<u>Exhibit 1</u>

By-Laws

Prepared by: Rev. 12-9-11

Robert J. Hueston, Esq.

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.
AMENDMENT TO BY-LAWS
INTERVAL PROGRAM

THIS AMENDMENT to the By-Laws for The Flagship, A Condominium, is made this 10th day of December, 2011 by The Flagship Condominium Association, Inc. ("Association" or sometimes "COA"), a non-profit corporation, located in the City of Atlantic City, Atlantic County, New Jersey.

WHEREAS, the Master Deed and By-Laws, dated April 30, 1987, were recorded May 14, 1987, in Deed Book 4453, Page 026 et seq., in the Atlantic County Clerk's Office; and

WHEREAS, Article XI of the By-Laws (the "By-Laws") entitled "Amendments", as amended October 29, 2002 at Deed Book 7333, Page 1 of 5, states:

> "Any amendment to these By-Laws shall require an affirmative vote of at least three (3) Directors of the Board at a meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association, a quorum being present; .....
>
> A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the Office of the Clerk of Atlantic County, New Jersey. No amendment shall be effective until so recorded."

ATLANTIC COUNTY, NJ; EDWARD P. MCGETTIGAN, COUNTY CLERK
VOL 13369 RECORDED 12/21/2011 02:53:13 PM
REC FEES 100.00 MARGINAL NOTATION 0.00 RCPT# 972229
INST# 2011070837 RECD BY: caths

WHEREAS, it is desirable to amend the By-Laws, should a merger of The Flagship Interval Association, Inc. ("IOA") with and into The Flagship Condominium Association, Inc. ("COA") to re-establish an "Interval Program" within the Condominium (also commonly known as "Flagship Resort") simultaneously upon the assignment and transfer of the duties and obligations of the Board of Trustees of The Flagship Interval Association, Inc. and assumption of said duties and obligations by the Board of Directors of The Flagship Condominium Association, Inc. taking place by operation of law to facilitate a merger of the two Associations;

NOW, THEREFORE, the Board of Directors hereby amends the By-Laws of The Flagship Condominium Association, Inc. as follows:

1. ARTICLE I - NATURE OF BY-LAWS, as heretofore amended, is amended to add the following definitions associated with the Interval Program, as follows:

(a) "INTERVAL AGREEMENT" or "INTERVAL USE AGREEMENT" shall mean the Purchase and Sale Agreement, Biennial Purchase Agreement, or split Week Purchase Agreement conveying fee simple title or leasing a right to use to an Interval Week, Biennial Interval Week or Split Week in a Unit.

(b) "INTERVAL PROGRAM" shall mean the management, control and operation of the use and occupancy of Units associated with interval ownership and use.

(c) "INTERVAL WEEK OWNERS or PURCHASERS" shall mean those persons, partnerships, corporations or entities that have acquired a fee simple title to an undivided 1/52 interest in a Unit as tenant in common with all other owners or purchasers of the same Unit.

(d) "BIENNIAL INTERVAL OWNERS or PURCHASERS" shall mean those Interval Purchasers of a Unit during an Interval Week or Split Week in every other calendar year.

(e) "SPLIT WEEK" shall mean an Interval Week split into two (2) separate periods, one containing three (3) consecutive nights and the other containing four (4) consecutive nights during the Interval Week.

2. ARTICLE V - POWERS AND DUTIES OF BOARD OF DIRECTORS, as heretofore amended, is amended to include the following Subsection under <u>General Powers and Privileges:</u>

"(p) To enforce obligations of the Interval Purchasers and do anything and everything necessary for the proper management, control and operation of the Interval Program at the Flagship Resort pursuant to the powers, herein granted or necessarily implied."

3. ARTICLE V - POWERS AND DUTIES OF BOARD OF TRUSTEES, as heretofore amended, is amended to add the following Subsections under Duties and Responsibilities:

"(i) To conduct the Interval Program by (1) causing the Units and personalty and common areas and facilities of the Interval Program associated with interval ownership and use to be maintained according to accepted industry standards, including, but not limited to such maintenance, replacement and repair work as may be necessary; and (2) purchasing the equipment necessary in order to properly service the Units and personalty and common areas and facilities of the Interval Program associated with interval ownership and use; and (3) making repairs, additions, improvements to, or restoration of the Units and personalty and common areas and facilities of the Interval Program associated with interval ownership and use. The expenses for any and all such maintenance by the Association associated with the Interval Program or interval ownership and use shall be assessed to all Interval Purchasers and Interval Owners as a common expense.

