual Meeting, the Board shall notify each Member by mail addressed to his or her last known place of address of the names of individuals who are candidates for Directorships at the meeting. Service of the notice may also be accomplished by delivery of the notice to the Member at his or her dwelling unit of last known address. A résumé of each candidate shall accompany the notice, unless there are only three candidates each of whom is an incumbent director. If there is an unexpired term to be filled at the Annual Meeting, the notice shall also contain name and résumé of the individual(s) who is a candidate for the unexpired term. A director shall hold office until his successor has been elected.

Section 3.6. Removal of Directors.

(a) At any duly held regular or special meeting of the members, where a quorum of not less than 33 percent of the Voting Members are present in person, any one or more Directors may be removed with or without cause by a majority of the Voting Members present (no proxies), provided that (i) the notice of the meeting expressly includes the removal of one or more Directors, and (ii) the Director(s) whose removal is proposed will receive not less than 7 days prior notice of the intention to vote upon his removal, (iii) the Director(s) will be given an opportunity to be heard at the meeting, and (iv) the total votes cast in favor of removal constitute not less than 33 percent of all Voting Members. If the removal of one or more Directors is proposed to be placed on the annual meeting agenda, a petition containing 15 percent of the Voting Members must be submitted to an officer of the Association at least 30 days prior

to the annual meeting. If one or more Director's removal is to be considered at any special meeting of the Association, the procedure established in Section 2.5 will be followed. If a vote to remove a Director(s) is approved, the vacancy will be filled as provided in Section 3.7.

(b) Any Director who ceases to be an Owner or a spouse of an Owner, or who is determined not to be a member in good standing for a period of more than 30 days after being notified that he is not a member in good standing, will automatically be removed as a Director.

(c) Any Director missing more than three regular meetings of the Board in a 12-month period without approval of the Board, may be removed by the remaining Directors, in which case the vacancy will be filled pursuant to Section 3.7 below. However, any Director whose removal has been proposed by the Board shall be given an opportunity to be heard at a Board meeting prior to the vote for removal.

In the event that all of the Directors are removed, successors shall be elected by the members in the manner set forth in Section 3.7 of these Amended Bylaws to fill the vacancies thus created. Each person so elected shall be a Director for the remainder of the term of the Director whose term he is filling and until his successor is duly elected and qualified.

Section 3.7 Vacancies. Vacancies in the Board caused by any reason other than the removal of all Directors by a vote of the Members shall be filled by a vote of the majority of the remaining Directors, at any regular meeting of the Board or at any special meeting of the Board called for that purpose, promptly after the occurrence of any such vacancy. Any person so appointed shall be a Director until the next annual meeting when the Directorship shall be open for election to fill the unexpired term. At any election at which the Members are electing a candidate to fill an unexpired term, the elected candidate receiving the fewest votes will fill the unexpired term. If all of the Directors are removed pursuant to the terms of Section 3.6 above, an election shall be scheduled within 45 days, which election shall be otherwise be in accordance with the terms of this Article III, to fill the unexpired portion of the terms of the removed Directors, with the three candidates receiving the greatest number of votes serving a three-year term, the three candidates receiving the next highest number of votes serving a two-year term and the successful candidates receiving the least number of votes serving a one-year term.

Section 3.8. Organization Meetings. The first meeting of the Board following each Annual Meeting of the Membership shall be held within 10 days thereafter at such time and place the Board shall fix.

Section 3.9. Regular Meetings. Regular meetings of the Board may be held at such time and place a majority of the Directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one per quarter.

Section 3.10. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or by any three Directors.

Section 3.11. Meetings Open to Owners; Notice. All meetings of the Board, except conference or working sessions at which no binding votes are taken, will be open to attendance

by all Members, except that the Board may, at its discretion, exclude or restrict attendance at those meetings, or portions of meetings, dealing with:

(a) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy, including, without limitation, records, data, reports or information relating to an individual's personal or family circumstances, unless the individual concerned or the individual's representative consents, in writing, to public disclosure;

(b) Any pending or anticipated litigation or contract negotiations;

(c) Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise the ethical duties of a lawyer; or

(d) Any matter involving the employment, promotion, discipline or dismissal of any employee or officer of the Association.

Written notice of the date, time, place and the agenda, to the extent known, of all open meetings of the Board of Directors shall be given by the Board to all Members at least seven days prior to a regular meeting and 3 days prior to a special meeting. Notice shall also (a) be posted in at least one place on the Community property that is accessible at all times to all Members, (b) be filed with the community manager, and (c) be published in one or more newspapers of general circulation if required by law. Moreover, the Board shall also, within 30 days following the annual meeting of the Association, post in at least one place on the Community property, and file with the community manager a schedule of the regular Board meetings to be held in the succeeding year, and make appropriate revisions thereto, as required. The date, time and location of each meeting shall be contained in the notice.

The foregoing notice will not be required in the event of an emergency, provided that only emergent matters may be voted upon at such meeting.

Section 3.12. Notices; Waiver of Notice.

(a) Notices of meetings of the Board shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The notice shall be given to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) telephone facsimile, computer, fiber optics or other electronic communication device, with confirmation of transmission.

All such notices shall be given at the director's telephone number, fax number, electronic mail number, or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

Section 3.13. Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

Section 3.14. Quorum of Board of Directors. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Amended Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 3.15. Remuneration of Directors. No Director shall receive any compensation from the Association for acting as such. Any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors. Nothing herein shall prohibit the Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Association in a capacity other than as a Director pursuant to a contract or agreement with the Association, provided that (a) such Director's interest was made known to the Board at a meeting of the Board open to the Members prior to the Board's consideration of the contract or agreement; (b) the Director with an interest in the matter refrains from any participation in the deliberations of the Board with respect to the awarding of a contract, other than to respond to questions asked by the Board; (c) such contract or agreement was approved by a majority of the Board of Directors, excluding the interested Director; and (d) the contract is fair and reasonable to the Association. If any of the foregoing conditions are not complied with, the contract or agreement may not be awarded to a Director or an entity in which a Director has an interest.

Section 3.16. Conduct of Meetings. The President, or in his absence, the Vice President, or in the absence of the both of them, the Treasurer, shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. Minutes will be made available to the Members within seven days following their approval by the Board, upon the request of a Member. Minutes of closed meetings will be maintained separately, and will not be available to Members, until the need for confidentiality no longer applies. Thereafter such minutes will be available on the same basis as other minutes of the Board.

Section 3.17. Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in these Amended



Bylaws, the Articles and as provided by law. The Board's powers shall be construed broadly to include all powers necessary or convenient to permit it to carry out all of its purposes and shall include all powers reserved to non-profit corporations pursuant to the Non-Profit Corporations Act (N.J.S.A. 15A:1-1, et seq.), including all amendments thereto or any successor legislation.

