

Prepared by:

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ROLLING HILLS CONDOMINIUM ASSOCIATION, INC.**ADMINISTRATIVE RESOLUTION NUMBER** 96-1**ELECTION PROCEDURES**

WHEREAS, Article III of the By-Laws requires that the Association hold an annual meeting of the members to elect the Trustees of the Association and conduct such other business as may properly come before the members; and

WHEREAS, Article III of the By-Laws does not specify the procedures for nominating Trustee candidates and the manner and by whom proxies may be solicited; and

WHEREAS, Article V, Section 10 of the By-Laws states that "The Board of Trustees shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of a residential Condominium project and may do or cause to be done all such other lawful acts and things as are not by law, by these By-Laws or otherwise, directed or required to be done or exercised by members of the Association or owners of units, or by others."; and

WHEREAS, the Board of Trustees is advised and believes that prescribed nominating and proxy solicitation procedures are necessary in order to preserve the integrity of the electoral

process;

NOW THEREFORE, BE IT RESOLVED as follows:

I. QUALIFICATIONS & NOMINATING PROCEDURES FOR TRUSTEE CANDIDATES

A. QUALIFICATIONS

1. All candidates for nomination for election to fill a homeowner elected Trustee position must be members of the Association "in good standing" and "entitled to vote" when their names are submitted for nomination, and at least three (3) calendar days before the date of the annual meeting when the election of trustees shall take place.

2. The member of the Association who seconds the nomination of a candidate for election to fill a homeowner elected Trustee position shall be a member "in good standing" and "entitled to vote" when the nominee's name is submitted for nomination.

B. NOMINATING PROCEDURES

1. The nomination of a candidate for election to fill a homeowner elected Trustee position shall be seconded by a member "in good standing" and "entitled to vote" at the time the nominee's name is submitted for nomination.

2. Management shall provide the form of the nominating petition which shall include the name, address and telephone number of the Trustee candidate and the person nominating the Trustee candidate. The nominating petition may also include space (not to exceed one (1) 8 1/2 x 11 sheet of single spaced print) for the Trustee candidate to state the candidate's statement of reasons for seeking election to the Board of Trustees.

3. Management shall mail a notice of the Trustee positions which are expiring, including the term of years of each expiring Trustee position together with an invitation to submit nominations for consideration as Trustee candidates at least forty (40) calendar days before the date of the annual meeting.

4. All nominations for consideration as Trustee candidates must be received by Management no later than thirty (30) days before the date of the annual meeting.

5. The record date for determining whether or not a Trustee candidate and/or the member nominating the Trustee candidate are "in good standing" and "entitled to vote" shall be the close of business on the thirtieth (30th) day before the date of the annual meeting.

6. The Board of Trustees, or the Nominating Committee, if any, shall have sole and complete discretion to determine if any Trustee candidate or member nominating the Trustee candidate, are "in good standing" and "entitled to vote". No Trustee candidate's name shall be included in any election materials who does not meet these requirements PROVIDED THAT if only the member nominating the Trustee candidate is not "in good standing" and "entitled to vote", the Trustee candidate shall be immediately notified and allowed an opportunity to obtain the signature of another member to nominate that Trustee candidate, PROVIDED FURTHER THAT the Trustee candidate must re-submit the nomination not later than five (5) calendar days after receiving notice of the deficient nomination.

7. The terms "in good standing" and "entitled to vote" shall have the same meaning as defined in Article III, Section 8

of the By-Laws.

8. The form of the nomination petition is attached hereto as Exhibit A.

9. The purpose of the time frames set forth in this section is to allow the Board of Trustees and Management sufficient time to prepare and mail the election materials to the members.

II. FORM, SOLICITATION AND RECEIPT OF PROXIES AND PROXY BALLOTS

A. FORM OF PROXIES AND PROXY BALLOTS

1. The Board of Trustees shall prescribe the form of proxy and proxy ballot to be used for electing Trustees to the Board of Trustees.