(h) To place and keep in force insurance against fire, casualty and public liability in amounts and with deductibles customary for resort facilities associated with interval ownership and use, including insuring all Units subject to the Interval Program, together with all service machinery appurtenant thereto, as well as personalty and common areas and facilities of the Interval Program associated with interval ownership and use, and covering the interest of the Association, the Board of Directors, the Developer, and all Members and any mortgage holder who has requested the Association in writing to be named as loss payee, as their respective interests may appear. The premiums for any and all insurance coverage maintained by the Association the Interval Program associated with interval ownership and use shall be assessed to all Interval Purchasers and Interval Owners as a common expense."

4. ARTICLE VI - FISCAL MANAGEMENT, as heretofore amended, is amended to add the following Section entitled "Interval Common Expense Assessment", which reads as follows:

"Every member by virtue of execution of an Interval Agreement or by acceptance of a deed for an Interval or lease of a right to use an Interval, whether or not it should be so expressed in any Interval Agreement, deed or lease, shall be deemed to covenant and agree to pay to the Association his pro rata share of the common expense assessment determined by the Board of Directors, and any "other charges" as determined by the Board to be treated as common expenses (sometimes commonly referred to as "maintenance fees"), which expenses and charges are applicable by reason of the use and enjoyment of the Interval Program, and/or common areas and facilities or services associated with interval ownership and use.

(a) The common expenses and charges may include but are not limited to the following:

(i) Real estate taxes assessed by the City of Atlantic City against the Unit;

(ii) Condominium fees assessed by the Association to defray the cost of operating expenses, and the costs of maintenance, repairs or replacements of the Common Elements, or improvements upon or to the Common Elements, including reserves for replacements of the Common Elements, which expenses are allocated based on the percentage of undivided interest of a particular Unit in the Common Elements in the base year 2011;

(iii) Housekeeping expenses;

(iv) Maintenance and repair expenses;

(v) Utilities expenses;

(vi) Insurance expenses;

(vii) Such amounts for reserves to replace, repair and replenish the furniture, fixtures and equipment within the Units in the Interval Program, as well as for the replacement, repair and replenishment of the painting, wallpaper and carpets, and other furnishings for the common areas and facilities associated with interval ownership or use, as determined by the Board of Directors;

(viii) Such other expenses as to be determined by the Board of Directors in their discretion necessary for operation of the Interval Program.

(b) The foregoing expenses and charges for any and all such maintenance and services by the Association associated with the Interval Program or interval ownership and use shall be assessed to all Interval Purchasers and Interval Owners as a common expense.

(c) Since Units subject to interval ownership constitute more than 80% of all Units, a consolidated budget will be used by the Association surviving a merger and all future assessments for condominium fees and interval maintenance fees will be allocated by the surviving Association pro rata in relation to the separate 2011 base year assessments for the two associations.

(d) The Board shall give written notice to all Interval Purchasers and Owners of the amount of the common expense assessment (maintenance fee) at least thirty (30) days in advance of the ensuing period. The notice shall be sent to the last known address of the Interval Purchasers and Owners by ordinary mail. The failure by the Association to give timely notice shall not relieve the obligation to pay the maintenance fee when due.

(e) The amount of monies for annual, special or added common expense assessments, charges or maintenance fees deemed necessary by the Board of Directors and the manner of expenditure and allocation thereof, shall be a matter for the sole discretion of the Board. No vote of Interval Purchasers or Owners shall be required to approve or consent to any annual, special or added common expense assessments.

(f) No Interval Purchaser or Owner may waive or otherwise avoid liability for annual, special or added common expense assessments or maintenance fees by non-use of the Interval or the Unit, or the common areas and facilities associated with interval ownership or use.

(g) Such annual, special or added common expense assessments or maintenance fees or charges shall be a continuing lien upon the Interval or Unit against which it was made and shall also be the personal obligation of the Interval Purchaser or Owner at the time the assessment fell due. Said lien shall also cover other charges applicable to an Interval Purchaser or Owner by reason of his use and enjoyment of the facilities and services associated with interval ownership and use, and late fees and reasonable interest accruing thereon and costs of collection thereof, including reasonable attorneys' fees. Any lien shall be subordinate to municipal taxes and any first mortgage lien encumbering an Interval, except, as limited priority is otherwise provided for by law.