Section 3.18. Duties. The duties of the Board shall include, without limitation:

- (a) preparation and adoption of annual budgets and establishing each Member's share of the Common Expenses;
- (b) providing for the operation, care, upkeep, and maintenance of the Common Property;
- (c) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (d) depositing all funds received on behalf of the Association in a bank depository or cash management account maintained by a reputable brokerage firm, which it shall approve, and using such funds to operate the Association; provided, any reserve fund may be deposited, in the director's best business judgment, in depositories other than banks;
- (e) making and amending rules and regulations;
- (f) opening of bank and/or cash management accounts on behalf of the Association and designating the signatories required;
- (g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Property, subject to the terms of Section 5.10 of these Amended Bylaws;
- (h) enforcing by legal means the provisions of these Amended Bylaws, and the rules adopted by it and bringing any proceedings which may be instituted on behalf of or against the members concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board in the exercise of its business judgment determines is imprudent, impractical or infeasible, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;
- (i) paying the cost of all services rendered to the Association or its Members or not chargeable directly to specific Members;
- (j) keeping books with detailed accounts of the receipts and expenditures of the Association;

(k) as more specifically set forth in Section 11.3 of these Amended Bylaws, making available to any prospective purchaser of a Unit, any Member, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Articles of Incorporation, these Amended Bylaws, rules and all other books, records, and financial statements of the Association, except those books or other records that pertain to (i) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; (ii) any pending or anticipated litigation or contract negotiation; (iii) any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise ethical duties as a lawyer, or (iv) any matter involving the employment, promotion, discipline or dismissal of a specific officer or employee of the Association;

(l) permitting utility suppliers to use portions of the Common Property as may be determined necessary, in the sole discretion of the Board, to the ongoing development or operation of the Community.

(m) cooperating with the Presidents Council in carrying out its purposes and responsibilities as set forth in Article VII of these Amended Bylaws;

(n) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is permitted by New Jersey law and the Articles of Incorporation;

(o) assisting in the resolution of disputes between owners and the Association as set forth in Article X of these Amended Bylaws;

(p) to maintain the common elements of the individual condominium associations as set forth in the resolution annexed to these Amended Bylaws as Schedule "A," subject to such modification as may be adopted by resolution of the Board of Directors;

(q) accept, by adoption of a resolution of the Board, such delegations of responsibility from the individual Condominium Associations as the Board may, in the reasonable exercise of its business judgment, agree to accept, subject to such terms and conditions as may be set forth in the resolution of the Board accepting such delegation; and

(r) where the Board has accepted, by delegation, the responsibility for maintaining insurance coverages on behalf of one or more of the Condominium Associations, to place and keep all insurance coverages required under the master deeds and/or Bylaws or the Condominium Associations for which the Board has accepted delegation.

Section 3.19. Management. The Board of Directors may employ for the Association a professional manager or managers at such compensation as the Board may establish, to perform such duties and services of the Board shall authorize. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not designate policymaking authority or those duties set forth in subparagraphs (e), (h), (l) and (m) of Section 3.18.

The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

Section 3.20. Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent, manager, or any employee, from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts having more than a nominal value, or otherwise; anything of value received shall benefit the Association;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;
- (f) financial reports be prepared for the Association at least quarterly containing:
  - i. an income statement reflecting all income and expense activity for the preceding period on an accrual basis;
  - ii. if requested by the Board, a listing reflecting all cash receipts and/or disbursements for the preceding period;
  - iii. a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format; and
  - iv. a balance sheet as of the last day of the preceding period;
- (g) an audited financial statement prepared by an independent public accountant consisting of at least the following shall, if practically feasible, be made available to all Members within 120 days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year.

Section 3.21. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Voting Member approval in the same manner provided in Section 5.11 of these Amended Bylaws for Special Assessments, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total debt service (principal and interest) for such borrowing, together with the debt service for all other debt outstanding, exceeds or would exceed 10 percent of the gross budget of the Association for the fiscal year. The utilization of money in the Capital Improvement Fund shall not be considered a "borrowing" hereunder.

Section 3.22. Enforcement. In addition to such other rights as are specifically granted under these Amended Bylaws, and subject to compliance with the terms of paragraphs (a) through (c) of this Section 3.22, the Board shall have the right to impose monetary fines in an amount not to exceed \$50.00 for each violation of the Governing Documents, which shall constitute a lien upon the Unit of the violator, and to suspend a Member's right to vote or any person's right to use the Common Property for violation of any duty imposed under these Amended Bylaws, or any rules and regulations duly adopted by thereunder; provided, however, nothing herein shall authorize the Board to prevent ingress or egress by an Owner or the Owner's spouse to or from a Unit and any sanction imposed shall continue only so long as such violation continues. Each day that a violation continues shall be deemed a separate violation, provided, however, that the total fine for any continuing violation may not exceed \$500.00. In addition, the Board may suspend any services provided by the Association to an Owner for the Owner's Unit if the Owner is more than 30 days delinquent in paying any assessment or other charges owed to the Association. In the event that any occupant, guest or invitee of a Unit violates these Amended Bylaws, or a rule and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of these Amended Bylaws, or any rule shall not be deemed a waiver of the right of the board to do so thereafter. No lien shall be filed in connection with the imposition of a fine until the Owner has been provided with notice of the right to participate in alternative dispute resolution pursuant to Article X of these Amended Bylaws.

(a) Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board or the Grievance Committee, if any, appointed pursuant to Section 6.2; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 10 days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided the Board or the Grievance Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) Hearing. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Grievance Committee, or if none has been appointed, then before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity

to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal. Following a hearing before the Grievance Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within 10 days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary set forth in this Article, the Board may elect to enforce any provision of these Amended Bylaws, or the rules of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or, by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

Section 3.23 Aesthetic Issues. Without limiting any other term contained in these Bylaws, the Board shall have complete authority to exercise in such manner as it, in its sole discretion may determine, decisions with respect to all aesthetic matters within the community and the property within each constituent condominium within Clearbrook. This authority shall include, without limitation, aesthetic control over the appearance of landscaping, buildings, building modifications and new improvements.

## Article IV

### Officers

Section 4.1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Officers, other than assistant officers, must be members of the Board. Any two or more offices may be held by the same person, except the offices of President and Vice President.

Section 4.2. Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the Voting Members.

Section 4.3. Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of

the term.

Section 4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have the primary responsibility for the preparation of the budget as provided for in these Amended Bylaws and may delegate all or part of the preparation and notification to a finance committee, management agent, or both.

Section 4.5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

Section 4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of Directors under Section 3.15.

## Article V

### Fiscal Management

Section 5.1 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.

Section 5.2 Budget; Notice of Budget. The budget for each fiscal year shall be approved by the Board of Directors no later than 30 days before the beginning of the fiscal year, to permit each Owner to be advised of the Annual Assessment allocable to each Unit in a timely manner. A copy of the budget shall be provided to the President's Council prior to the budget being made available to the Owners as set forth below, and the President's Council shall provide comments, if any, concerning the budget, provided, however, that nothing herein is intended to provide the President's Council with any right of consent to or approval of the budget. A copy of any proposed budget shall be available at a Board meeting at least one month prior to the meeting at which the Board is scheduled to vote on the budget, and the Owners shall be given the opportunity to comment on the budget or its component parts. If any budget is amended after the opportunity for Owner comment, the budget need not be presented to the Owners for additional comment before the Board votes on the budget. Members shall be allowed a comment period of not less than 45 minutes, and reasonable limitations may be placed upon the comment time given each Owner seeking to comment, to allow sufficient time for all Owners seeking to comment. The notice setting forth the amount of the Annual Assessment shall include a copy of the budget, directed to the Owner in the same manner as provided in Section 2.6 of these Amended Bylaws. The notice shall be conclusively presumed to have been delivered four days after deposit in

United States mails, postage pre-paid. The failure to provide the budget to the President's Council prior to its availability to the Owners shall have no effect on the validity of a budget otherwise adopted in conformity with the requirements of this Section.

