

LIONS HEAD SOUTH ASSOCIATION, INC.



BY-LAWS

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BY-LAWS TABLE OF CONTENTS

ARTICLE I – APPLICABILITY, MEMBERSHIP AND DEFINITIONS 1

SECTION 1 - APPLICABILITY 1

SECTION 2 – OWNERS AS MEMBERS, PARTICIPATION FEE, RATIFICATION..... 1

SECTION 3 - DEFINITIONS 2

 A. *Association* 2

 B. *Board of Trustees*..... 2

 C. *Trustees Meetings*..... 2

 D. *Association Meetings*..... 2

 E. *The Properties*..... 2

 F. *Common Property*..... 2

 G. *Lot*..... 2

 H. *Living Unit*..... 2

 I. *Owner* 2

 J. *Member*..... 2

 K. *Facilities*..... 2

 L. *Resident*..... 2

 M. *In Residence*..... 3

 N. *Guest*..... 3

 O. *The Covenants* 3

 P. *The Policies* 3

 Q. *Capital Structure*..... 3

 R. *Invitee*..... 3

 S. *Lessee*..... 3

 T. *Member in Good Standing* 3

 U. *Domestic Partners*..... 3

ARTICLE II – MEMBERSHIP, VOTING RIGHTS AND MEETINGS 3

SECTION 1 – MEMBERSHIP 3

SECTION 2 – VOTING RIGHTS 5

SECTION 3 – VOTING 5

SECTION 4 – QUORUM..... 5

SECTION 5 – MEETINGS 6

 A. *Board of Trustees Business Meetings* 6

 B. *Association Meetings*..... 6

 C. *Special Association Meetings*..... 6

SECTION 6 – NOTICE OF MEETINGS 7

SECTION 7 – MEMBERSHIP LIST 7

SECTION 8 – ASSOCIATION MEETINGS VOTE 7

ARTICLE III – BOARD OF TRUSTEES..... 7

SECTION 1 - GUIDELINES 7

SECTION 2 – HOW ELECTED 8

SECTION 3 – ELECTIONS 8

SECTION 4 – TERM OF OFFICE 8

SECTION 5 – REMOVAL OF TRUSTEE..... 9

SECTION 6 – RESPONSIBILITIES OF TRUSTEES..... 9

ARTICLE IV - OFFICERS 13

SECTION 1 - ELECTIONS..... 13

SECTION 2 – PRESIDENT..... 14

SECTION 3 – VICE PRESIDENT..... 14

SECTION 4 – TREASURER 14

BY-LAWS TABLE OF CONTENTS (CON'T)

SECTION 5 – SECRETARY	15
ARTICLE V - COMMITTEES.....	15
SECTION 1 – STRUCTURE AND RESPONSIBILITY	15
SECTION 2 – GUIDELINES	16
SECTION 3 – TERM	16
SECTION 4 – APPOINTMENT	16
SECTION 5 – MEETINGS	16
SECTION 6 – FUNCTIONS OF STANDING COMMITTEES.....	17
1. <i>Activities Coordinating Council</i>	17
2. <i>Architectural Committee</i>	18
3. <i>Buildings & Grounds Committee</i>	18
4. <i>By-Laws Committee</i>	18
5. <i>Clubhouse Committee</i>	18
6. <i>Community Awareness Committee</i>	18
7. <i>Finance and Insurance Committee</i>	19
8. <i>Nominating Committee</i>	19
9. <i>Recreation Committee</i>	19
10. <i>Security Committee</i>	19
11. <i>Lions Head Country Club</i>	19
12. <i>Website Committee</i>	20
13. <i>Other Committee & Organizations</i>	20
ARTICLE VI – SUBSEQUENT TRANSFER	20
SECTION 1 – SUBSEQUENT TRANSFER: DEFINITIONS	20
SECTION 2 – RIGHTS, DUTIES & OBLIGATIONS OF OWNERS, MEMBERS, RESIDENTS, GUESTS, INVITEES, OCCUPANTS, LESSEES	20
SECTION 3 – TRANSFER OF OWNERSHIP	21
SECTION 4 – PURCHASE.....	21
SECTION 5 – CHILDREN	21
SECTION 6 – PASSAGE OF TITLE BY OPERATION OF LAW	21
SECTION 7 – PASSAGE OF TITLE BY A LIVING UNIT	22
ARTICLE VII – COVENANT FOR MAINTENANCE & ASSESSMENTS	22
SECTION 1 – CREATION OF LIEN & PERSONAL OBLIGATIONS OF ASSESSMENTS	22
SECTION 2 – PURPOSE OF ASSESSMENT	22
SECTION 3 – BASIS OF ANNUAL ASSESSMENT & CHANGES IN RATE	22
SECTION 4 – SPECIAL ASSESSMENTS	22
SECTION 5 – DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS	23
SECTION 6 – DEFAULT	23
SECTION 7 – EXEMPT PROPERTIES	23
ARTICLE VIII – RIGHTS IN THE COMMON PROPERTIES.....	24
SECTION 1 – MEMBER’S EASEMENTS OF ENJOYMENT.....	24
SECTION 2 – EXTENT OF MEMBER’S EASEMENT	24
ARTICLE IX – RESTRICTIONS	25
SECTION 1 – PURPOSE	25
SECTION 2 – EXTERIOR RADIOS, TELEVISIONS, ETC.....	25
SECTION 3 – SIGNS	25
SECTION 4 – CLOTHES DRYING.....	25
SECTION 5 – ANIMALS	25

BY-LAWS TABLE OF CONTENTS (CON'T)

SECTION 6 – INDIVIDUAL WATER SYSTEM.....	25
SECTION 7 – EASEMENTS FOR UTILITIES & DRAINAGE	25
SECTION 8 – TEMPORARY STRUCTURES	26
SECTION 9 – MINERAL EXTRACTION	26
SECTION 10 – GARBAGE COLLECTION & STORAGE	26
SECTION 11 – NOXIOUS, OFFENSIVE OR ILLEGAL ACTIVITY.....	26
SECTION 12 – SEWERAGE DISPOSAL SYSTEM	26
SECTION 13 – FENCES, HEDGES & PROPERTY LINE MARKERS	26
SECTION 14 – EARTH MOVING & DIGGING	26
SECTION 15 – OCCUPANCY OF TWO-BEDROOM UNIT	26
SECTION 16 – VISITOR OCCUPANTS.....	27
SECTION 17 – PARKING OR STORAGE OF MOTOR VEHICLES	27
SECTION 18 – OBLIGATION TO ABIDE TO ARCHITECTURAL REGULATIONS.....	27
SECTION 19 – GARAGE &/OR AUCTION SALES	27
SECTION 20 – FINES.....	27
SECTION 21 – PET LEASHING & RESTRICTIONS	27
SECTION 22(A) – DAMAGE & REPAIR OF LIVING UNITS	27
A. <i>Original Plans</i>	28
B. <i>Architectural Committee & Board of Trustees Approval for Rebuilding</i>	28
C. <i>Appeal for Time Extension</i>	28
D. <i>Enforcement</i>	28
SECTION 22(B) – ENERGY SOURCES.....	28
SECTION 23 – BASKETBALL HOOPS	28
SECTION 24 – NO SMOKING	28
ARTICLE X – EASEMENTS	28
ARTICLE XI – FORFEITURE OF VOTING RIGHTS	29
ARTICLE XII – MISCELLANEOUS.....	29
SECTION 1 – INDEMNIFICATION OF OFFICERS & TRUSTEES	29
SECTION 2 – REIMBURSEMENT BY MEMBERS.....	29
ARTICLE XIII – GENERAL PROVISIONS	30
SECTION 1 – MEMBERSHIP.....	30
SECTION 2 – DURATION.....	30
SECTION 3 – NOTICES	30
SECTION 4 – ENFORCEMENT.....	30
SECTION 5 – SEVERABILITY	30
SECTION 6 – FISCAL YEAR	31
SECTION 7 – PARLIAMENTARY PROCEDURE	31
ARTICLE XIV – AMENDMENTS.....	31
SECTION 1(A) – AMENDMENTS TO BY-LAWS.....	31
SECTION 1(B) – PROPOSALS TO AMEND BY-LAWS.....	31
SECTION 2 – CONFLICT BETWEEN BY-LAWS, ARTICLES AND COVENANTS & RESTRICTIONS.....	32

Amended and Consolidated By-Laws of Lions Head South Association

(The Association's original By-Laws were recorded on September 7, 1988 in the Ocean County Clerk's Office in Deed Book 4695, Page 989, et seq. The Association recorded Amended By-Laws on December 28, 1989 in the Ocean County Clerk's Office in Deed Book 4807, Page 160, et seq. ("Amended By-Laws"). Subsequent to the recording of the Amended By-Laws, numerous other amendments were recorded. This document, the Amended and Consolidated By-Laws of Lions Head South Association, was created to consolidate all amendments into a single usable reference source for the Association's members. All provisions without footnotes derive from the Amended By-Laws. All provisions with footnotes derive from the Amendment noted in the applicable footnote.)

ARTICLE I

Section I. APPLICABILITY

These By-Laws shall be applicable to the Lion's Head South Association, hereafter referred to as the "Association", a non-profit corporation of the State of New Jersey, to its members and to any and all property owned by the Association.