(h) In the event an Interval Purchaser or Owner abandons his Interval or shall fail to pay such annual, special or added common expense assessments or maintenance fees or charges when due, for a period in excess of sixty (60) days following the giving of all applicable demand notices, the Association may, upon a vote of the Board of Directors, take possession of and manage the Interval, including but not limited to the collection of rents and profits and apply the net amount thereof to the unpaid delinquent account of the Interval Purchaser or Owner. Any mortgagee who requests same in writing shall be notified of an Interval Purchaser or Owner who is in default of his common expense assessments or maintenance fees for a period in excess of sixty (60) days, but nothing shall prevent the Association from notifying any mortgagee of a mortgagor's default.

6. Notwithstanding the recording of this Amendment in the Office of the Atlantic County Clerk, the effective date of this Amendment shall be the effective date of the Certificate and Plan of Merger when filed with the State of New Jersey.

NOW, THEREFORE, the Board of Directors of The Flagship Condominium Association, Inc. has caused this Amendment to the By-Laws of The Flagship Condominium Association, Inc. to be executed as of the date and year first above written.

ATTEST:

By: Rosemarie Grawl
Rosemarie Grawl
Assistant Secretary

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.

By: Alberino Leone
Alberino Leone, President

CERTIFICATION

The undersigned hereby certifies that the Association has enacted this Amendment at a duly held meeting of the Board of Directors on December 10, 2011.

By: Rosemarie Grawl

Rosemarie Grawl
Assistant Secretary

STATE OF NEW JERSEY)
) ss:
COUNTY OF ATLANTIC)

I hereby certify that on this 10th day of December, 2011, personally appeared before me ALBERINO LEONE and ROSEMARIE GRAWL, President and Assistant Secretary, respectively, and acknowledged under oath, to my satisfaction, that they are the persons who are named in and who executed this instrument, and that they signed, sealed, and delivered this instrument as their act and deed for the purposes expressed herein.

ROBERT J. HUESTON
An Attorney at Law of New Jersey

RECORD & RETURN TO:
Hueston McNulty, P.C.
256 Columbia Turnpike, Suite 207
Florham Park, New Jersey 07932
(973) 377-0200

Prepared by:
Robert J. Hueston, Esq.

RECORD & RETURN TO:
Hueston McNulty, P.C.
256 Columbia Turnpike, Suite 207
Florham Park, New Jersey 07932
(973) 377-0200

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.
AMENDMENT TO BY-LAWS
ANNUAL MEETING & BOARD OF DIRECTORS

THIS AMENDMENT to the By-Laws for The Flagship, A Condominium, is made this 10th day of December, 2011 by The Flagship Condominium Association, Inc. ("Association" or sometimes "COA"), a non-profit corporation, located in the City of Atlantic City, Atlantic County, New Jersey.

WHEREAS, the Master Deed and By-Laws, dated April 30, 1987, were recorded May 14, 1987, in Deed Book 4453, Page 026 et seq., in the Atlantic County Clerk's Office; and

WHEREAS, Article XI of the By-Laws (the "By-Laws") entitled "Amendments", as amended October 29, 2002 at Deed Book 7333, Page 1 of 5, states:

> "Any amendment to these By-Laws shall require an affirmative vote of at least three (3) Directors of the Board at a meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association, a quorum being present; .....
>
> A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the Office of the Clerk of Atlantic County, New Jersey. No amendment shall be effective until so recorded."

WHEREAS, it is desirable to amend the By-Laws of The Flagship Condominium Association, Inc. ("COA") effective as of the date of the merger of the COA and The Flagship Interval Association, Inc. ("IOA") to change the Annual Meeting date of the Association from December to June, beginning June, 2012 in order to foster greater attendance of the unit owners and interval purchasers ("members"); and

WHEREAS, the change of the Annual Meeting date will also require a change in the election cycle and terms of office of the directors of the Board of Directors as reconstituted following the merger.