2. The only valid and acceptable proxy and proxy ballot shall be the "official proxy" and "official proxy ballot" prescribed by the Board of Trustee. The "official proxy" and "official proxy ballot" shall be marked in such manner as to prevent duplication by any mechanical means.

3. The "official proxy" and "official proxy ballot" are attached hereto as Exhibits B and C, respectively.

B. SOLICITATION OF PROXIES AND PROXY BALLOTS

1. Proxies and proxy ballots may only be solicited by the Board of Trustees by mail or by hand delivery as permitted by Article III, Section 5 of the By-Laws.

2. Trustee candidates may not solicit proxies or proxy ballots from the members.

3. A designated proxy holder must be "in good standing" and "entitled to vote" at least three (3) calendar days before the

date of the annual meeting when the election of trustees shall take place.

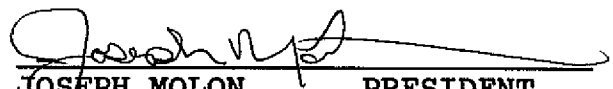
C. RECEIPT OF PROXIES AND PROXY BALLOTS

1. The original, written, proxy and proxy ballot must be received by the Secretary of the Association, or the Secretary's designated representative, at least two (2) calendar days before the date appointed for the annual meeting.

2. Facsimile proxies and proxy ballots shall not be accepted.

III. APPLICABILITY OF THIS RESOLUTION

The requirements of this resolution, as it concerns proxies and proxy ballots, shall likewise apply to all members meetings, annual and special, at which a vote by the members shall be taken.


JOSEPH MOLON, PRESIDENT

ATTEST:


JOHN MATEYCHICK, SECRETARY

CERTIFICATION

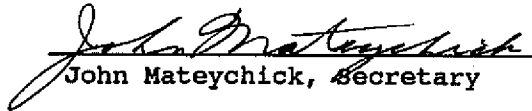
I hereby certify that the foregoing was duly adopted at a regular meeting of the Board of Trustees of Rolling Hills Condominium Association, Inc. held on March 11, 1996.


JOHN MATEYCHICK, SECRETARY

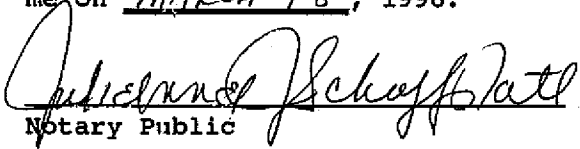
STATE OF NEW JERSEY)
COUNTY OF SUSSEX) SS:

I CERTIFY that on MARCH 18, 1996, John Mateychick personally came before me, and this person acknowledged under oath, to my satisfaction, that:

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


John Mateychick, Secretary

Signed and sworn to before
me on MARCH 18, 1996.


Notary Public

JULIENNE J. SCHOFFSTALL
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 24, 1997

Record and return to:
Alan Y. Lowcher, Esq.
40 West Washington Avenue
Washington, New Jersey 07882

By Master Deed dated December 15, 1982 and recorded May 31, 1983 in the Office of the Clerk of Sussex County in Deed Book 1114, Page 109; said Master Deed was re-recorded dated December 20, 1983 in Deed Book 1155, Page 201, and the First Amendment to Master Deed dated February 15, 1985 and recorded February 15, 1985 in the Office of the Clerk of Sussex County in Deed Book 1240, Page 243; and the Second Amendment thereto dated January 23, 1987 and recorded January 23, 1987 in the Office of the Clerk of Sussex County in Deed Book 1427, Page 202, the Rolling Hills Condominium Association (hereinafter "the Condominium") was established upon certain lands located in the Township of Andover, County of Sussex and State of New Jersey, all pursuant to N.J.S.A. 46:8B-1 et seq.

REC'D & RECORDED
96 APR -4 AM 11:42
HELEN C. ACKERMAN
SUSSEX COUNTY CLERK
NEWTON, N.J.