The principal office of the Association shall be at 250 Lion's Head Boulevard South, Brick, New Jersey 08723, or at such other suitable or convenient place as may be designated by the Board of Trustees.

Section 2. OWNERS AS MEMBERS, PARTICIPATION FEE, RATIFICATION¹

All present and future owners of a Living Unit in fee who are subject to the Declaration of Covenants and Restrictions recorded in the County Clerk's Office of the County of Ocean shall upon transfer of title, either by conveyance or operation of law, be required to pay a Participation Fee established and amended from time to time by the Board of Trustees, without regard to their qualification for membership under 2:1. If an Owner owns more than one (1) Living Unit, said Owner shall be liable for the Participation Fee for each and every Living Unit owned.

Acquisition, or occupancy of a Living Unit, shall mean that said owner, resident or occupant has consented to and shall abide by the By-Laws, Policies, Rules and Regulations, Architectural Regulations, and any amendments thereto, and the Declaration of Covenants and Restrictions of record. Owners shall be members of the Association provided that they qualify under 2:1. Upon the sale or conveyance of a unit, membership in the Association is terminated. The Participation Fee, as established by the Board of Trustees, may not exceed nine (9) times the amount of the most recent monthly common expenses assessment for the unit being transferred. This fee is not transferable and is due and payable upon closing whether deed transfer results from a sale or upon conveyance by deed or operation of law. The Board of Trustees shall apply the reserve funded by the collection of a Participation Fee to fund the Capital Replacement or Capital Improvement Accounts. They shall be kept in interest-bearing securities, either short or long term, or in an interest-bearing savings account or in certificates of deposit. This fee shall not be deemed a prepayment of the monthly installments of the maintenance fee attributed to a unit.

¹ Article I, Section 2 was amended by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

Section 3. DEFINITIONS²

The following words when used in these By-Laws shall have the following meanings:

- A. ASSOCIATION: Shall mean and refer to the Lions Head South Association.
- B. BOARD OF TRUSTEES: Shall mean and refer to the elected/appointed representatives of the Lions Head South Association.
- C. TRUSTEES MEETINGS: Shall mean and refer to the Board of Trustees Business Meetings.
- D. ASSOCIATION MEETINGS: Shall mean and refer to the Board of Trustees Association Meetings.
- E. THE PROPERTIES: Shall mean and refer to all such existing properties and additions thereto, as are subject to the Declaration of Covenants or any Supplementary Declaration of Covenants.
- F. COMMON PROPERTY: Shall mean and refer to those areas of land shown on any recorded subdivision plat of the properties intended to be devoted to the common use and enjoyment of the Association members in good standing.
- G. LOT: Shall mean and refer to any plot of land shown on any recorded subdivision map of the properties (with the exception of Common Properties, as hereto defined) or shown on the approved Site Development Plan.
- H. LIVING UNIT: Shall mean and refer to any building situated upon the property designed and intended for use and occupancy as a residence by a single family.
- I. OWNER: Shall mean and refer to the record owner, whether one or more persons and entities, of the fee simple title to any Lot or Living Unit situated upon the properties: but notwithstanding any applicable theory of mortgages, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- J. MEMBER: Shall mean and refer to all those Owners who are members of the Association as provided in Article II, Section 1 hereof.
- K. FACILITIES: Shall mean buildings, structures, fixtures, items of personality, improvements of whatsoever nature associated with the Common Properties.
- L. RESIDENT: Shall be any permanent occupant of a Living Unit who is not a member or owner.

² Article I, Section 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

- M. IN RESIDENCE: Shall mean living in a Lions Head South Association living unit with intent to make it a fixed and permanent home with the bodily presence of the owner in the living unit with the intention to make the living unit the owners domicile.
- N. GUEST: Shall mean and refer to one invited by a Member, Resident, Owner or Occupant for food, lodging, entertainment or sociability without becoming a permanent resident or tenant.
- O. THE COVENANTS: Shall mean and refer to the Declaration of Covenants and Restrictions for Lions Head South.
- P. THE POLICIES: Shall mean and refer to the Policies, Rules and Regulations of Lions Head South.
- Q. CAPITAL STRUCTURE: Shall mean and refer to means of allocating risk of loss, participation in revenues and financial control by the Board of Trustees.
- R. INVITEE: Shall mean and refer to a person on a premises at the express or implied invitation of a Member, Resident, Owner or Occupant for business purposes or for mutual advantage.
- S. LESSEE: Shall mean and refer to the party to a lease, known as the tenant, of a Living Unit.
- T. MEMBER IN GOOD STANDING: Shall mean and refer to an Owner who has fully paid all assessments and fines made or levied against him/her and his/her Living Unit by the Trustees, together with all interest costs and attorneys' fees, penalties and other expenses, if any, properly chargeable to him/her and against his/her Living Unit and is in compliance with the Covenants, the By-Laws, the Policies, Rules and Regulations and the Architectural Regulations.³
- U. DOMESTIC PARTNERS: Shall mean and refer to unrelated, unmarried couples of the same or opposite sex.⁴

ARTICLE II

MEMBERSHIP, VOTING RIGHTS AND MEETINGS

Section 1. MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot or Living Unit which is subject to this declaration and to assessment by the Association shall be a member of the Association, provided that any such person or entity who hold such interest merely as a security for the performance of an obligation shall not be a member, and provided as follows:

³ Article I, Section 3(T) was added by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁴ Article I, Section 3(U) was added by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

- A) No member of the Association shall be less than the age of 55 years, except a spouse or surviving spouse or a domestic partner or a surviving domestic partner.⁵
- B) It is intended that these articles shall in no way limit or deprive any owner member of the Association or prospective member of his or her rights, privileges or immunities as is provided under the Constitution of the United States and of New Jersey, and of any written or common law.
- C) In the event that an owner of a Lot or Living Unit dies testate or intestate leaving heirs a person or persons who do not qualify as a member of the Association, these restrictions shall in no way restrict ownership of said heir or heirs, provided, however, that said heir or heirs shall not occupy said Living Unit until he or she meets the membership requirements of the Association. This shall in no way preclude the right of the owner to lease the said premises or to grant occupancy as a resident to his/her invitee or guest; provided, however, that in each instance, such guest, invitee, occupant or lessee must first meet the requirements of the Association. The inability of any owner to become a member, or to occupy the premises for whatsoever reason, shall not in any way serve to exempt him/her of his/her obligation to pay the annual or special assessments. In the event a person or persons obtain title to a Lot or Living Unit by the operation of the law or court order, these articles shall in no way limit the right of the owner of said Lot or Living Unit; provided, however, that said owner shall not occupy said Lot or Living Unit until he or she meets the requirements of the Association.
- D) Under no circumstances shall both the Owner and the Lessee of a Lot or Living Unit have use of the Common Facilities contemporaneously. When a Member is not in Good Standing, or when an Owner fails to meet the criteria of "Good Standing" (1:3-20), his/her Lessees and/or Guests shall forfeit all privileges accorded to them in the Policies.⁶
- E) The owner or owners of a Lot or living Unit by acceptance of the Deed conveying ownership from the grantor accepts said instrument subject to the right of the grantor, its successors and assigns, and the Association to redeem any tax sale certificate or assignment thereof issued by the municipality and to acquire by reason of such redemption any and all rights accruing thereby in conformity with provision N.J.S. 54:5-54, any conveyance or alienation by the grantee, heirs, successors, administrators and assigns, to the contrary notwithstanding.⁷
- F) Membership in the Association shall lapse and terminate when any member shall cease to be the owner of record of a Living Unit.⁸

⁵ Article II, Section 1(A) was amended by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

⁶ Article II, Section 1(D) was amended by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁷ Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq. changed this provision from Section 1(D) to Section 1(E).

⁸ Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq. changed this provision from Section 1(E) to Section 1(F).

- G) The Administrator, in certain emergency situations, shall be considered a Member whose obligations and privileges shall be restricted to the roles of Assistant Treasurer and/or Assistant Secretary, as per Article IV, Sections 4 and 5.⁹

Section 2. VOTING RIGHTS¹⁰

The Association shall have the following voting membership: All those owners, as defined in Section 1 who are members in good standing, shall be entitled to one vote for each Lot or Living Unit in which they hold the interest required for membership by Section 1. A member shall be considered to be in “Good Standing” and entitled to vote at all regular and special meetings or elections of the Association if he/she has fully paid all assessments and fines made or levied against him/her and his/her unit by the Trustees as hereinafter provided, together with all interest, costs and attorney’s fees, penalties and other expenses, if any, properly chargeable to him/her and against his/her and is in compliance with the covenants, Restrictions and By-Laws.

To be permitted to vote, a Member shall be in “Good Standing” thirty (30) days prior to the voting deadline.

When more than one person holds such interest or interests in any Lot or Living Unit, their vote shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit.

Where a Living Unit has more than one owner of record, and they are unable to agree on how to cast the vote they are entitled to, each owner may cast individual votes, except each will be entitled only to the fraction of a vote that is equivalent to their fraction of ownership in the Living Unit.

Section 3. VOTING¹¹

Votes may be cast in person, by proxy, or by written ballot. Proxy voting shall be permitted only when voting is conducted at a meeting. The form of proxy and the written ballot shall be in a form approved by the Board of Trustees in advance of any vote and such forms shall be available to any member in good standing upon request.