NOW, THEREFORE, the Board of Directors hereby amends the By-Laws of The Flagship Condominium Association, Inc. as follows:

1. The following Section of ARTICLE III-MEETING OF UNIT OWNERS, entitled Order of Business, as heretofore amended, is hereby deleted and is renamed and replaced in its entirety by the following Section:

> "Annual Meeting and Order of Business. Annual Meetings of members of the Association shall be held in June of each year on the day of the month established by the Board of Directors. At each Annual Meeting the members may vote on questions, elect directors, and transact other business of the Association. The order of business at the Annual Meeting or at any special meetings of the members as far as practicable shall be:

(a) Calling of 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) Appointment of judges of election, if appropriate.

(e) Election of directors, if appropriate.

(f) Receiving reports of officers.

(g) Receiving reports of committees.

(h) Old business, as set forth in meeting agenda.

(i) New business, as set forth in meeting agenda.

(j) Adjournment.

The Board of Directors may adopt rules of order and parliamentary procedure for the conduct of the meeting as it deems appropriate."

2. The Section of ARTICLE IV - BOARD OF DIRECTORS, as heretofore amended by Amendment on July 12, 2010 bearing instrument number 2011040383, is replaced in its entirety by the following:

"Number and Qualification. The Board of Directors shall consist of seven (7) members. The first Board shall consist of six (6) of the non-developer current members of the COA and IOA Boards then in office on the effective date of the merger ("Incumbent Board Members"), who have agreed to continue to serve as the first Board, and the seventh (7^{th}) Director shall be designated by the Developer in accordance with and subject to applicable laws. The first Board shall serve until the Annual Meeting of the COA in June, 2013. Beginning with the Annual Meeting held in June, 2013 there will be an election of Directors as provided for in Article IV, in the Section entitled Election and Term of Board of Directors. When the Developer is no longer entitled to appoint the seventh (7^{th}) Director or it voluntarily relinquishes its seat on the Board, a Director shall also be elected by the owners other than the Developer following an interim appointment by the Board as provided for in Article IV, in the Section entitled Election and Term of Board of Directors.

Directors must be unit owners or interval purchasers or a Developer appointee, and at least one Director shall be a non-interval unit owner other than the Developer appointee. Any Director appointed by the Developer need not be a unit owner or interval purchaser. The Developer, or its successor in interest, may appoint one Director so long as it holds units or intervals for sale in the ordinary course of business. Notwithstanding control of the Board by unit owners and interval purchasers other than the

Developer, the Board will not take any action detrimental to the sale or leasing or rental for hotel purposes of units or intervals."

3. The following Section of ARTICLE IV - BOARD OF DIRECTORS, as heretofore amended by Amendment on July 12, 2010 bearing instrument number 2011040383, is replaced in its entirety by the following:

"<u>Election and Term of Board of Directors.</u> On the effective date of the merger, the Incumbent Board Members shall be re-designated Directors "A, B, C, D, E, F, and G" with terms of office as follows: Directors "A and B" shall be elected in June, 2013 and serve until June, 2016; Directors "C & D" shall be elected in June, 2014 and serve until June, 2017; Directors "E & F" shall be elected in June, 2015 and serve until June, 2018; and Director "G" (the Developer's appointee) shall be appointed by the Developer until the Developer is legally required or voluntarily relinquishes this seat. Upon the occurrence of the vacancy of the Developer's seat, the Board shall appoint a Director from among the members who shall serve until the next Annual Meeting and election.

Thereafter, all elected Directors shall serve three (3) calendar year terms. The intention is that the terms of Directors shall be staggered, so that no more than three (3) Directors are elected at any Annual Meeting.

Only Members in good standing shall be entitled to be nominated, appointed or elected as Directors.

The election shall be conducted by written ballot or absentee/mail ballot, and the whole-owned unit owner(s) or persons with unity of ownership of each Unit shall be entitled to cast votes for each Unit to which he or she holds title in part or whole. Interval owners shall be entitled to cast votes for their Intervals and the plurality thereof that actually cast votes shall determine the vote of the Unit.

Nominations for election to the Board of Directors are made by individual members. There shall be as many nominations for the election to the Board as the Board shall receive from the Members in good standing. The Board shall fix the date after which nominations shall no longer be accepted and placed on the ballot. In no event shall nominations from the floor or write-in candidates be accepted at the election meeting.

