

LA BONNE VIE CONDOMINIUM
ASSOCIATION, INC.
BY-LAWS
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ARTICLE I - NATURE OF BY-LAWS

PURPOSE. These By-Laws are intended to govern the administration of La Bonne Vie Condominium Association, Inc., a non-profit corporation organized under Title 15 of the Revised Statutes of New Jersey, together with the management, administration, utilization and maintenance of the common elements described in the Master Deed for the condominium.

FISCAL YEAR. The fiscal year of the Association shall be on a calendar year basis.

PRINCIPAL OFFICE. The office of the corporation is located at 2 West Taunton Avenue, P.O. Box 41, Berlin, New Jersey 08009.

ARTICLE II - MEMBERSHIP AND VOTING RIGHTS

MEMBERSHIP. Every unit owner shall be a member of the Association, subject to the provisions of these By-Laws and any rules and regulations promulgated by the Board of Directors of the Association (the "Board"). Membership in the Association shall terminate when any unit owner shall cease to be the record owner of a unit.

VOTING RIGHTS. There shall be twenty-four (24) voting rights in the Association, at its inception, each of equal weight, each being the same as the undivided percentage interest in the common elements of the condominium, representing one (1) vote for each unit in the condominium (which shall be subject to change and dilution if, as and when additional Stages are added to the condominium by

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Amendment of the Master Deed), all of which shall be held by the Grantor; provided, however, that upon each conveyance of the title of a unit by Grantor to another unit owner, such unit owner shall become entitled to the same percentage voting interest for each unit purchased, and the voting interests held by Grantor shall be reduced accordingly. Grantor's votes shall be cast by such persons as it may from time to time designate. Votes not held by Grantor shall be cast in person or by proxy, as otherwise provided herein.

SUSPENSION OF MEMBERSHIP RIGHTS AND VOTING RIGHTS. The membership rights and voting rights of any unit owner may be suspended by action of the Board during the period when such unit owner's common expense assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored. No owner who is not in good standing shall have the right to speak at any Association meeting.

ARTICLE III - MEETINGS OF UNIT OWNERS

PLACE OF MEETING. All meetings of the unit owners of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board.

FIRST ANNUAL MEETINGS AND REGULAR ANNUAL MEETINGS. The first annual meeting of the unit owners shall be held on call by the Board no more than (60) days after six (6) units have been sold, paid for and title closed. Said meeting shall be considered the first

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annual meeting of the unit owners. At said meeting, two (2) members of the five (5) person Board of Directors shall be elected by the unit owners from among unit owners, excluding the Grantor. The members of the Board shall hold office until their respective successors have been elected by the unit owners, excluding the Grantor. The Board appointed by the Grantor shall act until the election has been completed at said first meeting. Thereafter, the Grantor shall appoint three (3) of the five (5) members of the Board. The Grantor shall gradually turn over control of the Board to the unit owners as hereinafter described. At any vote for membership on the Board, each unit owner shall vote in accordance with the provisions of the By-Laws for each position to be filled. If at any meeting for election of membership to the Board more than twice the number of candidates to be elected at such meeting are nominated, then and in such event there shall be two ballots for membership. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running as there are positions to be filled, with the lowest vote getters being eliminated. The second ballot shall be held, and on the second ballot the top vote getters on the basis of votes will be elected. If there are no more than twice the number of nominees for the number of positions to be filled, then there shall be one ballot, with the top vote getters being elected to membership on the Board. After the first annual meeting of the unit owners, succeeding annual meetings shall be held during the same month of each succeeding year. At each annual meeting, members of the Board

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entitled to be elected by the unit owners shall be elected by ballot of the unit owners in accordance with these By-Laws.

SPECIAL MEETINGS. After the first annual meeting, special meetings of the unit owners may be called by the President whenever he deems such a meeting advisable, or shall be called by the Secretary when so ordered by the Board, or (ii) upon the written request of members representing not less than twenty-five (25%) percent of all votes entitled to be cast at such meetings. Such request shall state the purpose(s) of such meeting. A special meeting may be called for the purpose of transferring control of the Association from the Grantor to the unit owners.