Section 5.3 Common Expenses. The Board shall have the duty to collect from each Owner, his, her, or their heirs, administrators, successors and assigns, as "Common Expenses," the proportionate part of the Annual and Special Assessments assessed against such Owner as provided in these Amended Bylaws, the Articles of Incorporation, and in accordance with applicable law.

Section 5.4 Allocation of Common Expenses. The Association shall assess an equal share of Common Expenses to each Unit within the Community, provided that, nothing herein shall prevent the Association from assessing either a Condominium Association or the individual Owners within such association for any delegated services which, pursuant to the resolution accepting delegation, the Board conditioned its acceptance upon the condominium association or members thereof to be responsible for the costs related to such delegated responsibility. The equal share of the common expenses described herein, in addition to the amount assessed to an Owner within an association for any delegated responsibility shall be the "Annual Assessment" allocable to such Unit. If the Association undertakes the collection of delinquent assessments, including those of the Condominium Association in which the delinquent Unit Owner is located, it shall not prorate the legal expenses, but shall be reimbursed for such legal expenses upon collecting them from the delinquent Unit Owner.

Section 5.5 Personal Obligation; Creation of Lien. Each Owner, by accepting a deed for a Unit, is deemed to covenant and agree to pay all assessments authorized by these Amended Bylaws. All assessments, together with interest from the due date of such assessment at a rate determined by the Board (but not less than 10 percent per annum, subject to the limitation of New Jersey law), late charges in such amount as is established by resolution of the Board, and reasonable attorneys' fees, shall be a charge and continuing lien upon each Unit against which the assessment is made until paid, as more particularly provided in Section 5.6. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose. Upon the transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no Person who obtains title to a Unit following foreclosure of a first priority mortgage given in good faith and for value shall be liable for unpaid assessments which accrued prior to such foreclosure, other than as all other unit owners are liable for such unpaid assessments.

No Owner may exempt himself from liability for assessments by nonuse of Common Property, abandonment of his Unit, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessment or setoff shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements or for any other action it takes.

Section 5.6 Lien for Assessments. All assessments authorized in these Amended

Bylaws, together with all expenses incurred by the Association on behalf of a Condominium Association pursuant to a valid delegation of responsibility under Section 3.18(q) of these Amended Bylaws, shall constitute a lien against the Unit against which they are levied until paid. The lien shall also secure payment of interest, late charges, and costs of collection (including attorneys' fees and costs). Such lien shall be superior to all other liens, except (a) the liens of all taxes and other levies which by law would be superior, and (b) the lien or charge of any first priority mortgage of record made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure in the same manner as mortgages on real property are foreclosed under New Jersey law.

The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien or any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of a first priority mortgage given in good faith and for value shall extinguish the lien as to any installments of such assessments due prior to such sale or transfer. A mortgagee or other purchaser of a Unit who obtains title following foreclosure of such a mortgage shall not be personally liable for assessments on such Unit due prior to acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment including such acquirer, its successors and assigns.

Section 5.7 Determination of Annual Assessments. The amount of monies for the Annual Assessments deemed necessary by the Board and the manner of expenditure thereof, including but not limited to, the allocation thereof, will be a matter for the sole discretion of the Board. 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 monthly installments on such assessment shall be due upon each installment payment date until changed by the Board by an amended assessment.

Section 5.8 Assessment Period. The annual assessment period shall be consistent with the Association's fiscal year.

Section 5.9 Amendment of Budget and Assessments. In the event that the annual Common Expense assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, provided that nothing in these Amended Bylaws shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency that cannot be met by reserve funds earmarked for the matter requiring maintenance.

Section 5.10 Construction of New Capital Improvements. The Board of Directors shall not undertake an expenditure to construct a new Capital Improvement or purchase real or personal property, where the cost in either event would exceed \$175,000.00, unless a majority of the Voting Members present in person or by proxy at a meeting at which a quorum of 50 percent of the Voting Members is present in person or by proxy, approves such expenditure. The notice of the meeting at which such a vote is to be conducted shall set forth the amount of the expenditure, the purpose of the expenditure and any other details concerning the expenditure that the Board determines to provide. Nothing herein shall serve to prohibit a majority of those voting at such meeting from approving an expenditure that is less than the amount set forth in the



meeting notice.

Section 5.11 Special Assessments. The Board shall not impose a Capital Improvement assessment for the purpose of acquiring real or personal property or constructing a new Capital Improvement in an amount more than \$175,000.00 unless a majority of the Voting Members present in person or by proxy at a meeting at which a quorum of 50 percent of the Voting Members is present in person or by proxy, approves such assessment. The notice of the meeting at which such a vote is to be conducted shall set forth the amount of the assessment, the purpose of the assessment and any other details concerning the assessment that the Board determines to provide. Nothing herein shall serve to prohibit a majority of those voting at such meeting to approve an assessment that is less than the amount set forth in the meeting notice. Nothing herein shall prohibit the vote required in this Section from being combined in a single ballot with the vote required pursuant to Section 5.10.

Section 5.12 Assessment Collection. Annual assessments of Common Expenses shall be payable by Owners upon the commencement of the fiscal year, with the privilege of paying in monthly installments, due on the first day of each month, provided that all payments are made on a current basis.

Section 5.13 Disbursements. The Board will collect 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 Articles of Incorporation, and applicable law.

Section 5.14 Depositories. The depository of the Association will be a bank or banks, or other financial institutions providing a reasonably secure depository for the funds of the Association as will be designated from time to time by the Board and in which the monies of the Association will be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such parties as are authorized by the Board, provided that a management agreement may include among its provisions authority for 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.

Section 5.15 Accounts. The receipts and expenditures of the Association shall be common expense assessments and common expenses. Common expense funds of the Association shall be budgeted and maintained in three separate mandatory accounts and one discretionary account. The mandatory accounts of the Association shall be: Operating Fund; Replacement Fund; and Capital Improvement Fund.

(a) The Operating Fund shall be utilized for, without limitation, expenditures for the year in which the budget is adopted and will include general common element maintenance (e.g. landscaping, irrigation, snow clearing, etc.), utility charges, annual insurance premiums, professional fees, and the like, and including reasonable allowances for contingencies and working funds. The Operating Fund will not include expenditures chargeable to Replacement Fund or the Capital Improvement Fund. At the end of each fiscal year, the unexpended amount remaining in the Operating Fund shall be applied to reduce the assessments for current expenses for the succeeding year, or may be distributed to the membership, as the

Board may determine by resolution, or as otherwise may be required to be determined in accordance with the regulations promulgated by the Internal Revenue Service.

(b) The Replacement Fund may include money accumulated over more than one fiscal year and will be used for repairs to, or replacement of capital assets of the Association. The capital assets are those that the Association is obligated to maintain or repair, and those that the Association is required to replace as a result of damage, depreciation or obsolescence (e.g. roofs, sidewalks, and the like).