The ballot and absentee/mail ballots shall describe the vacancies to be filled and set forth the names of those nominated for such vacancies. Absentee/mail ballots shall be prepared and mailed or delivered (including electronic delivery to owners with email addresses) by the Association to the Owners at least ten (10) business days in advance of the election meeting date. Votes may be cast in person or by proxy, by mail, or may also be cast and/or tabulated electronically in accordance with procedures established by the Board.

Membership in good standing shall be required for continued service on the Board. Any Director whose membership in the Association is not in good standing for sixty (60) consecutive days shall automatically be disqualified as a Director upon expiration of said sixty (60) days period. His or her replacement shall be appointed by the remaining board members within thirty (30) days thereafter to serve the remainder of the term of the disqualified Director. If the Developer is disqualified for lack of good standing, the remaining board members shall appoint a qualified unit owner or interval purchaser for so long as the Developer is disqualified. Once the Developer's disqualification is removed, the Developer may continue to appoint a director for so long as the Developer is legally entitled to do so."

Notwithstanding the date of recording of this Amendment in the Office of the Atlantic County Clerk, the effective date of this Amendment shall be the filing date of the Certificate and Plan of Merger when filed with the State of New Jersey.

NOW, THEREFORE, the Board of Directors of The Flagship Condominium Association, Inc. has caused this Amendment to the By-Laws of The Flagship Condominium Association, Inc. to be executed as of the date and year first above written.

ATTEST:

By: Rosemarie Grawl
Rosemarie Grawl,
Assistant Secretary

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.

By: Alberino Leone
Alberino Leone, President

CERTIFICATION

The undersigned hereby certifies that the Association has enacted this Amendment at a duly held meeting of the Board of Directors on December 10, 2011.

By: Rosemarie Grawl
Rosemarie Grawl,
Assistant Secretary

STATE OF NEW JERSEY)
)   ss:
COUNTY OF ATLANTIC)

I hereby certify that on this 10th day of December, 2011, personally appeared before me ALBERINO LEONE and ROSEMARIE GRAWL, President and Assistant Secretary, respectively, of The Flagship Condominium Association, Inc. and acknowledged under oath, to my satisfaction, that they are the persons who are named in and who executed this instrument, and that they signed, sealed, and delivered this instrument as their act and deed for the purposes expressed herein.

ROBERT J. HUESTON
An Attorney at Law of New Jersey

ATLANTIC COUNTY, NJ
EDWARD P. McGETTIGAN, COUNTY CLERK
RCPT # 894331 RECD BY eileen
VOL 13311
REC FEES 80.00
MARGINAL NOTATION 10.00
RECORDED 07/12/2011 08:51:04 AM
INST # 2011040383

Prepared by:

Robert J. Hueston, Esq.

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.
AMENDMENT TO BY-LAWS
EXPANSION OF BOARD OF DIRECTORS

THIS AMENDMENT to the By-Laws for The Flagship, A Condominium, is made this 11 day of June, 2011 by The Flagship Condominium Association, Inc. ("Association" or sometimes "COA"), a non-profit corporation, located in the City of Atlantic City, Atlantic County, New Jersey.

WHEREAS, the Master Deed and By-Laws, dated April 30, 1987, were recorded May 14, 1987, in Deed Book 4453, Page 026 et seq., in the Atlantic County Clerk's Office; and

WHEREAS, Article XI of the By-Laws (the "By-Laws") entitled "Amendments", as amended October 29, 2002 at Deed Book 7333, Page 1 of 5, states:

> "Any amendment to these By-Laws shall require an affirmative vote of at least three (3) Directors of the Board at a meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association, a quorum being present; .....
>
> A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the Office of the Clerk of Atlantic County, New Jersey. No amendment shall be effective until so recorded."

WHEREAS, it is desirable to amend the By-Laws, should a merger of The Flagship Condominium Association, Inc. ("COA") effective as of the date of the merger of the COA and The Flagship Interval Association, Inc. ("IOA") to reconstitute the Board of Directors as follows: (i) to increase the number of Directors of the COA Board to provide greater representation of unit owners and interval purchasers; (ii) to install the first

Board of Directors consisting of the current directors and trustees of the COA and IOA, and (iii) to remove run-off balloting and to add nomination procedures;

NOW, THEREFORE, the Board of Directors hereby amends the By-Laws of The Flagship Condominium Association, Inc. as follows:

1. The following Section of ARTICLE IV -BOARD OF DIRECTORS, as heretofore amended, is hereby deleted and is replaced in its entirety by the following:

"Number and Qualification. The Board of Directors shall consist of seven (7) members. The first Board shall consist of six (6) of the non-developer current members of the COA and IOA Boards then in office on the effective date of the merger ("Incumbent Board Members"), who have agreed to continue to serve as the first Board, and the seventh (7^{th}) Director shall be designated by the Developer in accordance with and subject to applicable laws. The first Board shall serve until the Annual Meeting of the COA in December, 2012. Beginning with the Annual Meeting held in December, 2012 there will be an election for two (2) Directors in each year. When the Developer relinquishes its seat on the Board, a Director shall also be elected by the owners other than the Developer, except in the case of an interim appointment by the Board as provided for in paragraph 2 below.

Directors must be unit owners or interval purchasers or a Developer appointee, and at least one Director shall be a non-interval unit owner other than the Developer appointee. Any Director appointed by the Developer need not be a unit or interval purchaser. The Developer, or its successor in interest, may appoint one Director so long as it holds units or intervals for sale in the ordinary course of business. Notwithstanding control of the Board by unit and interval purchasers other than the Developer, the Board will not take any action detrimental to the sale or leasing or rental for hotel purposes of units or intervals."

2. The following Section of ARTICLE IV - BOARD OF DIRECTORS, as heretofore amended, is hereby deleted and is replaced in its entirety as follows:

"Election and Term of Board of Directors. On the effective date of the merger, the Incumbent Board Members shall be re-designated Directors "A, B, C, D, E, F, and G". The Directors "A and B" shall be elected in December, 2012 and serve until

December 31, 2015; the Directors "C & D" shall be elected in December, 2013 and serve until December, 2016; the Directors "E & F" shall be elected in December, 2014 and serve until December 31 2017; and Director "G" (the Developer's appointee) shall be appointed by the Developer until the Developer is legally required to relinquish this seat and thereafter shall be appointed by the Board and shall serve his or her first term until the next Annual Meeting when an election shall be held to fill this directorship. The Director so appointed by the Board may run for re-election. All elected Directors shall serve three (3) calendar year terms. The intention is that the terms of Directors shall be staggered, so that no more than three (3) Directors are elected in any election.

Only Members in good standing shall be entitled to be seated as Directors. The election shall be conducted by written ballot or absentee/mail ballot, and the whole-owned unit owner(s) or persons with unity of ownership of each Unit shall be entitled to cast votes for each Unit to which he or she holds title in part or whole. Interval owners shall be entitled to cast votes for their Intervals and the plurality thereof that actually cast votes shall determine the vote of the applicable Unit.

Nominations for election to the Board of Directors are made by individual members. There shall be as many nominations for the election to the Board as the Board shall receive from the Members in good standing. The Board shall fix the date after which nominations shall no longer be accepted and placed on the ballot. In no event shall nominations or write-in candidates be accepted at the election meeting.

The ballot and absentee/mail ballots shall describe the vacancies to be filled and set forth the names of those nominated for such vacancies. Absentee/mail ballots shall be prepared and mailed or delivered (including electronic delivery to owners with email addresses) by the Association to the Owners at least ten (10) business days in advance of the election meeting date. Votes may be cast in person or by proxy, by mail, or may also be cast and/or tabulated electronically in accordance with procedures established by the Board."

3. Notwithstanding the date of recording of this Amendment in the Office of the Atlantic County Clerk, the effective date of this Amendment shall be the filing date of the Certificate and Plan of Merger when filed with the State of New Jersey.

NOW, THEREFORE, the Board of Directors of The Flagship Condominium Association, Inc. has caused this Amendment to the

By-Laws of The Flagship Condominium Association, Inc. to be executed as of the date and year first above written.

ATTEST:

By: ____________________
Jason Kaye, Secretary

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.

By: ____________________
Alberino Leone, President

CERTIFICATION

The undersigned hereby certifies that the Association has enacted this Amendment at a duly held meeting of the Board of Directors on June 11, 2011.

By: ____________________
Jason Kaye, Secretary

STATE OF NEW JERSEY)
) ss:
COUNTY OF ATLANTIC)

I hereby certify that on this 11 day of June, 2011, personally appeared before me ALBERINO LEONE and JASON KAYE, President and Secretary, respectively, and acknowledged under oath, to my satisfaction, that they are the persons who are named in and who executed this instrument, and that they signed, sealed and delivered this instrument as their act and deed for the purposes expressed herein.