NOTICE OF MEETING. Except as otherwise provided by law, notice of each meeting of unit owners, whether annual or special, shall be given not less than ten (10) days, nor more than ninety (90) days, before the date on which the meeting is to be held, to the representative of each unit owner at his last known address, by delivering a written or printed notice thereof to him personally, or by mailing such notice, postage prepaid. Except where expressly required by law, no publication of any notice of meeting of unit owners shall be required. Every such notice shall state the time and place of the meeting and shall state briefly the purpose(s) thereof. Notice of any meeting of unit owners shall not be required to have been sent to any unit owners to attend such meeting in person or by proxy.

QUORUM. At any meeting of the unit owners, owners

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representing ownership of at least fifty (50%) percent, present in person or represented by proxy shall constitute a quorum for the transaction of business, except where otherwise provided herein.

ORGANIZATION. At each meeting of the Association, the President, or, in his absence, the Vice President, or, in the absence of both, a chairperson chosen by a majority vote of the unit owners present in person or represented by proxy and entitled to vote thereat, shall act as a chairperson, and the Secretary, or in his absence, a person whom the chairperson shall appoint, shall act as Secretary of the meeting.

VOTING. Except as otherwise required by the Articles of Incorporation, the Master Deed or any law, a quorum being present of at least fifty (50%) percent of the votes in person or by proxy shall be sufficient on those matters which are to be voted on by all the unit owners. All proxies shall be in writing, signed by all individual owners of each unit or by his or her duly authorized representative(s), and delivered to the Secretary of the meeting. The holder of a proxy need not be a unit owner.

JUDGES. If at any meeting of the unit owners a vote by ballot shall be taken on any question, the chairperson of such meeting shall appoint two judges, to act thereat with respect to such vote. Each judge so appointed shall first subscribe to an oath faithfully to execute the duties of a judge at such meeting with strict impartiality and according to the best of his ability. Such judges shall decide

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upon the qualifications of voters and shall report the number of votes represented at the meeting and entitled to vote on such question, shall conduct and accept the votes, and when the voting is completed, shall ascertain and report the number of votes respectively for and against the question. Reports of judges shall be recorded in writing by the Secretary of the meeting. The judges need not be members of the Association, and any officer of the Association may be a judge on any question other than a vote for or against his election to any position with the Association or any other question in which he may be directly interested.

ORDER OF BUSINESS. The order of business at the annual meeting of the unit owners or at any special meetings as far as practicable shall be:

- (a) Calling on the roll and certifying the proxies.
- (b) Proof of notice of meeting and waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Receiving reports of officers.
- (e) Receiving reports of committees.
- (f) Appointment of judges of election, if appropriate.
- (g) Election of Board of Directors, if appropriate.
- (h) Old Business
- (i) New Business
- (j) Adjournment

Roberts Rules of Order will cover any phase of the Association meeting not specifically covered by the By-Laws or other

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condominium documents.

ARTICLE IV - BOARD OF DIRECTORS: GENERAL DESCRIPTION

EXPRESS AND IMPLIED POWERS AND DUTIES; DELEGATION THEREOF.

The property, affairs and business of the Association shall be managed by the Board of Directors, which shall have all those powers granted to it by the Articles of Incorporation, the Master Deed and By-Laws. All of these aforesaid powers and duties are hereby irrevocably delegated to the Board of Directors of the Association, except as otherwise may be expressly provided to the contrary.

NUMBER AND QUALIFICATION. The Board of Directors shall consist of five (5) persons.

(a) The Grantor shall appoint all the members of the Board until the first six (6) units have been sold, paid for and title closed.

(b) No later than sixty (60) days after the initial sale and conveyance of the sixth unit, all unit owners shall be notified and instructed to attend the first annual meeting of the Association at which time unit owners will elect (2) members to the Board of Directors. The Grantor will appoint three (3) members to the Board of Directors. The Grantor's appointees need not be unit owners. Any Board of Director elected by the unit owners must be a unit owner.

(c) Within sixty (60) days after the initial sale and conveyance of the unit representing fifty percent (50%) of the units then a part of the condominium, the unit owners shall elect three (3)

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members of the Board of Directors, the Grantor shall appoint two (2) members to the Board.

(d) Within sixty (60) days after sale and conveyance of the unit representing seventy-five percent (75%) of the units then a part of the condominium, the unit owners shall elect four (4) members to the Board of Directors and the Grantor shall appoint one (1) member.