(c) The Capital Improvement Fund may include money accumulated over more than one fiscal year, and will be used for the construction of new improvements of a capital nature or purchase real or personal property, provided that expenditures in excess of \$175,000.00 in total will require approval of the membership as provided in Section 5.10 of these Amended Bylaws. The amounts to be deposited in the Capital Improvement Fund shall include Closing Contributions collected pursuant to Section 5.17 of these Amended Bylaws, and such other funds received from the common expense assessments or other sources of Association revenue as the Board may decide. Repair and/or maintenance, or replacement of the buildings, Common Elements, recreation facilities and all other property, real or personal, of the Association shall not be subject to provisions of this paragraph.

(d) The Association may, but shall not be obligated to, maintain a Deferred Maintenance Reserve Fund that may include money accumulated over more than one fiscal year, and will be used for preservation efforts and maintenance which would occur less frequently than annually (e.g. seal coating pavement on streets, parking areas and driveways; restriping; exterior painting, staining, and caulking; interior painting in hallways; waterproofing all exterior wood surfaces). The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, in a checking or petty cash account, for the necessary discharge of its functions.

(e) The four funds shall be maintained separately on the books of the Association, and shall be prudently invested. The amounts assessed and collected for the reserves shall be invested in one or more interest-bearing savings accounts, certificates of deposit, treasury bills, or other instruments where the principal is guaranteed by the full faith and credit of the United States or one of its individual states. Any funds so invested shall not be utilized for any purpose other than that which was contemplated at the time of the assessment. The Board may expend monies out of the Deferred Maintenance Reserve Fund only for deferred maintenance expenses; may expend monies out of the Replacement Fund only for repair, replacement and maintenance expenses related to capital items; and may expend monies out of the Capital Improvement Fund only for construction of new capital improvements, provided, however, that in the case of an emergency, or other urgent circumstance, the Board, acting in accordance with its fiduciary responsibilities, may use the monies in the Deferred Maintenance Reserve Fund, Replacement Fund or Capital Improvement Fund to meet unexpected operating expenses.

(f) The amount to be set aside for the Replacement Fund and Deferred Maintenance Reserve Fund will be determined by periodic reserve analysis to be conducted

every three to five years, but in no event more than seven years, which shall identify items for which reserve funds are to be accumulated, their useful lives and anticipated replacement or repair costs. Expenditures from the reserve accounts for a particular item will not be limited to the amount allocated to that item.

Section 5.16 Deficits in the Operating Fund. Any deficit in the Operating Fund at the end of an assessment period shall be recovered through appropriate adjustments to the annual budget over not more than three years. Nothing herein is intended to prohibit the Board from recovering the deficit in a shorter period of time including, without limitation, adopting a special assessment payable over the remaining months of the annual assessment period following the fiscal year during which the deficit was created.

Section 5.17 Closing Contributions. Each purchaser of a Unit shall, upon acquisition of title to a Unit, pay a non-refundable fee for membership in the Association in the amount of \$1,000.00 ("Closing Contribution"). The proceeds of the Closing Contribution will be used for the construction of new capital improvements. If the Board reasonably determines that there are no unfunded capital improvement projects anticipated to be constructed by the Association, the Board may direct that the proceeds of the Closing Contributions be deposited in the Association's Replacement Fund.

Payment of the Closing Contribution shall be a condition precedent to membership in the Association. Any unpaid Closing Contribution shall be a lien on the Unit in the same manner as the Common Expense assessment. The Board may reduce the amount of, or may eliminate the requirement for, a Closing Contribution if the Board reasonably determines that the imposition of a Closing Contribution may have a negative impact upon the sale of Units within Clearbrook. If the Board reduces or eliminates the requirements for a Closing Contribution, it may reinstate it at any time hereafter, if the Board determines that such charges will not negatively impact the sale of Units within Clearbrook. In no event will the Association be obligated to rebate Closing Contributions previously paid because the Board, on one or more occasions, has eliminated the requirement that Closing Contributions be paid.

Section 5.18 Fidelity Bonds. The Treasurer, and all other officers who are authorized to sign checks, and all persons handling or responsible for Association funds, shall be bonded in such amounts as may be required by law or otherwise determined by the Board. The premiums on such bonds shall be paid by the Association.

Section 5.19 Delinquent Owner.

(a) "A Delinquent Owner" means an Owner who owes any annual or special assessment, fines, or any other charges to the Association that are 30 or more days past due.

(b) Late fees may be levied on a Unit when an assessment is not received within 15 days of the due date; the Owner shall be so notified and billed by the Association. The late fee shall be in an amount to be determined by the Board by resolution and will be applied to each installment that is not paid by its due date. If an installment remains late for more than one month, the Board may accelerate all remaining installments for the assessment period for the

Unit; the Owner(s) shall be notified by certified mail return receipt requested upon acceleration. All installments of the annual assessment that are more than 30 days late shall bear interest until the installment is paid, at such rate as may be established by resolution of the Board (but not less than 10 percent per annum, subject to the requirements of New Jersey law). If any installment of the annual assessment is more than 60 days past due, the Board may cause the recording of a notice of lien with the Middlesex County Clerk's Office. If any installment is not received within 90 days after the date it was due, the Board may foreclose the lien in the manner prescribed for the foreclosure of mortgages, or commence an action against the Owner(s) seeking payment of all outstanding amounts. All costs and legal fees incurred by the Association to recover any past due installment shall be paid by the Delinquent Owner and will be assessed against the Unit and may be collected in the same manner as the collection of the annual assessment.

Section 5.20 Assignment of Rent.

(a) Subject to the rights of holders of first security interests, the Association may collect from the rent due from a tenant to a Delinquent Owner, as defined in Section 5.19, an amount not more than the unpaid assessments, late fees, interest, and costs of collection, including reasonable attorneys' fees (collectively, "charges").

(b) Prior to taking any action permitted by this Section, 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 Annual Assessment fees lawfully accelerated pursuant to these Amended Bylaws. A copy of the notice will also be sent to the Unit's first mortgagee. Any cost incurred by the Association to ascertain the identity of the first mortgagee, including the cost of the preparation of a title search, will constitute additional charges with respect to the Unit.

(c) A Delinquent Owner will have 10 days from receipt of the notice required to be sent pursuant to paragraph (b) 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 first mortgagee that it is exercising its right of assignment of rental proceeds, the Association will be entitled to notify and direct each tenant renting a Unit 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: (i) the amount as stated in the notice to the Delinquent Owner or, (ii) 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 that 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.

(d) Nothing in this section will prevent a Unit Owner or the Association from

seeking a judicial remedy in a court of competent jurisdiction.

(e) This section will not affect the right of a first mortgagee that is entitled to an assignment of rents and which has exercised its rights by written notice recorded in the Middlesex County Clerk's Office and such first mortgagee may collect such rents in accordance with an assignment of rents under which it is an assignee.

Section 5.21 Termination of Membership. No obligation or liability of an Owner that accrued during ownership of a Unit shall expire, terminate or be waived upon termination of membership, nor shall termination of membership impair any rights or remedies that the Association may have against any former owner.