____
ROBERT J. HUESTON
An Attorney at Law of New Jersey

RECORD & RETURN TO:

ATLANTIC COUNTY, NJ
EDWARD P. McGETTIGAN, COUNTY CLERK
RCPT # 894331 RECD BY eileen
VOL 13311
REC FEES 70.00
MARGINAL NOTATION 10.00
RECORDED 07/12/2011 08:51:04 AM
INST # 2011040382

Prepared by:

Robert J. Hueston, Esq.

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.
AMENDMENT TO BY-LAWS
VOTING RIGHTS

THIS AMENDMENT to the By-Laws for The Flagship, A Condominium, is made this 21ST day of May, 2011 by The Flagship Condominium Association, Inc. ("Association" or sometimes "COA"), a non-profit corporation, located in the City of Atlantic City, Atlantic County, New Jersey.

WHEREAS, the Master Deed and By-Laws, dated April 30, 1987, were recorded May 14, 1987, in Deed Book 4453, Page 026 et seq., in the Atlantic County Clerk's Office; and

WHEREAS, Article XI of the By-Laws (the "By-Laws") entitled "Amendments", as amended October 29, 2002 at Deed Book 7333, Page 1 of 5, states:

> "Any amendment to these By-Laws shall require an affirmative vote of at least three (3) Directors of the Board at a meeting of the Association duly held in accordance with the provisions of the By-Laws of the Association, a quorum being present; .....
>
> A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the Office of the Clerk of Atlantic County, New Jersey. No amendment shall be effective until so recorded."

WHEREAS, the Board of Directors of the Association deems it desirable to amend the By-Laws of The Flagship Condominium Association, Inc. to define the voting rights of interval interests effective upon the merger of The Flagship Interval Association, Inc. ("IOA") with and into The Flagship Condominium Association, Inc. ("COA", with the COA being the surviving entity, and for purposes of voting in elections and deciding other matters.

NOW, THEREFORE, the Board of Directors, acting in accordance with Article XI of the By-Laws, and upon the affirmative vote of at least three (3) Directors, hereby amends the By-Laws of the Flagship Condominium Association, Inc. as follows:

1. The Section of Article I - NATURE OF BY-LAWS, is hereby supplemented with the following additional definitions:

"INTERVAL" shall mean an Interval Week, Biennial Interval Week or Split Week in a Unit.
"INTERVAL OWNERS OR PURCHASERS" shall mean those persons, partnerships, corporations or entities that have purchased or presently or subsequently own fee simple title to an Interval, and own a fractional interest in fee simple title to a Unit.
"UNIT OWNER" shall mean those persons, partnerships, corporations or entities that have purchased or presently or subsequently own fee simple title to Unit, that is, fee simple title to a Unit in whole, i.e. exclusive of Intervals.
"MEMBER" shall mean all those Unit Owners and Interval Purchasers, who are Members of The Flagship Condominium Association, Inc.

2. The following Section of ARTICLE II - MEMBERSHIP AND VOTING RIGHTS is hereby deleted in its entirety and is replaced in its entirety as follows:

"Voting Rights. There shall be one (1) vote for each Unit, which vote shall be equal in weight to the percentage interest in the common elements appurtenant to the Unit, except in the case of elections of members of the Board of Directors. In all elections of directors there shall be one (1) unweighted vote for each Unit. Provided, however, that the vote for a Unit that is owned in whole or in part by Interval Purchasers shall be determined by the plurality of Interval interests that actually cast votes for such Unit in such matters including but not limited to voting in elections of directors and voting on questions including dissolution and merger. The developer may cast votes for its Interval interests so long as the vote does not change the relative proportionate interest in the Common Elements appurtenant to a Unit or Interest of Interval ownership; does not alter the basis for determining the respective proportionate responsibility for Common Expenses among Members; does not adversely affect the priority or validity of any mortgage(s) which encumber any Unit or Interval without the consent of the affected mortgagee; and does not change the residential or commercial use of the Units or Intervals.

Whenever the By-Laws require an affirmative percentage vote of the Members it shall mean a percentage vote of the number of Units owned by Members in whole as Unit Owners, or as to Units owned in whole or in part by Interval Purchasers, by the plurality thereof that actually cast votes in the manner described hereinabove."