Section 4. QUORUM¹²

The presence of members representing 100 Living Units in person or by proxy shall constitute a quorum at any meeting when a membership vote is required. If a quorum is not forthcoming, another meeting may be called, but not sooner than 48 hours from the time of the original meeting was called. In the event of such adjourned meeting, the new meeting date will be posted on the Clubhouse bulletin board.

A quorum shall be determined by a check-off of members before said meeting in a manner to be decided by the Board of Trustees. To conduct official business, a majority of the Board of Trustees shall be present (for a quorum) at any Association meeting.

⁹ Section 1(G) was added by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

¹⁰ Article II, Section 2 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

¹¹ Article II, Section 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

¹² Article II, Section 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

Section 5. MEETINGS¹³

There shall be two types of meetings: Board of Trustees Business Meetings and Board of Trustees Association Meetings. The Board of Trustees shall conduct all such meetings.

A) BOARD OF TRUSTEES BUSINESS MEETINGS

Official business shall be conducted at the Board of Trustees Business Meetings, which shall be held at least once a month. These meetings shall be open to the Association members, except when legal matters, personnel matters, terms and conditions of employment, matters which relate to individual privacy of an individual member, and hearings for members with pending violations of the Architectural Regulations, Covenants, or By-Laws are being discussed or deliberations thereof.

Provided further that any Association member who attends a business meeting of the Board of Trustees shall not be permitted to comment on the matters under discussion without the express consent of a majority of the board members attending such meeting.

A Member who attends a Trustees meeting shall, with the consent of the President or a majority of the Board members in attendance, be permitted to speak.

B) ASSOCIATION MEETINGS

The purposes of Association Meetings shall be to inform the membership through Trustee and Standing Committee reports, to present speakers on timely topics and to hear the questions and concerns of the membership. In December there shall be a presentation of the annual budgets.

Association Meetings shall be held in the Lions Head South Clubhouse or at a place convenient to the membership as designated by the Board of Trustees.

Except in an emergency, Association Meetings shall be held six (6) times a year. The December meeting shall be designated the Annual Association Meeting and include a presentation of the Annual Operating Budget and Capital Improvement projects for the following year.¹⁴

C) SPECIAL ASSOCIATION MEETINGS

The President of the Association shall, if directed by a majority of the Board of Trustees, call a Special Association Meeting. Notice of said meeting shall be made no later than five (5) days before the meeting. No other meetings shall be held other than provided herein, except that in the event that members representing 100 units in good standing petition the Board of Trustees to call a special meeting, the President shall be required to call said meeting provided the petition sets forth the purpose of such Special Association Meeting. At such a Special Association Meeting only the business for which the meeting is called shall be transacted.

The President may, with the consent of a majority of the Board of Trustees, call a Special Association Meeting.

¹³ Article II, Section 5 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

¹⁴ Article II, Section 5(B), Paragraph 3 was amended by Amendment recorded in in the Office of the Ocean County Clerk on March 1, 2004 in Book 11936, Page 0140, et seq.

Section 6. NOTICE OF MEETINGS

Notice of Board of Trustees meetings shall be given to each Trustee personally or by First Class Mail, postage prepaid at least five (5) days before the meeting. Waiver of Notice may be made by any Trustee in writing. Presence at the meeting shall constitute waiver of any formal notice to the Trustee.

The presence of a majority of the Trustees shall be considered a quorum. Proxy votes filed on behalf of Trustees shall not be permitted at a Board of Trustees Business or Association Meeting except for the purpose of casting a vote solely as an Association member.

Notice of the Association meetings shall be provided to the membership by the Board of Trustees in a method deemed reasonable, including but not confined to publication in the Association newsletter or bulletin. Such notice shall set forth the purpose(s) of the meeting and shall be given not less than fifteen (15) days before the date of such Meeting.

Section 7. MEMBERSHIP LIST

The secretary of the Association shall be responsible for and shall maintain a complete list of Association members with their last known post office address. The list shall be kept current through the first day of the month preceding any Association meeting and shall be open for inspection to all members during normal business hours.

Section 8. ASSOCIATION MEETINGS VOTE

That number of votes which equals or exceeds 51% of all votes cast shall decide the issue, providing that the quorum requirements of Article II, Section 4, are met.

ARTICLE III

BOARD OF TRUSTEES

The affairs of the Association shall be governed by the Board of Trustees, except as otherwise provided in the Declaration of Covenants and Restriction and the Certificate of Incorporation. All Trustees shall be covered by an adequate fidelity bond.¹⁵

Section 1. GUIDELINES

No Trustee shall take any independent action on any Association matter without prior approval of the Board of Trustees.¹⁶

No Trustee shall have any power or authority to bind the Association by any contract or agreement or to pledge its credit or to render it liable for any payment except when so authorized by the Board of Trustees.¹⁷

Trustees shall not accept kickbacks or gratuities from any person or entity doing business with or seeking to do business with Lions Head South Association. Occasions that promote a business advantage to the

¹⁵ Article III preamble was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

¹⁶ Article III, Section 1 was amended by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

¹⁷ Article III, Section 1 was amended by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

Association may be attended at the discretion of the Trustees. A vote shall be taken by the Trustees and the Members notified in advance of the event.¹⁸.

No person who has been convicted of a felony shall be permitted to serve as Trustee.¹⁹

Section 2. HOW ELECTED²⁰

There shall be seven (7) Trustees elected by the members of the Association either in person or by proxy or by mailed, written ballot the results of which shall be tabulated and announced at the December Association Meeting or at a Special Meeting called for that purpose. The candidate receiving the greatest number of votes shall be deemed elected, depending on the number of vacancies to be filled.

Members of a household shall not serve concurrently on the Board of Trustees.

Section 3. ELECTIONS²¹

A candidate for the office of Trustees shall be a member of the Association in good standing as defined in Article II Section 2, and shall be in residence for at least (10) months of each year.

The Board of Trustees shall appoint a nominating committee.

The Nominating Committee shall recommend for approval by the Board of Trustees timetables for the annual or special elections and shall accept nominations submitted by the members,

When the date for nominations has closed and the Nominating Committee reports that only one (1) candidate has fulfilled the nomination requirements for each vacant Trustee position, the Secretary at the next Board of Trustees Meeting shall cast one vote for the entire slate and shall certify at the ensuing Association Meeting the election of the candidates(s) for whom he/she cast his/her vote(s).

Section 4. TERM OF OFFICE²²

Trustees shall serve a term of two (2) years.

The term of each Trustee shall run from January 1st to December 31st. New Trustees shall be installed at the first Trustees Meeting in January.

For vacancies due to death, resignation or recall, or when a Trustee is no longer qualified to hold the office, the Board of Trustees shall appoint a Member in Good Standing within thirty (30) days after the vacancy occurs to fill the vacant seat until the end of the year.

¹⁸ Article III, Section 1, Paragraph 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

¹⁹ Article III, Section 1, Paragraph 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

²⁰ Article III, Section 2 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq. Formerly Section 1, but changed to Section 2 through operation of Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

²¹ Formerly Section 2, but changed to Section 3 through operation of Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

²² Article III, Section 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq. Formerly Section 3, but changed to Section 4 through operation of Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

In the event that an insufficient number of candidates file for the office of Trustees in an annual election, the Trustees, at their January Reorganization Meeting, shall appoint as many Trustees as are needed to reach the total of seven (7) Trustees. All appointees shall be Members in good standing.

An appointed Trustee shall serve only until the end of the year, at which time he/she is eligible to run for the remaining portion for the term, or for another Trustee opening.

Section 5. REMOVAL OF TRUSTEE²³

A trustee may be removed for good cause by a two-thirds majority of all members at a meeting specially called for that purpose or by written ballot. The Board of Trustees shall initiate a recall referendum upon receipt of a petition signed by Association members in good standing representing 51% or more units. Good cause shall include but not be confined to a Trustee who has violated the Association Covenants, Restrictions, By-Laws or Rules and Regulations. The term of a Trustee who is not in good standing, as defined in Article II, Section 2, shall be automatically terminated.

Due process shall be accorded a Trustee subject to removal before a recall election is held. The Trustee subject to recall shall be entitled to be heard by the Association prior to the re-call vote. If the re-call vote is distributed by mail, the Trustee subject to the re-call shall be entitled to request a special meeting in order to be heard by the membership.

Should a Trustee be absent from all Board of Trustees Meetings over a period of more than three (3) consecutive months for reasons other than illness requiring professional medical care, his/her Trustee position shall be declared vacated by a two-thirds vote of the Board of Trustees.²⁴

Should a Trustee be absent from all Board of Trustees Meetings over a period of more than three (3) consecutive months by reason of illness requiring professional medical care, he/she may be removed from the Trustee position by a two-thirds vote of the Board of Trustees.²⁵

Section 6. RESPONSIBILITIES OF TRUSTEES²⁶

The duties and powers of the Board of Trustees shall include, but not be limited to, the following:

- A. To maintain, care for, repair, replace, reconstruct, and protect the Common Properties and Facilities of the Association, including all realty, building, personally used by or owned by the Association. In addition, it shall provide for the following exterior maintenance on Living Units and their grounds:
 - 1. Lawn maintenance, i.e. scheduled grass cutting, chemical lawn treatment and a schedule of sprinkling.