Section 5.22 Golf Course Fund. In addition to the funds described in Section 5.15 the Association may maintain a separate Golf Course Fund. The receipts and expenditures received in and paid out of the Golf Course Fund shall not be Common Expense Assessments or Common Expenses. The receipts shall include dues received from members and associate members. Expenses shall include all expenses related to the operation of the golf course. The income and expenses related to the Golf Course Fund shall not be commingled with any other Association funds.

## Article VI

### Committees

Section 6.1 General. The Board may appoint such committees and clubs as it deems appropriate to perform such tasks and functions as the Board may designate by resolution. Committees and committee members serve at the Board's discretion for such periods as the Board may designate by resolution; provided, however, any committee member, including committee chair, may be removed by the vote of a majority of the Board. Any resolution establishing a charter club shall designate the requirements, if any, for membership therein. Each committee and club shall operate in accordance with the terms of the resolution establishing such committees or club.

Section 6.2 Grievance Committee. In addition to any other committees which the Board may establish pursuant to Section 6.1, the Board shall appoint a Grievance Committee consisting of at least three and no more than seven Members, provided that the Board is able to identify a sufficient number of qualified Members willing to serve on such committee. Acting in accordance with the provisions of these Amended Bylaws, and resolutions the Board may adopt, the Grievance Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.22 of these Amended Bylaws.

## Article VII

### President's Council

Section 7.1. Membership. Each president of a Condominium Association will be a

member of the President's Council. In connection with any meeting of the Council at which the president of a Condominium Association is not available to attend, the Vice President or a designated director of such association may attend in the president's place, and shall have the same right to participate as the president.

Section 7.2. Purpose. The President's Council, in addition to such other functions as it may validly exercise under Paragraph (e) below, shall be an advisory body and will perform the following functions:

(a) Report to the Board with respect to any matter of common interest to the Clearbrook Community that may, in the opinion of the President's Council require further action by the Board of Directors;

(b) Assist the Board of Directors in carrying out its policies, rules and regulations, and encourage all Voting Members to cast a vote whenever, under these Amended Bylaws, the vote of the Voting Members is required;

(c) Wherever two or more Condominium Associations have a dispute, provide assistance to the associations in an effort to mediate or otherwise resolve any dispute.

(d) Undertake such other functions as the Board of Directors may request; and

(e) With respect to matters uniquely affecting the Condominium Associations, undertake such additional functions as the President's Council may determine appropriate, provided such functions do not interfere with or are coterminous with the powers and duties of the Association.

Section 7.3. Advanced Notification. Except in the case of emergency or other requirement for immediate action, the Board shall provide the President's Council with advanced notification of policy resolution under consideration by the Board for adoption.

Section 7.4. Other Functions. The President's Council may undertake such other functions as it may determine, provided such other functions do not involve or are inconsistent with the duties and powers of the Association or its Board.

Section 7.5. Board of Directors of President's Council. The President's Council shall annually appoint a board of directors, who shall elect their officers. The chief officer of the President's Council shall serve as the liaison to the Board.

Section 7.6. Meetings. The President's Council shall schedule such meetings as it requires. The President's Council shall also meet at the request of the president of the Association, upon not less than 10 days prior notice, except in the case of an emergency.

Section 7.7. Communication with Board. Wherever the Board of Directors refers a matter to the President's Council for consideration and response, the President's Council shall provide its comments in writing. The chairman or vice chairman of the President's Council

shall, at the request of the Board of Directors, attend meetings of the Board of Directors or any committee of the Board to further explain or clarify any written communications from the President's Council. Representatives of the Board of Directors shall attend at least two meetings of the President's Council per annum to discuss issues currently before the Board of Directors or any programs, policies or plans being then by the Board of Directors.

## Article VIII

### Easements

Section 8.1 Owners' Easements. Each Owner of a Unit, spouse of an Owner, or lawful guest of an Owner shall have the following easement rights, subject to the terms and conditions set forth in this Article:

(a) Access Across Roadways, Streets and Sidewalks. A non-exclusive easement to pass and repass over the roads and streets located upon the Common Property and the right of ingress and egress over all sidewalks and lawn areas located within or upon the Common Property; and

(b) Access to Common Facilities. A non-exclusive easement to enter, exit, enjoy and utilize the recreation facilities located upon the Common Property, and the facilities specifically intended for membership use located in any structure constructed upon the Common Property.

Section 8.2 Right to Suspend. The Board of Directors may suspend any of the easement rights reserved to an Owner when the Owner is not a Member in Good Standing. Any such suspension shall be rescinded immediately following the determination of the Board, or any person to whom such function is delegated, that the suspended member has satisfied all requirements of good standing. In no event may the Association prohibit an Owner from having access to his or her Unit, provided that the Association may require such Owner to gain such access through a visitor's gate and may prohibit persons other than an Owner and his or her spouse from having access over the streets and roads located upon the Common Property.

Section 8.3 Rules and Regulations. The easement rights described in Section 8.1 shall be subject to the right of the Board to adopt rules and regulations governing use and conduct of the Owners in connection with the Common Property, and structures and facilities located thereon.

Section 8.4 Assignment of Owner's Easement Rights. Whenever an Owner leases or otherwise grants a possessory right in a Unit to a third party, the Owner will be deemed to have assigned the Owner's easement rights related to such Unit, to the tenant or other person having a possessory right. This provision shall not apply to valid guests who temporarily reside in a Unit with an Owner.

Section 8.5 Association's Easement Rights. The Association, its employees, contractors, subcontractors, officers and directors shall have a non-exclusive easement over the

common elements of each Condominium Association, and a right of access to each Unit, if applicable, in connection with the performance of any services, obligations or duties of the Association. The Association shall further have a non-exclusive easement over the common elements and a right of access to each Unit, if applicable, to perform any delegated duty that the Association accepts, notwithstanding the absence of any reference to an right of easement set forth in the request of a Condominium Association to accept a delegated responsibility. The easement rights of the Association shall be irrevocable, except where, in connection with a delegated duty, the obligation of the Association to perform the delegated duty or responsibility has been revoked.

## Article IX

### Restrictions

Section 9.1 Structural Alterations. No Member shall make or permit to be made any structural addition, alteration or improvement in or to a Unit, including any exterior painting or any exterior alteration or addition (including awnings, grills, television or radio antenna, etc.) without the prior written consent thereto of the Condominium Association in which the Unit is located and the Clearbrook Community Association. An Owner seeking to make a structural addition, alteration or improvement to his Unit shall make written application to the Board of Directors on the forms prescribed the Association for such applications. The Board of Directors shall have 60 days from receipt of the application within which to approve, with conditions, reject or seek additional information from the Unit Owner. If the Board fails to respond within 60 days following receipt of the written application, such failure shall be deemed the approval of the Board of Directors for the proposed addition, alteration or improvement. Any application to any municipal authority for a permit to make a structural addition, alteration or improvement in or to any Unit must be executed by the Board of Directors of the Community Association only, without, however, incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or materialman on account of such structural addition, alteration or improvement, or to any person having a claim for injury to person or damage to property arising therefrom. The Association may adopt a resolution prescribing standards, rules and regulations with respect to the process for approval of an improvement as described herein. Such standards, rules and regulations may include a requirement that an Owner or the Owner's contractor provide a performance bond to guarantee completion of the approved improvement in accordance with the submitted plans.