(e) The Grantor will appoint (1) member of the Board of Directors as long as it owns any units in the ordinary course of business as developer of the condominium.

(f) No later than sixty (60) days after the initial sale and conveyance of the final unit, the unit owners shall elect all five (5) members of the Board of Directors. The Association, when controlled by the unit owners, shall not take any action that would be detrimental to the sale of units by the Grantor, and shall continue the same level of maintenance, operation and services as were in existence immediately prior to their assumption of control. This provision is applicable until the final unit owned by the Grantor is sold and conveyed.

ELECTION AND TERM OF OFFICERS. The Board of Directors shall be elected as hereinbefore described. At any election the number of positions open on the Board of Directors shall be divided by two and two groups will be formed, Group A and Group B. If an odd number of positions are open, the greater number will be in Group A. Group A shall be elected for a two (2) year term and Group B shall be elected for a one (1) year term. The successful candidates receiving the

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highest number of votes shall be placed in Group A that is elected for a two (2) year term. The successful candidates receiving the next highest number of votes will be in Group B, elected for a one (1) year term. The purpose of this provision is to insure that there will always be some experienced members remaining on the Board of Directors to maintain continuity.

REMOVAL OF MEMBERS OF THE BOARD. At any duly held regular or special meeting of the unit owners, any one or more of the directors may be removed with or without cause by a majority of the unit owners, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting. This provision shall not apply to any of the directors appointed by the Grantor.

VACANCIES. Vacancies on the Board caused by any reason other than the removal of a director by a vote of the unit owners of the Association shall be filled by a vote of a majority of the remaining directors, and a special meeting of the Board held for that purpose after the occurrence of such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a director for the remainder of the term of the director whose term he is filling and until his successor shall be elected. Notwithstanding any provisions to the contrary, the Grantor shall appoint a new director to any vacancy caused by any reason to the director the Grantor is entitled to appoint. The

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remaining elected directors shall elect a new director to any vacancy, caused by any reason, to the directors that the unit owners are entitled to elect. When a member of the Board who has been elected by unit owners other than the Grantor is removed or resigns, that vacancy shall be filled by a unit owner other than one elected by the Grantor.

MEETING OF THE BOARD; NOTICE; WAIVER OF NOTICE. The first meeting of the Board following the first annual meeting of the unit owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the unit owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least two (2) meetings shall be held each year. Notice of the regular meetings of the Board shall be given to each director by telephone, mail or telegram at least three (3) calendar days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) calendar days' notice to each director given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Actual attendance by directors at any meeting of the Board shall obviate the notice required hereby to such directors, and any business may be transacted at such meeting.

QUORUM AND ADJOURNED MEETINGS. At the meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business and the votes of a majority of the directors present and voting at a meeting at which a quorum is present shall

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constitute a valid decision. If at any meeting of the Board there shall be less than a quorum present, the meeting shall be adjourned to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice. The vote of a majority of those present at a Board meeting at which a quorum is present shall be necessary for valid action by the Board.

JOINDER IN MEETINGS BY APPROVAL OF MINUTES. The transaction of any business at any meeting of the Board however called and notice of wherever held, shall be valid as though a meeting duly held after regular call and notice, if a quorum is present; or if either before or after the meeting, each director signs a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waiver, consent or approval, of course, shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

NON-WAIVER. All the rights, duties and privileges of the Board shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

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ARTICLE V - BOARD OF DIRECTORS: POWERS AND DUTIES

GENERAL POWERS AND PRIVILEGES. The Board shall have the following powers, herein granted or necessarily implied, all of which are hereby irrevocably delegated to the Board of Directors of the Condominium Association.