²³ Formerly Section 4, but changed to Section 5 through operation of Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

²⁴ Article III, Section 5, Paragraph 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

²⁵ Article III, Section 5, Paragraph 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

²⁶ Formerly Section 5, but changed to Section 6 through operation of Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

2. Painting of the exterior trim on all Living Units according to a schedule set by the Board of Trustees.
3. Snow removal after Brick Township has plowed the roads. Snow shall be removed from driveways and walks. Homeowners shall be responsible for removing ice on walks and driveways.²⁷

Homeowners shall be responsible for the remaining areas of exterior maintenance on Living Units and their grounds, such as the replacement of roofs, driveways, walks, siding and windows.

- B. To establish, levy, assess and collect assessments, both annual and special, from the members and/or owners and to use said monies for the operation and maintenance of the Common Properties and facilities and the exterior of Living Units as outlined in Article III, Section 5A
- C. To buy, sell, mortgage, lease, rent, borrow, or do any other act which may alter or change the assets of the Association; provided, however, that in the event the Association is desirous of substantially altering or changing the capital structure or property ownership of the Association, then the Association members shall consent to said act by a vote according to the provisions of Article II hereof.²⁸
- D. Ensure that total annual Capital Improvement expenditures shall be limited to fifty (50%) percent of the total Capital Improvement Fund, as of the end of the prior calendar year. This limit shall apply to each calendar year. Proposed expenditures of Capital Improvement Funds in excess of that amount shall require the consent of the Members by a vote in accordance with Article II.²⁹
- E. To prepare for the budget presentation in December a report showing the projected income and expenses and capital budgets for the coming year. It shall reflect the amounts projected to be necessary for the year's operation and maintenance in each major budget category.³⁰

This report shall be provided to all members prior to the December budget presentation. The projected monthly maintenance fee shall also be provided at this time.³¹

Except in the case of an emergency, a vote of the members shall be required if the Board of Trustees deems it necessary to spend in excess of five percent 5% of the total current operating budget.³²

²⁷ Article III, Section 6(A)(3) [incorrectly referred to as Section 6.Q.3 in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

²⁸ Article III, Section 6(C) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

²⁹ Article III, Section 6(D) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁰ Article III, Section 6(E), Paragraph 1 [incorrectly referred to as Section 5(D) in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

³¹ Article III, Section 6(E), Paragraph 2 [incorrectly referred to as Section 5(D) in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

³² Article, Section 6(E), Paragraph 3 [incorrectly referred to as Section 5(D) in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

- F. Ensure that any expenditure in excess of \$3,500.00 be sent out for bids from at least three (3) vendors, except where not feasible such as when only one vendor exists within a reasonable distance or when more than one bid cannot be obtained after a reasonable attempt to do so. The exception shall be for contracts for professional services, including, but not limited to attorney, accountant and insurance carrier.³³
- G. To establish, levy and collect any added assessments and fines made under Article VII and Article IX hereof.³⁴
- H. To employ and dismiss all employees, agents, servants of the Association and to determine the compensation for said employees; to obtain adequate fidelity bonds for all officers or employees of the Association handling or responsible for Association funds.³⁵
- I. To appoint the Chairpersons of all standing committees; to approve all Chairpersons appointed by the Officers of the Activities Coordinating Council; to approve the appointment of all committee members recommended by the Chairpersons of all standing committees; to approve and/or appoint all other committees and to approve the formation of all clubs or organizations that use any of the Common Facilities of the Association or operate under Association authority; to approve all instructors, teachers and/or leaders of any activity using any of the Common Facilities before the commencement of any activity.³⁶
- J. To collect delinquent assessments and to employ the provision and powers set forth in the Declaration of Covenants and Restrictions and these By-Laws to collect, foreclose, execute or levy against any member or lot which is delinquent.³⁷
- K. To authorize and designate such officer or officers as may be required to execute and deliver any documents, contracts, deeds, mortgages, certificates, bonds, notes, or other instruments of title or other documents of whatsoever nature as may be required in furtherance of the affairs of the Association.³⁸
- L. To keep detailed books of account of receipts and expenditures and to employ competent legal counsel and accountants to maintain the legal status of the Association.³⁹

³³ Article III, Section 5(F) [incorrectly referred to as Section 5(O) in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

³⁴ Article III, Section 6(G) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁵ Article III, Section 6(H) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁶ Article III, Section 6(I) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁷ Article III, Section 6(J) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁸ Article III, Section 6(K) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

³⁹ Article III, Section 6(L) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

- M. To assure that the provisions of the Association as embodied in the Articles of Incorporation, the Declaration of Covenants and Restrictions, and these By-Laws are carried out, specifically, but not by way of limitation, those provisions limiting ownerships and memberships to persons 55 years of age or over.⁴⁰
- N. To ensure against loss from fire, vandalism or any other cause, on any Common Properties or Facilities; and to maintain public liability insurance, insuring the Association and its members against any insurable claims arising from injuries or damages occurring on the Common Properties or Facilities.⁴¹
- O. To pay taxes and assessments levied against the Association Properties.⁴²
- P. To add additional properties to the scheme of the Declaration of Covenants and Restrictions, the By-Laws and the Rules and Regulations, which will become subject to the jurisdiction of the Association.⁴³
- Q. To make and enforce compliance with such Rules and Regulations relative to the use and occupancy of the Living Units, the operation and use of the Common Properties and Facilities, and to amend the same from time to time as it deems reasonable and necessary, which Rules and Regulations shall become binding on all owners, occupants, lessees, invitees, members, residents and guests and which may include, although not to be limited to the suspension of the privileges of membership and the right to enjoyment of the Common Facilities by the owners, members, guests, residents, occupants, lessees and invitees. All amendments to the Rules and Regulations shall be published in an Association Bulletin or Newsletter prior to the effective date of the Amendment.⁴⁴
- R. To ensure that no Trustee shall take any independent action on any Association matter without prior approval of the Board of Trustees.⁴⁵
- S. Trustees shall be non-salaried but shall be entitled to reimbursement of all reasonable expenses incurred in the discharge of their duties for the Association. All expenses submitted by Trustees for reimbursement shall be submitted by a written voucher including supporting

⁴⁰ Article III, Section 6(M) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴¹ Article III, Section 6(N) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴² Article III, Section 6(O) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴³ Article III, Section 6(P) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴⁴ Article III, Section 6(Q) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴⁵ Article III, Section 6(R) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

detail from the Trustee certified to be true and accurate to the best of his/her knowledge. No reimbursement shall be made unless majority of the remaining Trustees approve same.⁴⁶

- T. To publish periodically a Trustee Newsletter for membership distribution.⁴⁷
- U. Serve as Trustee liaison representatives to all Standing Committees; however, an elected or appointed Trustee shall not serve concurrently as a member of any Standing Committee.⁴⁸
- V. To establish a Violations Committee among the Board of Trustees, a written procedure for enforcement and notifying rule violators and a schedule of fines.⁴⁹
- W. Trustees and committee members shall not accept gifts, favors, services, gratuities or entertainment, to include, but not be limited to, free tickets, meals, beverages from any person or entity doing business with or seeking to do business with Lions Head South Association.⁵⁰
- X. No Trustee, Officer, Agent or other person shall have any power or authority to bind the Association by any contract or agreement or to pledge its credit or to render it liable for any payment or to any amount except when so authorized by the Board of Trustees.⁵¹

ARTICLE IV

OFFICERS

The officers of the Association and the Board of Trustees shall be a President, Vice President, Treasurer, Secretary and/or as may additionally be required.

Section 1. ELECTIONS⁵²

The Association officers and Board of Trustees officers shall be one and the same and shall be elected at the first Trustees meeting held in January of the new year. This meeting shall be chaired by the Administrator, or in that person's absence, by the chairperson of the Nominating Committee, provided that he/she shall not be related to any of the Trustees. In the event of such a conflict, the Nominating Committee vice-chairperson shall preside. The first order of business shall be the election of the new officers. Following this election, the newly elected President shall preside for the remainder of the meeting.

⁴⁶ Article III, Section 6(S) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴⁷ Article III, Section 6(T) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁴⁸ Article III, Section 6(U) [incorrectly referred to as Section 6(S) in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁴⁹ Article III, Section 6(V) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁵⁰ Article III, Section 6(W) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁵¹ Article III, Section 6(X) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 0247, et seq.

⁵² Article IV, Section 1 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 22, 1993 in Book 5122, Page 0005, et seq.

The President, Vice-President and Secretary shall be members of the Board of Trustees. The Treasurer may be a member of the Board of Trustees or may be appointed by the Board of Trustees from non-Trustee members of the Association as a non-voting member of the Board of Trustees.

Section 2. PRESIDENT

The President shall be the Chief Executive Officer of the Association and the Board of Trustees and shall preside at all meetings of the Association and the Board of Trustees. He/She shall have all the general powers and duties usually vested in the office of the President of an Association and Board of Trustees, including:

- A. In consultation with the Board of Trustees, the appointment of the chairpersons of all standing committees.
- B. The appointment of Trustee liaison representatives to all standing committees.
- C. In consultation with the Board of Trustees, the appointment of other committees from among the Trustees and/or Members from time to time as he/she may deem appropriate to assist in the conduct of the affairs of the Association, except as provided in Article III, Article IV and Article V of these By-Laws.⁵³
- D. He/she shall be an ex-officio member of all Standing Committees except the Nominating Committee.⁵⁴
- E. He/She shall be an ex-officio member of all standing committees.⁵⁵

Section 3. VICE PRESIDENT

In the absence of the President, the Vice President shall assume the role and title of Acting President.⁵⁶

Section 4. TREASURER⁵⁷

The Treasurer shall receive and deposit in appropriate insured bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees.