Section 9.2 Signs. No sign, device or other matter or thing shall be placed upon any of the common elements or the Common Property, nor shall any sign be placed within a Unit so that it is visible from the common elements or Common Property except those specifically approved by the Board in writing, and the Board shall have the power to remove any such sign, matter or thing and to charge to the Owner the cost of removal. If the responsible Owner cannot be ascertained, then the Board may cause the expense to be paid from the funds of the Association. The foregoing restriction shall not apply to any signs placed by the Association in furtherance of its powers and purposes as set forth in these Amended Bylaws, and its Articles of Incorporation, and its rules and regulations.



Section 9.3 Age Restriction. Any person using and occupying a Unit must comply with one of the following standards: (a) be 55 years of age or older; (b) be 48 years of age or older provided at least one other person residing in the Unit is 55 years of age or older; (c) person, regardless of age, residing with and providing physical or medical assistance to an occupant who satisfies the standard contained in either subpart (a) or (b) of this sentence ("Permissible Occupant"), provided (i) such person is necessary in accordance with a medical doctor's certification to allow the Permissible Occupant to have full use and enjoyment of the Unit; and (ii) where the Permissible Occupant suffers from a handicap, as defined under the federal Fair Housing Act and the regulations promulgated thereunder.

Visitor occupants of any age shall be permitted to visit a Unit for up to three months in any calendar year.

In order to qualify as a valid age-restricted community under the federal Fair Housing Amendments Act each Owner shall complete a survey or census concerning the age of the residents occupying each Unit. Each Owner shall promptly respond to any survey or census provided by the Condominium Association in compliance with law and any other requirements as may hereafter be imposed by the state or federal government to maintain its qualified age-restricted status.

## Article X

### Alternative Dispute Resolution ("ADR")

Section 10.1 When ADR is to be Offered. Whenever the Board reasonably determines that a dispute exists between the Association and any Member, or between Members that relates to: (a) the use of a Unit; or (b) an interpretation of the use restrictions, rules or regulations contained in these Amended Bylaws, the Clearbrook Community Association Master Deed or Bylaws with respect to the use of the Unit, the use of the common or limited common elements, Common Property, or the permitted behavior of a Member or resident, and the Board reasonably concludes, with or without the advice of its attorney, that the dispute may result in litigation, the Association will offer a method of dispute resolution as set forth below.

Section 10.2 Designation of Method of ADR. In the event any dispute arises between the Association and a Unit Owner or between Unit Owners with respect to a matter described in Section 1 of this Article, the Association, through the Board, will offer alternative dispute resolution prior to the commencement of litigation or, where litigation is commenced, as soon as the Board receives notice of any litigation involving a matter described above. The Board may satisfy the obligation described in this Article by offering any of the following methods of ADR:

- (a) Mediation by a qualified third-party mediator designated by the Board;
- (b) Non-binding arbitration by a qualified third-party arbitrator designated by the Board;

(c) Binding arbitration by a qualified third-party arbitrator designated by the Board;

(d) Mediation by a person or persons who are not specifically trained in mediation, but who have expertise in community association matters and who have no personal interest in the matter in dispute and who are not Unit Owners within the condominium in which the dispute arises. Persons who would qualify under this provision include the directors of a Condominium Association other than the one in which the disputants reside;

(e) Mediation by such other person as the Board may designate, including a person who is an Owner; or

(f) Mediation by a committee of non-Board member Owners appointed for such purpose.

Section 10.3 Notice of Acceptance. No member of the Board may act as a mediator or arbitrator. Following the Board's determination to offer ADR under this Article, the Board will provide notice to all parties to the dispute by personal delivery or certified U.S. mail, return receipt requested. The notice shall advise the parties to the dispute of the method of dispute resolution selected by the Board and shall provide a response form indicating whether the person involved in the dispute accepts or rejects the method of dispute resolution from sub-paragraphs (a) through (e) above. If the Board selects a method of dispute resolution utilizing subparagraph (a) through (d) above, and one or more persons involved in the dispute reject the offer of alternative dispute resolution, the Board will have satisfied its obligation under this Article and will have no further obligation. If the Board selects a method of dispute resolution utilizing subparagraph (e) above, and one or more persons involved in this dispute rejects the offer of dispute resolution, the Board shall offer an additional method of dispute resolution in the same manner as provided above. The notice advising a Unit Owner of the designation of a method of ADR will provide that the Unit Owner must accept the Board designation method within a specific time period, but in no event less than 10 days following the date of the letter offering ADR. Whenever the expiration date falls on a Saturday or Sunday or legal holiday, the expiration date will be the following business day. If a Unit Owner does not agree to participate in the ADR method offered by the Board on or before the expiration date, the Unit Owner will be deemed to have rejected the offer.

Section 10.4 Scheduling of ADR. Upon receipt of acceptance of a designated method of ADR from all necessary and indispensable parties to a dispute, the Association will offer a minimum of two alternative dates and times for the ADR procedure. At least one of the alternate dates and times will be during non-business hours to accommodate the working schedules of the participants. The location of the ADR procedure will be on the grounds of the Association or at a location reasonably convenient to the participants. The notice of the alternate dates and times for ADR will provide that if a recipient does not respond within five days of the date of the notice, the nonresponding participant will be deemed to have rejected ADR. If the response from the participants does not indicate a mutually acceptable date and time for ADR, the Association will make one attempt to obtain a date and time reasonably acceptable to the participants, but if unsuccessful in that attempt, will have no further obligation under this Article.

Section 10.5 Participation by the Board. If any dispute that is subject to ADR pursuant to this Article includes the Association as a participant in the dispute, at least one member of the Board will be present at the ADR hearing, and the Board will make available such employees or agents of the Association that are necessary in order that the Association fully participate in the ADR process. If the method of ADR selected is a form of mediation and the dispute involves the Association as a party, the Board will authorize the attending members of the Board to have the power and authority to act on behalf of the Board, but may impose reasonable limitations on the authority and power granted.

Section 10.6 Procedures. The ADR hearing is intended to be an informal process, despite the form of ADR mechanism chosen. As a result, technical rules of evidence will not apply, provided however, that the person presiding over the ADR proceedings may require the administration of oaths and may exclude irrelevant, immaterial or unduly repetitious testimony or evidence. Any party to an ADR proceeding may, but is not required to, be represented by an attorney. The person presiding over the ADR process will determine all other procedures applicable to the hearing, including the length of the hearing, the order of presentation and, where appropriate, whether additional hearing dates are required or desirable in order to resolve the dispute. The person presiding over the ADR procedure may also, prior to the ADR hearing, request the parties to produce documentary evidence that the presiding person believes to be helpful or relevant to resolving the dispute.

Section 10.7 Fees and Costs. The Board may, at its election: (a) designate a form of ADR and where such form requires a fee to be paid to the presiding person, the Association will bear the expense of the presiding person; or (b) advise all parties to the dispute that the cost of the presiding person will be equally shared between the parties, in which event the parties shall mutually select the form of ADR (and where there are more than two parties to the dispute, the majority vote with respect to the form of ADR shall be binding). If the Association offers option (b) and any party to the dispute declines to participate in paying the cost of the presiding person, the Association shall designate the form of ADR and pay the cost of the presiding person. All other costs, such as, but not limited to, the fees of any attorneys representing the individual parties, will both be borne by the respective parties.