(a) Employ, by contract or otherwise, a manager, managing agent or independent contractor, to oversee, supervise and follow out the responsibilities of the Board. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper; and

(b) Employ professional counsel and to obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, recreation experts, architects, planners, biologists, lawyers and accountants; and

(c) To employ or contract for water and sewer, electricity and gas or other forms of utilities, television cable, painting, building, repairing, renovating, remodeling; and

(d) To employ all managerial personnel necessary or enter into a managerial contract for the efficient discharge of the duties of the Board hereunder; and

(e) To adopt, amend, any rules and regulations covering the details of the operation and use of the common elements; and

(f) Maintain businesslike relations with unit owners or occupants whose service requests shall be received, considered and recorded in systematic fashion, in order to show the action taken with

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respect to each. As part of a continuing program, secure full performance by such unit owners or occupants of all such items and maintenance for which they are responsible; and

(g) Coordinate the plans of unit owners and occupants of units for moving their personal effects into the unit or out of it, with a view towards scheduling such movements so that there shall be a minimum of inconvenience to others; and

(h) Arrange for security protection as necessary; and

(i) Enforce obligations of the unit owners and do anything and everything else necessary and proper for the sound management of the condominium; including the right to bring lawsuits to enforce the terms, conditions and restrictions contained in the Master Deed, these By-Laws and any rules and regulations governing the condominium or unit owners; and

(j) Borrow and repay monies giving notes; mortgages or other security upon such terms as it deems necessary; and

(k) Invest and reinvest monies, sue and be sued; collect interest, dividends and capital gains; exercise rights; pay taxes; make and enter into contracts; enter into leases or concessions on behalf of the Association; make and execute any and all proper affidavits for various purposes; compromise any action without leave of court; and all other powers contained herein, and those necessary and incidental thereto; and

(l) Grant and obtain easements, licenses and other property rights with respect to contiguous lands and lands included within the

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community known as the Township of Gloucester; and

(m) Purchase or lease or otherwise acquire in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners within the condominium units offered for sale or lease or surrendered by their owners to the Board; and

(n) Purchase units within the condominium at foreclosure or other judicial sales in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners; and

(o) Sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise deal with units acquired by, and sublease such units leased by the Association or its designees, on behalf of all unit owners.

(p) While the Grantor maintains a majority of the Board of Directors, it shall make no addition, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a government agency, title insurance company, mortgage lender or in the event of an emergency.

(q) Grantor shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the master deed, by-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

DUTIES AND RESPONSIBILITIES. It shall be the affirmative

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and perpetual obligation and duty of the Board of Directors to perform the following, all of which are hereby irrevocably delegated to the Board of Directors of the Condominium Association, except as may otherwise be expressly provided to the contrary herein or in the Master Deed or Articles of Incorporation.

(a) Cause the common elements, both general and limited, to be maintained according to accepted standards as set forth in the Master Deed, including, but not limited to such maintenance, replacement and repair work as may be necessary.

(b) Maintain, replace, replant and relandscape the open spaces, lands, roadways and general environment in as aesthetically pleasing manner as was done by the Grantor.

(c) To investigate, hire, pay, supervise and discharge the personnel necessary to be employed, and provide the equipment and materials necessary, in order to properly maintain the exterior and roofs of the aforesaid units (excluding window glass) and to properly maintain and operate the common elements. Compensation for the services of such employees shall be considered an operating expense of the Association; and

(d) Cause to be kept a complete record of all its acts and corporate affairs and to present a report thereof to the Association members at any special meeting, if appropriate, and at the annual meeting; and

(e) Allocate common surplus or make repairs, additions, improvements to, or restoration of the common elements in accordance

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with the provisions of these By-Laws and the Master Deed after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; and

(f) Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises maintained by the Association placed thereon by any federal, state, county or municipal authority having jurisdiction thereover, and order of the Board of Fire Underwriters or other similar bodies; and

(g) Insurance. To place and keep in force all insurance coverage required to be maintained by the Association. The provision for insurance and the establishment of the Board as insurance trustee shall be as set forth in detail in the Master Deed, and the Board shall administer and provide insurance coverages set forth therein.

(h) Provide for the regular maintenance of the stormwater drainage system; catch basins, leaching pipes, etc.

ARTICLE VI - FISCAL MANAGEMENT

COMMON RECEIPTS. The Board shall have the duty to collect from each unit owner, his, her or their heirs, administrators, successors and assigns, as "Common Receipts", a proportionate part of the common expenses assessed against such unit owner as provided in the Master Deed, the Articles of Incorporation, these By-Laws, and in accordance with applicable law.

DETERMINATION OF COMMON EXPENSES. The amount of monies for common expenses deemed necessary by the Board and the manner of

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expenditure thereof, including but not limited to, the allocation thereof, shall be a matter of the sole discretion of the Board.