The Treasurer shall keep proper books of account in accordance with generally accepted accounting principles and cause annual certified audit of the Association's books to be made by a certified public accountant selected and approved by the Board of Trustees prior to the completion of each fiscal year. The certified public accountant's annual report shall be made available to all Members.

He/she, in cooperation with the Finance Committee shall be responsible for the preparation of an annual budget report and the presentation of this report to the Members in December. The books of account shall be maintained on site and open to any Member for review during normal business hours, in the

⁵³ Article IV, Section 2(C) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁵⁴ Article IV, Section 2(D) was amended by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁵⁵ Article IV, Section 2(E) was added by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁵⁶ Article IV, Section 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

⁵⁷ Article IV, Section 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 22, 1993 in Book 5122, Page 0005, et seq.

administration office of the Association, upon specific written request setting forth the object of the inquiry.

In the absence or incapacity of the Treasurer, the Administrator shall serve as Assistant Treasurer until the Treasurer is able to resume his/her responsibilities.

Section 5. SECRETARY⁵⁸

The Secretary shall keep minutes of all Association meetings. He/she shall perform all other duties incident to the office of Secretary. Official minutes of all Board of Trustees meetings shall be kept by the Administrator and shall be available for inspection by the members of the Association during normal business hours. Minutes of open meetings shall be posted on the Trustees bulletin board after ratification.

In the absence or incapacity of the Secretary and when no fewer than four (4) Trustees vote to declare that an emergency exists, the Administrator, by a majority vote of the Trustees, may be appointed Assistant Secretary until the Secretary is able to resume his/her responsibilities.

ARTICLE V

COMMITTEES

Section 1. STRUCTURE AND RESPONSIBILITY⁵⁹

1. Activities Coordinating Council
2. Architectural Committee
3. Buildings and Grounds Committee
4. Bylaws Committee
5. Clubhouse Committee
6. Community Awareness Committee
7. Finance and Insurance Committee
8. Nominating Committee
9. Recreation Committee⁶⁰
10. Security Committee⁶¹
11. Lions Head Country Club⁶²
12. Website Committee⁶³

The Chairperson of each Standing Committee shall be appointed by the Board of Trustees. The Chairperson or Vice Chairperson of each Standing Committee shall be in residence at least nine (9) months of each year and shall be a Member in Good Standing. Each committee shall be composed of at least five (5) members. They shall be selected by the Chairperson with the approval of the Board of Trustees.

⁵⁸ Article IV, Section 5 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁵⁹ Article V, Section 1 was amended by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁶⁰ Article V, Section 1(9) was added by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 898, et seq.

⁶¹ Article V, Section 1(10) was added by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁶² Article V, Section 1(11) was added by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

⁶³ Article V, Section 1(12) was added by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

The Standing Committees may be delegated responsibility for Association tasks from time to time by the Board of Trustees and shall be accountable for their actions and decisions directly to the Board of Trustees.

Section 2. GUIDELINES⁶⁴

A committee, its chairperson, or any member shall take no independent action on any Association matter without the prior approval of the Board of Trustees.

No committee, chairperson, or any committee member shall have the power to bind the Board of Trustees or the Association without prior approval.

No member of a committee shall take independent action on behalf of the committee.

Committee members shall be non-salaried but shall be entitled to reimbursement for all approved expenditures.⁶⁵

Chairperson or committee members shall not accept kickbacks or gratuities from any person or entity doing business with or seeking to do business with Lions Head South Association.⁶⁶

Section 3. TERM⁶⁷

Each member of a standing committee shall serve on only one standing committee, without compensation, for a one-year term. Committee members are eligible to serve subsequent terms with the approval of the Board of Trustees.

Section 4. APPOINTMENT⁶⁸

In early December, the newly-elected Trustees and the Trustees who will remain in office shall meet to select the Chairpersons of all standing committees. This selection shall be ratified by the Board of Trustees at their first meeting in January, following the installation of new Trustees.

Section 5. MEETINGS⁶⁹

Each standing committee shall hold at least one (1) monthly meeting and keep written summaries of each meeting. Recommendations from standing committees shall be brought to the Board of Trustees for action. The Chairpersons of standing committees shall present a report to the Trustees once a month at a Trustee meeting.

The Chairperson or any member of a standing committee shall take no independent action on any Association matter without the prior approval of the committee and the Board of Trustees.

⁶⁴ Article V, Section 2 was amended by Amendment recorded in the Office of the Ocean County Clerk on January 23, 2001 in Book 10285, Page 1557, et seq.

⁶⁵ Article V, Section 2, Paragraph 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁶⁶ Article V, Section 2, Paragraph 5 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁶⁷ Formerly Article V, Section 1(A), but numbering was changed in Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁶⁸ Formerly Article V, Section 1(B), but numbering was changed in Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁶⁹ Formerly Article V, Section 1(C), but numbering was changed in Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

No Chairpersons or Committee member shall have the power to bind the Board of Trustees or the Association without prior approval.

Section 6. FUNCTIONS OF STANDING COMMITTEES⁷⁰

1. Activities Coordinating Council⁷¹

The Activities Coordinating Council shall serve as an advisory, coordinating, planning and when necessary, an arbitrating body for all the social, recreational, cultural and educational committees and organizations of the Association. Council officers shall be composed of a chairperson, vice chairperson, secretary and financial secretary appointed by the Board of Trustees at their first meeting in January. The council shall meet monthly and include as members the Activities Coordinator and chairpersons of the various social, recreational, cultural and educational committees, clubs and organizations approved by the Board of Trustees.

The Council shall hold two types of meetings⁷²:

- (a) A bimonthly business meeting, which shall include as members the Chairpersons of each of the social, recreational, cultural and educational committees, clubs and organization approved by the Board of Trustees.⁷³
- (b) Open meetings to inform the Members through reports from council organizations and others, and to present speakers on timely topics.

With the exception of clubs maintaining bank accounts separate from the accounts of the Activities Coordinating Council, the chairperson of each of the committees shall be appointed by the Officers of the Activities Coordinating Council and approved by the Board of Trustees.

Clubs maintaining separate bank accounts shall elect their own officers and shall submit the names of their officers annually to the Board of Trustees.

The Activities Coordinating Council shall submit to the Board of Trustees a monthly financial report and an annual report.

Clubs maintaining separate bank accounts shall submit quarterly financial statements and an annual audit report of said statements to the Board of Trustees.

The Council shall encourage independent committee action, assuring that all committee actions and decisions are consistent with the By-Laws, Rules and Regulations and Policies and Procedures of the Association.

⁷⁰ Formerly Article V, Section 1(D), but numbering was changed in Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

⁷¹ Article V, Section 6(1) amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁷² Article V, Section 6(1), Paragraph 2 [Formerly Article V, Section 1(E)(1), Paragraph 2] was added by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁷³ Article V, Section 6(1)(a) [Formerly Article V, Section 1(E)(1)(a)] was amended by Amendment recorded in the Office of the Ocean County Clerk on March 1, 2004 in Book 11936, Page 0140, et seq.

2. Architectural Committee⁷⁴

The function of this committee shall be to review all applications for all exterior additions or alterations, including lawn installations. Detailed procedures and guidelines, which every member is obligated to follow, are outlined in the Architectural Regulations.

All applications shall be submitted for approval to the committee. The committee may recommend to the Board of Trustees any proposed change, amendment, modification or deletion from the provisions of the Declaration of these By-Laws, provided they conform to the Brick Township Municipal Ordinances and all applicable Law. The Chairperson of the committee may consult with the Board of Trustees before action is taken.

3. Buildings and Grounds Committee

The function of this committee shall be to carry out such duties as may be required regarding interior and exterior maintenance of the Common Properties and Facilities as well as the maintenance as described in Article III, Section 5A of these By-Laws.

This committee shall work closely with the administrator to resolve members' concerns in reference to any of the prescribed exterior maintenance work outlined in Article III, Section 5A. of these By-Laws.

4. By-Laws Committee⁷⁵

This committee shall review periodically the Association By-Laws and recommend changes to the Board of Trustees for their approval, prior to a hearing and a vote of the Members.

This committee shall seek input from the Members. It shall be responsible for holding hearings on proposed By-Laws revisions, for preparing and mailing ballots to Members and for tallying the results. It shall develop methods for the dissemination of the By-Laws.

5. Clubhouse Committee

In cooperation with the Administrator and Activities Coordinator, this committee shall assume the responsibility of assisting the Board of Trustees in the management and operation of the Clubhouse and its interior facilities.

6. Community Awareness Committee

The Community Awareness Committee shall be an information gathering and reporting committee whose primary purpose shall be to keep residents informed about issues and activities outside of Lions Head South which may be of concern and/or interest to members.