Section 10.8 Non-Applicability of ADR. Despite anything to the contrary contained in this Article, no ADR need be offered in a matter solely concerning the collection of maintenance fees nor prior to the commencement of any litigation that seeks emergent relief in order to maintain the state of affairs existing at the point of time immediately prior to the application for emergent relief.

## Article XI

### Miscellaneous

Section 11.1 Parliamentary Rules. Except as may be modified by Board resolution, 21<sup>st</sup> Century Robert's Rules of Order (current edition) shall govern the conduct of Association

proceedings when not in conflict with New Jersey law, the Articles of Incorporation or these Amended Bylaws.

Section 11.2 Conflicts. If there are conflicts between the provisions of New Jersey law, the Articles of Incorporation and these Amended Bylaws, the provisions of New Jersey law, the Articles of Incorporation and these Amended Bylaws (in that order) shall prevail.

Section 11.3 Books and Records.

(a) Inspection by Members. The Board shall make available for inspection and copying by any Member, or the duly appointed representative of the Member, at a reasonable time, these Amended Bylaws, the Articles of Incorporation, including any amendments, the rules and regulations of the Association, the membership register, books of account, the minutes of meetings of the Members, the Board, and committees, if any, and executed contracts into which the Association has entered. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Property as the Board shall designate.

(b) Rules for Inspection. The Board shall establish rules with respect to:

(i) notice to be given to the custodian of records provided that not more than 14 days prior written notice shall be required for an inspection to occur;

(ii) hours and days of the week when such an inspection may be made;

(iii) payment of the cost of reproducing copies and documents requested;  
and

(iv) the amount of time that may be set aside for any individual inspection, provided that the time for any one inspection shall not be less than two hours, and if the inspection shall not be concluded within two hours, the Association shall be required to establish a second date for inspection within seven days thereafter, again limited by the same time limitation, which procedure shall continue until the Member has completed his or her inspection.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make a copy of relevant documents at the expense of the Association.

Section 11.4 Notices. Unless otherwise provided in these Amended Bylaws, all notices, demands, bills, statements, or other communications under these Amended Bylaws shall be in writing and shall be deemed to have been duly given if delivered or if sent by United States mail, first class postage prepaid.

(a) if to a Voting Member, at the address which the Voting Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such member or Voting Member; or

(b) if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 11.5 Amendment.

(a) General. The provisions of these Amended Bylaws, other than this Article, may be amended or repealed by an instrument in writing, signed and acknowledged by the President and Secretary of the Association, certifying that such amendment has been approved by either of the following methods:

(i) By the affirmative vote of all members of the fully constituted Board of Directors, provided the Board notifies the Owners of the proposed amendment and includes a written ballot with the notice. The amendment will be deemed rejected, and of no force or effect, if five percent or more of the Voting Members reject the proposed amendment and the Association receives, at the address stipulated in the notice, the ballots rejecting the proposed amendment within 30 days following the mailing of the notice. Otherwise, the amendment will be effective on the 31<sup>st</sup> day following the mailing of the notice to the Owners and its subsequent recording in the office of the Middlesex County Clerk.

(ii) By the vote of two-thirds of the Voting Members present in person or by proxy at a duly held annual or special meeting of the Members upon which proper notification of the intent to amend has been given to the Owners and at which a quorum is present. For the purpose of amending the Governing Documents a quorum shall mean 50 percent of all Voting Members. Notice of the meeting shall include the exact language of the amendment or proposed repeal. Amended text may be proposed by the Board or by written petition of 20 percent of Units in good standing. A duly approved amendment shall be effective upon its recordation in the Middlesex County Clerk's Office.

(iii) By the Board upon approval by a vote of not less than six members of the Board, solely when necessary to render these Amended Bylaws in compliance with any applicable law as set forth in a written opinion issued by the Association's attorney, but only to the extent necessary to render the Amended Bylaws compliant.

(iv) An amendment will be effective upon its recordation in the Middlesex County Clerk's Office. Notice of any amendment adopted under this provision shall be distributed to the Unit Owners within 30 days of receipt of the recorded amendment, provided, however, that the failure to distribute the recorded amendment will not render the amendment ineffective and void.

Section 11.6 Amendment of Condominium Association Governing Documents. No amendment of the Master Deed, Bylaws or Articles of Incorporation that affects the relationship between a Condominium Association and the Association or the rights or privileges of the Association may be adopted by any Condominium Association unless the approval of the Association is endorsed thereon.

Section 11.7 Proposal for Amendments. Amendments may be proposed to these Amended Bylaws, as follows: (a) an affirmative vote of five Members of the Board; or (b) upon written request to the Board signed by not less than 500 Voting Members. Upon receipt of a proposed amendment by the Voting Members, the Board shall, within seven days following its first meeting after receipt of the proposed amendment(s), refer same to counsel for the Association, who shall provide a written opinion concerning the legality of the proposed amendment and, if any aspect of the proposed amendment is determined not to be lawful, the amendments that are required to render it lawful. Counsel for the Association shall provide such opinion within 30 days of receipt. If counsel to the Association determines that any revisions are required, notice of same shall be presented to the person or persons responsible delivering the request for amendment. If the proposed revisions are acceptable, the Association shall proceed, in accordance with the following paragraph, with a vote on such amendment(s). If the person representing the request of the Voting Members disputes the Association's counsel's opinion, and cannot otherwise resolve the specific language to be included in the proposed amendment, the representative offering the proposed amendment may request alternative dispute resolution in accordance with terms of Article X.

The Association shall, within 90 days after approval by the Association's counsel or acceptance of necessary revisions by the representatives of the Voting Members proposing the amendment, schedule a membership meeting for the purpose of voting upon the proposed amendment(s) and the vote required to adopt any such amendment shall be in accordance with Section 11.5. Any other business that may lawfully come before a membership meeting may also be transacted at such meeting.

Section 11.8 Immunity. In accordance with the terms of 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 to damages as a result of bodily injury to the Owner occurring on the Common Property, the common elements, or within a Unit. This grant of immunity from liability will not be effective if the Association causes bodily injury to an Owner by its willful, wanton or grossly negligent act of commission or omission.

Section 11.9 Adjustment of Dollar Amounts.

(a) Consumer Price Index. All dollar amounts set forth in these Amended Bylaws will change according to and to the extent of changes in the Consumer Price Index for Consumer Price Index-All Urban Consumer: New York-Northern New Jersey-Long Island, NY-NJ-CT-PA, All Items 1982-84=100, compiled by the Bureau of Labor Statistics, the United States Department of Labor, (the "Index"). The Index for December, 2003, which was \_\_\_\_\_, is the Reference Base Index.

(b) Change in Dollar Amounts. All dollar amounts specified in these Amended Bylaws will change on July 1 of each year if the percentage of increase, calculated to the nearest whole percentage point, between the Index at the end of the preceding year and the Reference Base Index is 10 percent or more, but (i) the portion of the percentage change in the Index in excess of any multiple of 10 percent must be disregarded and the dollar amounts will change only in multiples of 10 percent of the amounts appearing in these Amended Bylaws on the date of its adoption; (ii) the dollar amounts will not change if the amounts required by this section are those currently in effect pursuant to these Amended Bylaws as a result of the earlier application of this section; and (iii) in no event may the dollar amounts be reduced below the amounts appearing in these Amended Bylaws on the date of adoption.