DISBURSEMENTS. The Board shall take the funds, as collected and shall disburse the same for the purposes and in the manner set forth herein and as required by the Master Deed, Articles of Incorporation, and applicable law.

DEPOSITORIES. The depository of the Association shall be at such a bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by two (2) authorized directors from the Board, or their assignees, provided that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association, if the proper fidelity bond is furnished to the Association.

ACCOUNTS. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or to additional improvements, or to operations. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenses for the

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succeeding year, or may be distributed to the membership as the directors shall determine.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(c) Reserves for replacement, which shall include funds for repair or replacement of common elements or other facilities and of the Association required because of damage, depreciation or obsolescence, and which shall be allocated among each of the separate categories of replacement items.

(d) Reserves for capital improvements, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

(e) Operations, which shall include any gross revenue from the use of the common elements or from any other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account, and any surplus from any operation or otherwise shall be used to reduce the assessments for current expenses for the year during the one in which the surplus is realized. In the discretion of the Board, losses from operations or otherwise shall be met as added assessments against unit owners, which assessments may be made in advance in order to provide a working capital.

RESERVES. The Board shall not be obligated to expend all of the revenues collected in any accounting period, and must maintain reasonable reserves for, among other things, repairs, replacements,

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emergencies, contingencies of bad weather or uncollected accounts.

Notwithstanding anything herein to the contrary, the Board in its determination of the common expenses and the preparation of a budget shall specifically designate and identify what portion of the common expenses to be assessed against the unit owners is allocable to reserves for each separate item or repair and improvement to the property. The amounts thus assessed and collected shall be deposited into an interest-bearing savings account. The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, in a checking or petty cash account, for the necessary discharge of its function.

NOTICE. The Board shall give to each unit owner in writing, and to any unit mortgagee who requires same, the amount estimated by the Board of common expenses for the next ensuing period, directed to the unit owner at his last known address by ordinary mail, or by hand delivery. In the event that no objection is made by the unit owners on or before the 20th day after receipt of such notice, the amount shall be deemed to be conclusive and binding. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment, and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum

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assessment in the case of an immediate need or emergency which cannot be met by reserve funds earmarked for such contingency. The mortgagee shall be notified of any unit owner who is in default of maintenance or assessment payment for a period in excess of sixty (60) days.

ACCELERATION OF ASSESSMENT INSTALLMENT UPON DEFAULT. If a unit owner shall be in default in the payment of an installment upon a common expense assessment, the Board may accelerate the remaining installments of the assessment upon notice to the unit owner, and the then unpaid balance of the common expense assessment shall come due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the unit owner; or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. Notice shall also be mailed to the mortgagee of record, if any.

INTEREST AND COUNSEL FEES. The Board at its option shall have the right in connection with the collection of any common expense assessment, or other charge, to impose an interest or late charge at a rate up to the legal maximum if such payment is made after a certain date stated in such notice. In the event that the Board shall effectuate collection of said charges by resort to counsel, the Board may add to the aforementioned charge or charges reasonable attorney fees.

ANNUAL AUDIT. The Board shall submit the books, records, and memoranda to an annual audit by an accountant who shall audit the same and render a certified or uncertified report therein in writing

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to the Board and in summary form to the unit owners and such other persons, mortgagees, firms or corporations as may be entitled to same, upon request.

EXAMINATION OF BOOKS. Each unit owner shall be permitted to examine the books of account of the Board at a reasonable time on business days; provided, however, that the Treasurer has been given at least ten (10) days' prior written notice of the unit owner's desire to make such an examination.

FIDELITY BONDS. Fidelity bonds shall be required by the Board from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors. The premium on such bonds shall be paid by the Association.

ARTICLE VII - OFFICERS

DESIGNATION. The principal officers of the Association shall be a President, a Vice President, who shall be a member of the Board of Directors, and a Secretary and a Treasurer. The Board may also appoint such other assistant treasurers and assistant secretaries as in their judgment may be necessary. Any two (2) officers, except that of President and Vice President, may be held by one (1) person.

ELECTION OF OFFICERS. The Officers of the Association shall be elected annually by the Board of Directors at the first Board of Directors meeting following each annual meeting, and such officers shall hold office at the pleasure of the Board.