⁷⁴ Article V, Section 6(2) was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁷⁵ Article V, Section 6(4) [Formerly Article V, Section 1(E)(4)] was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

7. Finance and Insurance Committee⁷⁶

This committee shall ensure that the financial books and records of the Association are properly maintained and audited by a certified public accountant. It shall assist in preparation of the annual operation budget in cooperation with the Treasurer, Administrator and the Board of Trustees. This operating budget shall be presented to the Board of Trustees each year for their consideration.

This committee shall assist in the annual review and update of the Association's liability and casualty insurance coverage. This committee shall ascertain that policies are issued in a timely fashion to ensure coverage for the ensuing year(s).

This committee shall provide assistance in overseeing the Association's investment program in cooperation with the Treasurer, Administrator, and the Board of Trustees.

8. Nominating Committee⁷⁷

This committee shall solicit and submit the names of candidate for vacancies on the Board of Trustees and conduct the election in accordance with the Policies.

9. Recreation Committee⁷⁸

This committee shall carry out such duties as may be required regarding the maintenance of all outdoor recreational facilities, including the pool, the tennis, bocce and shuffleboard courts and the horseshoe pits. It shall be responsible for all outdoor recreational programs.

This committee shall be directly responsible to the Board of Trustees and shall also share information at the monthly meetings of the Activities Coordinating Council.

10. Security Committee⁷⁹

The function of this committee shall be to develop, place into operation and supervise a security program appropriate for the needs of the Association as approved by the Board of Trustees.

Neighborhood Watch shall be an integral part of the security program for Lions Head South.

11. Lions Head Country Club⁸⁰

The Directors of Lions Head Country Club shall carry out such duties as may be required to operate and maintain the Lions Head Country Club, including, but not limited to, the nine-hole golf course, parking area, building furnishings, sprinkler system and all equipment in an efficient manner.

⁷⁶ Article V, Section 6(7) [Formerly Article V, Section 1(E)(7)] was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁷⁷ Article V, Section 6(8) [Formerly Article V, Section 1(E)(8)] was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁷⁸ Article V, Section 6(9) was added by Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

⁷⁹ Changed from Section 9 to Section 10 through operation of Amendment recorded in the Office of the Ocean County Clerk on June 9, 1997 in Book 5475, Page 0898, et seq.

⁸⁰ Article V, Section 6(11) was added by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

There shall be five (5) Directors elected by the membership. They shall have a Treasurer who shall keep the books of account and a Secretary. The Directors shall be responsible directly to the Lions Head South Board of Trustees. Its financial records shall be included in the annual Lions Head South audit.

All Directors and subcommittee members shall adhere to Article 5-A:1-2 guidelines.

The Bylaws and Practices and Procedures Manual shall include, but not be limited to, details on membership fees, officers, rules, meetings and election procedures. The Bylaws and Practices and Procedures Manual shall be approved by the Lions Head South Board of Trustees.

12. Website Committee⁸¹

The Website Committee shall develop a Lions Head South Website representing the Lions Head South Association, Inc. The Website shall contain a profile of LHS as well as current information on Association activities, using photos, videos and text.

13. Other Committee and Organizations⁸²

The Board of Trustees may appoint and/or approve the appointment of other committees or the establishment of other organizations, including but not confined to the Lionettes, Singles Club, Lions Pride and Men's Club. These committees or organizations shall include all social, recreational and cultural groups that use the Common Properties and Facilities.

ARTICLE VI

SUBSEQUENT TRANSFER

Section 1. SUBSEQUENT TRANSFER: DEFINITIONS

Membership as used and referred to herein shall be construed as being the same as ownership of any Lot or Living Unit subject to the exceptions explicitly stated in the Restrictive Covenants of the Declaration and By-Laws, Articles II, Section 1.

Section 2. RIGHTS, DUTIES AND OBLIGATIONS OF OWNERS, MEMBERS, RESIDENTS, GUESTS, INVITEES, OCCUPANTS, LESSEES

The vesting of ownership by transfer of title unto any owner of a Lot or Living Unit shall vest in said owner all of the rights described herein toward the use and enjoyment of the Common Properties and Facilities and shall make the owner a beneficiary of each of the Restrictive Covenants and By-Laws of the Association. The vesting of title unto the owner, as a part of the consideration given to the owner therefore, shall create a duty and obligation on said owner to comply with each and every Covenant and Restriction, By-Law, and any and all Rules and Regulations promulgated by the Association. The inability of an owner to qualify as a member shall not serve to exempt him/her of the obligations and duties aforesaid.

The right of enjoyment of all Common Properties and Facilities shall extend to and include all Residents, Occupants, Guests, Invitees and Lessees and such right of enjoyment shall carry with it a corresponding

⁸¹ Article V, Section 6(12) was added by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

⁸² Changed from Section 11 to Section 12 through operation of Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq. and changed from Section 12 to Section 13 by Amendment recorded in the Office of the Ocean County Clerk on November 28, 2011 in Book 15033, Page 603, et seq.

obligation to abide by and comply with all of the provisions of the Declaration of Covenants and Restriction, By-Laws and Rules and Regulations of the Association.

Section 3. TRANSFER OF OWNERSHIP

No Owner shall sell, give, assign, or transfer title, interest or leasehold to his/her Living Unit prior to making full disclosure to the Association of his/her intent to make said transfer, and until said Owner receives written assurance from the Association that the prospective transferee has met all of the qualifications incident to membership in the Association. Such assurance shall be given within ten (10) business days following written request and such assurance shall not be unreasonably withheld. A devise shall not require any such Owner to obtain such assurance prior to death; however, the legal representative must thereafter obtain such assurance, provided, in any event, any such devisee shall be automatically subject to the Covenants and Bylaws. The Board of Trustees shall place a three (3) year waiting period on the leasing of a newly purchased Living Unit. If a lien has been recorded on the Living Unit, the owner must pay the amount required to discharge the lien prior to leasing the property. The Board of Trustees shall approve or disapprove the lease as a condition precedent to its validity. The approval or disapproval shall be made by the Board of Trustees within seven (7) business days. The Lease shall provide that its terms are subject to the Covenants, the Bylaws, the Policies and the Architectural Regulations. This provision is not intended in any way to deprive any member or prospective transferee of his/her rights, privileges, and immunities under the Constitution of the United States and State of New Jersey, and under the laws of said jurisdictions. The intention of the Association is to maintain strictly a Community providing for and meeting the needs of those people 55 years of age and older.⁸³

Section 4. PURCHASE

No member of the Association as defined in 2:1 of these Bylaws shall be less than the age of 55 years provided, however, that in the event a Lot or Living Unit is owned by husband and wife or domestic partners as tenants in the entirety, only one of said spouses or partners shall be required to meet the requirements of this article.⁸⁴

Section 5. CHILDREN

No sale, gift, devise, lease, assignment, pledge or transfer shall be made by an owner-member of a Lot or Living Unit to any prospective transferee who has or shall intend to have residing in the Living Unit a child or children under the age of 18 years, as a member of a family order or any other relationship other than a temporary visit specifically provided for herein.

Section 6. PASSAGE OF TITLE BY OPERATION OF LAW

In the event that an owner-member of a Lot or Living Unit departs this life testate or intestate, leaving as heirs one or more persons who do not qualify as a member of the Association, or in the event title is passed from an owner-member by operation of law other than by method as provided in Section 3, these restrictive Covenants shall in no way operate in violation of the law to restrict ownership by said heirs of said Lot or Living Unit provided, however, that said heir or heirs shall not occupy said Lot or Living Unit until he or she meets qualifications of the Association.

⁸³ Article VI, Section 3 was amended by Amendment recorded in the Office of the Ocean County Clerk on November 4, 2011 in Book 15013, Page 1979, et seq.

⁸⁴ Article VI, Section 4 was amended by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

Section 7. PASSAGE OF TITLE BY A LIVING UNIT

The owner occupant of a Living Unit may transfer ownership to another person who is not 55 years of age provided that the current owner occupant retains a life estate.⁸⁵

ARTICLE VII

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS

Each owner of a Living Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay the Association: (1) annual assessments or charges; (2) special assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of the collection thereof as hereinafter provided shall also be the personal obligation of the persons who were the owners of such property at the time when the assessment was made.

Section 2. PURPOSE OF ASSESSMENT

The assessment levied by the Association shall be used exclusively for the purpose of providing services, promoting the recreation, health, safety and welfare of the residents in the Common Properties and in particular for the improvement and maintenance of Common Properties and Facilities and exterior of Living Units, its grounds, walks and driveways, as outlined in Article III Section 5A, and services and facilities devoted to this purpose and related to the use and enjoyment of the common Properties and Facilities, including, but not limited to the payment of taxes and insurance on the Common Properties and Facilities, and repair, replacement, and additions thereto and for the cost of labor, equipment, material, management improvements and supervision thereof.

Section 3. BASIS OF ANNUAL ASSESSMENT AND CHANGES IN RATE

If the Board of the Trustees determines that the existing assessment rate does not meet the demands of operations and the maintenance of the Common Properties, Facilities, and exteriors of Living Units, as outlined in Article III, Section 5A, a new rate may be set by the Board of Trustees, and the owners and/or members of the Association shall, upon notice of the same and the reasons therefore, be subject to payment of the new rate.