(c) Revision of Index. If the Index is revised after the date of the adoption of these Amended Bylaws, the percentage of change pursuant to this section must be calculated on the basis of the revised Index. If the revision of the Index changes the Reference Base Index, the Reference Base Index must be determined by multiplying the Reference Base Index then applicable by the rebasing factor furnished by the Bureau of Labor Statistics. If the Index is superseded, then Index referred to in this Article is the one represented by the Bureau of Labor Statistics as reflecting most accurately changes in the purchasing power of the dollar for consumers in the New York Metropolitan Area.

Section 11.10 Gender and Number. The use of the masculine or feminine gender in these Amended Bylaws shall be deemed to include the other gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

#158784 v3 - Clearbrook: Amended Bylaws - Formerly 135470

**SCHEDULE "A"**

~~805399P-431~~ 805647P 212



**CLEARBROOK COMMUNITY ASSOCIATION RESPONSIBILITIES  
ALLOCATION OF EXPENSES WITH RESPECT TO SERVICES**

**I. Original Obligations**

**A. community facilities**

1. buildings
  - a. Clubhouse
  - b. Cultural Center
  - c. Gate House
  - d. 2 maintenance buildings
  - e. storage sheds
2. recreational amenities
  - a. 9 hole golf course with driving range, putting green and practice green
  - b. 2 swimming pools
  - c. 4 tennis courts
  - d. 4 shuffleboard courts
  - e. 4 bocce courts
  - f. picnic area
3. sidewalks in CCA common areas (sidewalks adjacent to the Clubhouse, Cultural Center and Gate House and along Clearbrook Plaza from Applegarth Road to Clearbrook Drive)
4. roads in CCA common areas (Clearbrook Drive, Clearbrook Plaza, east gate entry road from Union Valley Road to Ardmore Road, north gate entry road from Cranbury/Half Acre Road to Clearbrook Drive)
5. parking lots in CCA common areas (parking lot adjacent to the Clubhouse and Cultural Center, maintenance buildings, and parking spots by Gate House)

**B. landscaping common elements of CCA**

1. immediate area surrounding the Clubhouse including the existing plants bordering the parking lot located adjacent to the golf course.
2. immediate area surrounding the Cultural Center including the pine trees lining the parking lot
3. main entrance including the areas in front of the brick walls, the center islands, and the 10 foot area from the curb on both sides along the entry road to Clearbrook Drive
4. north entrance including the areas in front of the brick walls, the center islands, and the 10 foot area from the curb on both sides along the entry road to Clearbrook Drive
5. east entrance including the center island and the pine trees lining the entry road on both sides to Ardmore Road
6. bermed area on Clearbrook Drive at the foot of Clearbrook Plaza
7. area in front of the wall at the corner of Applegarth Road and Cranbury-Half Acre Road
8. ponds and their banks (on the large pond the banks included are only those behind the homes along Cornus, Ardmore and Nutley)

9. streams and their banks
10. shrubs in the 3 foot beds along the perimeter (fence line) of the community
11. perimeter fences
12. retaining walls on Clearbrook Drive
13. cultivation of circular tree basins with mulch along Clearbrook Drive
- C. staff services (excluding maintenance or custodial services for individual units or Sections)
- D. professional managerial services

## II. Delegated Responsibilities Shared Equally By All Sections

- A. security services
- B. garbage collection
- C. recycling collection
- D. pest & termite treatment (excludes responsibility for any resulting damage to unit)
- E. animal treatment (excludes responsibility for any resulting damage to unit)
- F. health care services
- G. lifeguard services
- H. roads
  1. surface of roads
  2. curbing along the roads
  3. parking lots
  4. line striping and numbering
  5. storm drains in roads
  6. signage
- I. snow clearance of accumulations over 2 inches from the following areas: all walkways, driveways, streets and parking areas
- J. insurance (property and liability, business automobile, workers' compensation, directors and officers liability, crime, and umbrella liability)
- K. sanitary sewer usage charges

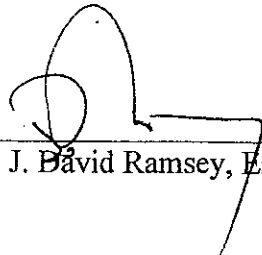
## III. Delegated Responsibilities That Will Vary from Section to Section

- A. landscaping for all sections (*charge is based on acres being landscaped*)
  1. mowing, edging and trimming of grass areas
  2. pruning and trimming of shrubs and trees under 20 feet
  3. edging and weeding shrub beds
  4. applying fertilizers, insecticides, fungicides and herbicides to lawn areas
  5. applying chemical controls to all plants and trees as needed to protect from damage
  6. spring and fall clean up
  7. street sweeping
- B. water for all sections (*cost is based on metered usage*)  
*The following apply to sections with Devons and apartments only:*
- C. electricity (*cost is based on metered usage*)
- D. fire inspection fees (*cost is based on flat rate per multiple dwelling inspected*)

- E. elevator inspection fees (*cost is based on flat rate per elevator inspected*)
- F. sprinkler inspection fees (*cost is based on flat rate per building inspected*)
- G. elevators – operation and maintenance (*cost is based on contract with suppliers*)
- H. alarm system maintenance (*cost is based on contract with suppliers*)
- I. phone service for alarm system (*cost is based on flat rate per multiple dwelling being serviced*)
- J. maintenance department services (*cost is for time and materials*)
  - 1. replace all light bulbs inside and outside of buildings three times a year
  - 2. replace smoke alarms and batteries in hallways as needed
- K. custodial (*cost is for time and materials*)
  - 1. clean hallways and two entries every other week
  - 2. clean and dust lights
  - 3. clean windows, sills and vertical blinds
  - 4. vacuum rugs and door mats in hallways and stairways
  - 5. wash doors, doorways and knobs
  - 6. dust railings and spindles in stairways
  - 7. vacuum elevators and tracks and clean doors
  - 8. clean dumpster areas

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Prepared By:

  
J. David Ramsey, Esq.

**CLEARBROOK COMMUNITY ASSOCIATION, INC.**

**RESOLUTION TO APPROVE AMENDED BYLAWS**

WHEREAS, the Bylaws for Clearbrook Community Association (the "Bylaws"), was originally recorded in the Middlesex County Clerk's Office in 1979 in Book 3622, Page 098.

WHEREAS, the Bylaws require that a majority of unit owners approve amendments to the Bylaws.


WHEREAS, a majority of unit owners have approved the Amended Bylaws.

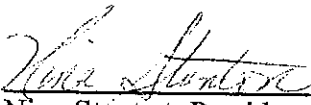
NOW THEREFORE, the Board hereby adopts the following resolution by and on behalf of the Association.

RESOLVED, that the Bylaws be and are hereby amended in their entirety in the form attached hereto as Clearbrook Community Association Amended Bylaws.

**ATTEST:**

**CLEARBROOK COMMUNITY  
ASSOCIATION, INC.**

  
\_\_\_\_\_  
Sara Hornichter, Secretary

  
\_\_\_\_\_  
Nina Stanton, President