REMOVAL OF OFFICERS. Upon an affirmative vote of a

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two-thirds majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting called for such purpose. This provision does not apply to any of the Grantor's appointed officers.

DUTIES AND RESPONSIBILITIES OF OFFICERS.

(a) PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and the Board. He shall have all of the general powers and duties which are usually vested in the office of the President of the Association, including but not limited to the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) VICE PRESIDENT. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other director to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

(c) SECRETARY. The Secretary shall keep the minutes of all meetings of the Board and minutes of all meetings of members of the Association; he shall have charge of such books and records as the Board may direct and he shall, in general perform all the duties

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incident to the office of Secretary.

(d) TREASURER. The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belong to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the same, and to the credit of the Association in such depositories as may from time to time be authorized by the Board.

OTHER DUTIES AND POWERS. The Officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board.

ELIGIBILITY OF DIRECTORS. Nothing herein contained shall prohibit a director from being an officer.

ARTICLE VIII - COMPENSATION AND INDEMNIFICATION
OF OFFICERS AND DIRECTORS

COMPENSATION. No compensation shall be paid to the President or the Vice President or any director for acting as such officer or director. The Secretary and/or Treasurer may be compensated for their services if the Board determines that such compensation is appropriate. Nothing herein stated shall prevent any officer or director from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association.

INDEMNIFICATION. Each director and officer of the Association, and their delegates, shall be indemnified by the

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Association against the actual amount of net loss including counsel fees, reasonably incurred by or imposed upon him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, or delegate, except as to matters as to which he shall finally be bound in such action to be liable for gross negligence or willful misconduct.

Nothing contained herein to the contrary shall serve to exculpate members of the Board of Directors appointed by the Grantor from their fiduciary responsibilities.

ARTICLE IX - ENFORCEMENT

ENFORCEMENT. The Association shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto, by any or all of the following: self-help; sending notice to the offending party to cause certain things to be done or undone; restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; complain to the duly constituted authorities; or by taking any other action before any court, summary or otherwise, as may be provided by law.

FINES. The Association shall also have the power to levy fines against any unit owner(s) for violation(s) of any rule or regulation or use restrictions contained in the Master Deed or By-Laws except that no fine may be levied for more than \$100.00 for any one

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violation. Collection of the fines may be enforced against the unit owner(s) involved as if the fine were a common expense owed by the particular unit owner(s).

WAIVER. No restriction, condition, obligation or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

ARTICLE X - AMENDMENTS

These By-Laws, or any of them, may be altered or repeated where new By-Laws may be made at any meeting of the Association duly constituted for such purpose, a quorum being present, by an affirmative vote of eighty (80%) percent of the total votes entitled to be cast in person or by proxy, except that the first annual meeting may not be advanced and the first Board of Directors (including replacements in the case of vacancies) may not be removed by reason of any such amendment or repeal.

ARTICLE XI - MISCELLANEOUS

UNIT KEYS. Each Association member may be required by the Association to leave a key to his unit with the Association, or their appointed manager or agent for emergency access to their unit.

ASSOCIATION MEMBERSHIP LIST. The Association is required to keep an updated list of all members in the Association and a list of all mortgagees. This list will contain the names, addresses and

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telephone numbers of the unit owners and mortgagees in the condominium, as well as the same information for any other residences the unit owners may maintain. The purpose of this is to allow the Association to give notice to the unit owners as required by the By-Laws.

ARTICLE XII - CONFLICT - INVALIDITY

CONFLICT. Anything to the contrary herein notwithstanding, if any provisions of this instrument is in conflict with or contradiction of the Master Deed, or with the requirements of any law, then the requirements of the Master Deed or law shall be deemed controlling.

INVALIDITY. The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability or affect the balance of the By-Laws.

ARTICLE XIII - NOTICE

Any notice required to be sent to any unit owner under the provisions of the Master Deed or Articles of Incorporation or these By-Laws shall be deemed to have been properly sent and notice hereby given, when mailed, by regular post with postage prepaid, addressed to the unit owner at the last known post office address of the person who appears as a member on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a unit shall constitute notice to all co-owners. It shall be the obligation

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of every unit owner to immediately notify the Secretary of the Association in writing of any change of address.

ARTICLE XIV - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words "La Bonne Vie Condominium Association, Inc.".

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