Section 4. SPECIAL ASSESSMENTS

In addition to the annual assessment outlined in Section 3 hereof, the Board of Trustees may levy a special assessment for unanticipated expenses applicable to that year, Also, the Board of Trustees may levy a special assessment, only for construction, reconstruction, unexpected repairs or replacement of a described capital improvement upon the Common Properties and Facilities including the necessary fixtures and personal property related thereto, and/or for the exteriors of the Living Units, provided that the Board of Trustees in its discretion determines that there is a need for the same and it shall thereupon notify the owners and shall describe to them why said construction, reconstruction, or repair is necessary and the cost of said improvement and the amount of such special assessment.

⁸⁵ Article VI, Section 7 was added by Amendment recorded in the Office of the Ocean County Clerk on November 25, 2008 in Book 14160, Page 1033, et seq.

Section 5. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS

The annual assessments provided herein shall be payable monthly and will commence and be payable on the first day of each month. If the assessment is not paid within fifteen (15) days of the due date, a penalty, to be established by the Board of Trustees, shall be charged for that month and for each month the payment is delinquent.⁸⁶

Section 6. DEFAULT

In the event one or more of the monthly payments of the annual or special assessments are not paid within fifteen (15) days from the date the same shall become due and payable, then the entire assessment shall become delinquent and shall be accelerated for the remainder of the calendar year and together with such interest and penalties thereon and cost of collection therefore as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hand of the then owner, its successors in title and assigns. The personal obligation of the then owner or owners to pay such assessment, however, shall remain his personal obligation for the statutory period. The acquirer of title to a Living Unit shall be jointly and severally liable with his predecessor in title thereto for the amounts owing by the latter to the Association up to the time of the transfer of title, without prejudice to the acquirer's right to recover from his predecessor in title the amount paid by him as such joint debtor.

The Association shall provide for the issuance and issue to every acquirer, upon his request, a statement of such amounts due and the acquirer's liability under this Covenant shall be limited to the amount as set forth in said statement. Liability for the payment of said amounts due to the Association shall attach to the mortgages and the purchases for the Living Unit following a mortgage foreclosure sale of any Living Unit.

If the assessment payment is not paid within fifteen (15) days after the same has become due and payable, the assessment shall bear interest from the date of delinquency at the then maximum legal rate per annum, and the Association may bring action at law against the owner personally obligated to pay the same, or to foreclose the lien against the property; and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action. In the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the cost of the action.

The lien of the assessment provided herein shall not be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment, provided, however, that such priority shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment.

Section 7. EXEMPT PROPERTIES

The following, subject to the Declaration and these By-Laws, shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Properties as defined in Article I, Section 1, of the Declaration and Article I, Section 3 of the By-Laws; (c) all properties exempted from taxation by the Laws of the State of New Jersey upon the terms and to the extent of such legal exemption.

⁸⁶ Article VII, Section 5 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges, or liens.

ARTICLE VIII

RIGHTS IN THE COMMON PROPERTIES

Section 1. MEMBER'S EASEMENTS OF ENJOYMENT

Subject to the provision of Section 2 of this Article and the provisions of the By-Laws of the Association, every member shall have a right and easement of enjoyment in and to the Common Properties and Facilities and such easement shall be appurtenant to and shall pass with the title to every Living Unit.

Section 2. EXTENT OF MEMBER'S EASEMENT⁸⁷

The rights and easements created hereby shall be subject to the following:

- a) The right of the Association in accordance with its Articles and By-Laws to borrow money for the purpose of improving the Common Properties and Facilities in aid thereof to mortgage said properties.
- b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures.
- c) The right of the Association as provided in its Articles and By-Laws to suspend the enjoyment rights of any member or those claiming under him, for any period during which any assessment remains unpaid, and for any further reasonable period for each and any infraction of its By-Laws or published rules and regulations.
- d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties and Facilities including the right to levy different fees of guests of Association members.
- e) The right of the Association to dedicate or transfer all or any part of the Common Properties and Facilities to any public agency, authority or utility company for such purposes as may be deemed necessary by the Trustees in the interests of the Association, provided the same is approved by the Board of Trustees after a vote of the members at a regular meeting or a special meeting called for that purpose.
- f) The right of further restrictions imposed by the Board of Trustees and/or by the By-Laws of the Association.

⁸⁷ Article VIII, Section 2 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

- g) The right of the Association through its duly authorized agents or employees to enter upon any Lot during reasonable hours on any day in furtherance of its duties to maintain the premises, enforce the Covenants, the By-Laws, the Architectural Regulations and Policies.

ARTICLE IX

RESTRICTIONS

All Lot and/or Living Unit owners, as well as all members, guests, residents, occupants, lessees, etc., in addition to any other obligation, duty, right and limitation imposed upon them by the Declaration, the Articles of Incorporation, By-Laws of the Association, and Rules and Regulations that may be promulgated by the Association, shall be subject to and agree to abide by the following restrictive covenants which shall be applicable to all Living Unit Owners, occupants, guests, invitees, tenants, residents, and lessees, etc., to wit:

Section 1. No Living Unit shall be used for any purpose other than as and for a single family residence or dwelling.

Section 2. Deleted to comply with FCC regulations. Regulation of exterior antennas is included in the Architectural Regulations.⁸⁸

Section 3. No signs of any nature whatsoever shall be erected or displayed upon any of the property except when express prior written approval of the size, shape, content, and location thereof has been obtained from the Association.

Section 4. No clothing, bedding, or other similar items shall be dried or aired in any outdoor area.

Section 5. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose. There shall be no more than 2 dogs or 2 cats or other animal in any Living Unit.

Section 6. No individual water supply system shall be permitted on any lot except as may be required by the Association.

Section 7. Easements for installation and maintenance of utilities and drainage facilities are reserved. The Association hereby reserves an easement in, over, under and across all streets, public areas, and community property areas as may be shown on any filed map of the property for the purpose of maintaining utility services thereon, together with the right to transfer their right in such easements to any third party or corporation who may provide such utilities and services, and to maintain the same, and over the front and rear 10 feet of each lot and 5 feet along each side line.

Section 8. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, shed, or other out-building shall be used on any lot at any time either temporarily or permanently, and all boats,

⁸⁸ Article IX, Section 2 was deleted by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

trailers, campers and motor homes, or other recreational vehicles shall be stored in the area provided therefor.⁸⁹

Section 9. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in or boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 10.⁹⁰ No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers, stored indoors. Any builder, contractor, or other person doing work on or about any Lot or Living Unit of Common Property shall clean up all rubbish at the conclusion of each work day, and shall remove same at the conclusion of the work.

The storage within Lions Head South of any equipment or machinery used in any business or commercial enterprise, as well as the storage of any solid waste or debris generated outside of the community, shall be prohibited.

Residents shall use only the automated garbage containers provided by Brick Township. They shall be placed at the curb no sooner than 4:00 P.M. on the day prior to the day of collection. Empty containers shall be removed from the curb by 8:00 P.M. on the day of collection and placed indoors by 8:00 A.M. on the day following the day of collection. The same schedule shall apply to recyclables.

Section 11. No noxious or offensive or illegal activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become annoyance or nuisance to the neighborhood.

Section 12. No individual sewerage -disposal systems shall be permitted on any Lot.

Section 13. No fences, hedges or objects, such as rows of blocks or markers delineating property lines shall be permitted on any lot.⁹¹

Section 14. No owner, member, guest, lessee, resident, occupant, invitee, etc., shall commence any digging or earth moving or regrading operations of any nature whatsoever without first obtaining permission of the Architectural Committee. This section is intended as a protection against inadvertent disruption of underground services and creation of a nuisance to adjoining property owners.

Section 15. No two-bedroom unit shall be permanently occupied at any time by more than four (4) individuals except as otherwise provided herein.

Section 16. Owners, members, guests, lessees, residents, occupants, invitees, etc. shall only be permitted to have visitor occupants of any age for up to four (4) weeks during any six month period, commencing on January 1, or July 1 of any year, or for a maximum of six weeks in any twelve month period, provided

⁸⁹ Article IX, Section 8 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

⁹⁰ Article IX, Section 10 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁹¹ Article IX, Section 13 was amended by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

that at no time shall any two bedroom unit be occupied by more than six individuals. No person under the age of 18 may be a permanent resident.

Section 17.⁹² The parking or storage of motor vehicles except upon paved areas is prohibited. The overnight parking or storage of trucks, commercial vehicles, or utility trailers shall be prohibited. The parking or storage of camping vehicles, boats, and boat trailers upon any of the foregoing described lands is limited to the designated recreational vehicles area.

Guests may be permitted to park recreational vehicles in the Clubhouse parking lot with the express written authorization of the Board of Trustees in accordance with the Policies.

A signed "Wavier of Liability" form shall be provided to the Business Administrator for any recreational vehicle, boat and/or boat trailer parked on Common Property. The form of wavier shall be approved by the Board of Trustees.

Disabled or unlicensed vehicles shall not be left parked on Common Property or stored on unit owner property.

"For Sale" signs on vehicles parked on Common Property are prohibited.

Section 18. All members, owners of a Living Unit, occupants, guests, invitees, tenants, residents and lessees shall be obligated to abide by each and every Architectural Regulation.

Section 19. Garage sales, yard sales and outdoor auctions around the exterior of the Living Units are prohibited.

Section 20. The Board shall publish annually a schedule of fines for violations of Association rules and regulations. Said schedule shall be utilized by the Violations Committee which may recommend the imposition of fines. Any fines imposed shall be considered a charge and lien against the Living Unit in accordance with the Covenants and the Bylaws and the Policies. Any fines or interest which shall remain unpaid in excess of ten (10) days after assessment shall be collectible in the same fashion as unpaid common charges and assessments.⁹³

Section 21. All pet owners shall be responsible for curbing their pets, and using a pooper scooper. Pets shall remain on a leash no longer than six (6) feet in length at all times.⁹⁴

Section 22(a).⁹⁵ In the event that any Living Unit or any portion thereof is damaged or destroyed by fire, casualty or any other occurrence which causes damage or destruction thereto, the repair, replacement or restoration, if any, of the Living Unit or any portion thereof shall be made in accordance with the following requirements within one (1) year from the date of said occurrence:

⁹² Article IX, Section 17, Paragraph 1 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁹³ Article IX, Section 20 was amended by Amendment recorded in the Office of the Ocean County Clerk on December 1, 2000 in Book 10247, Page 1482, et seq.

⁹⁴ Article IX, Section 21 was amended by Amendment recorded in the Office of the Ocean County Clerk on March 1, 2004 in Book 11936, Page 0140, et seq.

⁹⁵ Article IX, Section 22 was added by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

- (a) The Living Unit or any portion thereof shall be repaired or replaced in accordance with the original plans and specifications or as nearly as practicable to the original plans and specifications and in accordance with all applicable building codes and zoning ordinances.
- (b) In the event that it is impracticable to repair or replace the damaged or destroyed portions of the Living Unit to the exact design and dimensions of the original structure, material deviations from the original plans and specifications shall be submitted to the Architectural Committee for review. The Architectural Committee shall report to the Board of Trustees for approval prior to the commencement of any construction.
- (c) In the event that it is impossible to perform the repair, replacement or restoration within one (1) year from the date of said occurrence, an appeal may be submitted to the Architectural Committee.
- (d) The Board of Trustees may enforce the provisions contained herein against an Owner or the transferee of an Owner in an action at law or in equity as provided in the Covenants and By-Laws of the Association.

Section 22(b). Electricity, solar energy and natural gas shall be the only sources of energy for the Living Units.⁹⁶

Section 23. Basketball hoops shall not be permitted on any Lot.⁹⁷

Section 24. There shall be no smoking cigarette, cigar or pipe permitted in any interior location of the Clubhouse.⁹⁸

ARTICLE X

EASEMENTS

LOCATIONS

The Association shall have an easement in, over and upon the premises of the Owner of each Lot or Living Unit, for utilities and other service lines, and as may be required to carry out the provisions of the Declaration of Covenants and Restrictions and these By-Laws. The Association shall retain and reserve as easement for the common walkways for the subject premises and those premises adjoining the subject premises.

⁹⁶ Article IX, Section 22 was added by Amendment recorded in the Office of the Ocean County Clerk on August 6, 2010 in Book 14659, Page 1064, et seq. The Amendment stated that it was adding Section 22, but Section 22 already existed, so there are two provisions labeled as Section 22.

⁹⁷ Article IX, Section 23 was added by Amendment recorded in the Office of the Ocean County Clerk on December 22, 1993 in Book 5122, Page 0005, et seq.

⁹⁸ Article IX, Section 24 was added by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.

ARTICLE XI

FORFEITURE OF VOTING RIGHTS

MEMBER IN DEFAULT

In the event a member is in default of payment of annual or special assessments, fines or penalties or is otherwise not in good standing his/her voting rights as defined in Article II shall be forfeited. This forfeiture in no way relieves said member of any obligations and duties as set forth in the other provisions of the Declaration of Covenants or Restrictions.

ARTICLE XII

MISCELLANEOUS

Section 1. INDEMNIFICATION OF OFFICERS AND TRUSTEES

The Association shall indemnify every Trustee and Officer, his heirs, executors, and administrators, against all loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Trustee or Officer of the Association except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence, or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person indemnified had not been guilty of gross negligence or willful misconduct in the performance of his duty as such Trustee or Officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Trustee or Officer may be entitled. All liability, loss, damage, cost and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as common expenses provided, however, that nothing in this Article contained shall be deemed to obligate the Association to indemnify any member of Owner of a family Unit, who is or has been a Trustee or Officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of his membership in the Association or as an Owner of a Living Unit.

Section 2. REIMBURSEMENT BY MEMBERS

Each member and/or Owner shall be obligated to reimburse the Association for any expenses incurred by it in repairing or replacing any part or parts of the Common elements damaged solely by his negligence or by the negligence of his tenants, agents, guests, or licensees, promptly upon the receipt of the Association's statement therefor.

In the event a member fails to reimburse within 10 days of receipt of the Association's statement, the Association may proceed to collect the amount due in the same manner as delinquent assessments may be collected.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. MEMBERSHIP

All property owners shall automatically be members of the Association provided they qualify under Article II, Section I of this document and shall thereupon be subject to its By-Laws and Rules and Regulations. Ownership of a Living Unit, and/or membership in the Association shall give the benefits and privileges as well as the duties and obligations as defined in the other provisions of the Declaration and these By-Laws. No Property owner shall have the right to terminate his membership in the Association, except by sale or transfer of the Living Unit or by written consent of the Association. Membership in the Association is non-transferable, and any attempt to transfer shall be null and void.

Section 2. DURATION

The Covenants and Restrictions of the Declaration and the By-Laws, Rules and Regulations, shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, respective legal representatives, heirs, successors, and assigns, for the term of ten (10) years from the date the Declaration was recorded, after which time said covenants shall be automatically extended for successive period of ten (10) years unless an instrument signed by the then Owners of two-thirds of the Living Units has been recorded, agreeing to change said Covenants and Restrictions in whole or in part, provided however, that no such agreement to change shall be effective unless made and recorded thirty (30) days in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least thirty (30) days in advance of any action taken.

Section 3. NOTICES

Any notice required to be sent to any Member or Owner under the provisions of these By-Laws shall be deemed to have been properly sent when mailed, post-paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 4. ENFORCEMENT

Enforcement of all Covenants, Restrictions, By-Laws, Rules and Regulations, by the Association, shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any Covenant, Restriction, By-Law, Rule or Regulation, either to restrain violation or to recover damages, or both together with counsel fees and costs to enforce any lien against the land created by these Covenants, Restrictions, By-Laws, Rules and Regulations and failure by the Association or any owner to enforce any Covenant, Restriction, By-Law, Rules or Regulation herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. SEVERABILITY

Invalidation of any one of the Covenants, Restrictions, By-Laws, Rules and Regulations by judgment or court order shall in no wise affect any provision which shall remain in full force and effect.

Section 6. FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January each year.

Section 7. PARLIAMENTARY PROCEDURE

Roberts Rules of Order, as revised, shall govern parliamentary procedure at all meetings.

ARTICLE XIV

AMENDMENTS

Section 1.

A) Amendments to By-Laws

These By-Laws may be amended at a regular or special meeting of the membership by a vote of the majority of the members present in person or by proxy, provided that the foregoing does not prohibit balloting by mail. The quorum for mailed ballot shall be consistent with the quorum requirements of Article II, Section 4.

Proxy votes, in accordance with the Policies, shall be permitted only when voting is conducted at a meeting.⁹⁹

B) Proposals to Amend By-Laws

Proposals to amend these By-Laws by the membership shall be submitted to the Board of Trustees by a petition of members in good standing representing one hundred (100) or more Living Units.

Each proposal shall be made in writing, including an explanation of the reasons for the desired change. The Board of the Trustees shall refer the proposal promptly to the By-Laws Committee for consideration, for drafting into proper form and for consultation with the proponents of the proposal. The By-Laws Committee, after obtaining the advice of the Association attorney, shall give its report and recommendation to the Board of Trustees within thirty (30) days after receipt of the proposal. The Board of Trustees shall advise the membership of the Association of the nature of the proposed amendment to the By-Laws, the report and recommendations of the By-Laws Committee and the date, time and place the membership shall vote upon the proposal as provided in Section 1A above. Such notice of voting shall be given to the membership not less than fifteen (15) days before the date of the voting. Any By-Law that is amended shall become effective only after it is properly recorded in the office of the Clerk of Ocean County, New Jersey.

Proposals to amend these By-Laws may be initiated by the Board of Trustees without supporting petitions from the membership.

⁹⁹ Article XIV, Section 1(A), Paragraph 2 was added by Amendment recorded in the Office of the Ocean County Clerk on May 7, 1993 in Book 5063, Page 247, et seq.

Section 2. CONFLICT BETWEEN BY-LAWS, ARTICLES AND COVENANTS AND RESTRICTIONS

In the case of a conflict between the Bylaws and the Policies, the Bylaws shall control; in the case of a conflict between the Articles of Incorporation and the Bylaws, the Articles shall control; in the case of a conflict between the Covenants applicable to The Properties referred to in Article I, Section 1 of the Covenants and 1:3-5 of these Bylaws, the Covenants shall control.¹⁰⁰

¹⁰⁰ Article XIV, Section 2 [incorrectly referred to as Section 3 in Amendment] was amended by Amendment recorded in the Office of the Ocean County Clerk on March 26, 1996 in Book 5353, Page 0495, et seq.