NOW, THEREFORE, the Board of Directors of The Flagship Condominium Association, Inc. has caused this Amendment to the By-Laws of The Flagship Condominium Association, Inc. to be executed as of the date and year first above written.

ATTEST:

By: ______________________
Jason Kaye, Secretary

THE FLAGSHIP CONDOMINIUM ASSOCIATION, INC.

By: ______________________
Alberino Leone, President

CERTIFICATION

The undersigned hereby certifies that the Association has enacted this Amendment at a duly held meeting of the Board of Directors on May 21, 2011.

By: ______________________
Jason Kaye, Secretary

STATE OF NEW JERSEY)
) ss:
COUNTY OF ATLANTIC)

I hereby certify that on this 21st day of May, 2011, personally appeared before me ALBERINO LEONE and JASON KAYE, President and Secretary, respectively, and acknowledged under oath, to my satisfaction, that they are the persons who are named in and who executed this instrument, and that they signed, sealed, and delivered this instrument as their act and deed for the purposes expressed herein.

ROBERT J. HUESTON
An Attorney at Law of New Jersey

RECORD & RETURN TO:

Hueston McNulty, P.C.
256 Columbia Turnpike, Suite 207
Florham Park, New Jersey 07932
(973) 377-0200

Instr # 2101983 MICHAEL J. GARVIN
Recorded/Filed CL Atlantic County Clerk
11/08/2002 09:36 Bk 7340 Pg 1 of 48 FLA

Prepared by:

Robert J. Hueston, Esq.

THE FLAGSHIP INTERVAL ASSOCIATION, INC.
AMENDMENT TO BY-LAWS

THIS AMENDMENT TO BY-LAWS of the FLAGSHIP INTERVAL ASSOCIATION, INC., is made this 15th day of August, 2002 by The Flagship Interval Association, Inc., a nonprofit corporation, with offices at 60 N. Maine Avenue, in the City of Atlantic City, Atlantic County, New Jersey.

WHEREAS, at all times relevant the affairs of The Flagship Interval Association, Inc. have been conducted pursuant to the By-Laws of The Flagship Interval Association, Inc., (hereinafter sometimes the "**Association**" or "**Interval Association**"), which were registered in or about March 17, 1989 with the New Jersey Division of Housing and Development to enable a public offering of units of The Flagship, a Condominium, for interval use; and

WHEREAS, by Master Deed dated April 30, 1987, and recorded in the Atlantic County Clerk's Office on May 14, 1987, in Deed Book 4453, Page 26, et seq., Flagship Resort Associates, a New Jersey Limited Partnership, did establish The Flagship, a Condominium (the "Condominium"), upon certain lands located within the City of Atlantic City, County of Atlantic, and State of New Jersey (the "Condominium Property"), all pursuant to N.J.S.A. 46:8B-1, et seq.; and

WHEREAS, the joint owners of The Flagship, a Condominium collectively include unit owners defined in the Master Deed and interval purchasers defined in a certain Declaration of Conditions, Covenants and Restrictions dated April 14, 1994 and recorded April 22, 1994 in the Office of the Atlantic County Clerk in Deed Book 5634, at Page 001 et seq.; and

WHEREAS, the impossibility of meeting quorum and voting requirements for the purpose of making amendments to the By-Laws has caused the Board of Trustees of the Interval Association to request permission of the Court to amend and restate its By-Laws to facilitate the conduct of the business by the Interval Association as a constituent element of The Flagship, a Condominium; and

WHEREAS, the Board of Trustees in the name of the Association has sought such declaratory relief in order to amend and restate its By-Laws, in an action entitled In Re: Flagship Interval Association, Inc. and Flagship Condominium Association, Inc., filed in the Superior Court of New Jersey, Chancery Division: General Equity Part, Docket No.: ATL-C-81-02; and

WHEREAS, by Order for Judgment dated August 15, 2002 such declaratory relief has been granted permitting the following amendment to the By-Laws for these purposes;

NOW THEREFORE, the By-Laws of The Flagship Interval Association, Inc. shall be amended and restated, and the By-Laws dated March 2, 1989 are hereby deleted in their entirety and replaced with the "AMENDED and RESTATED BY-LAWS" as attached hereto as "Exhibit A".

IN WITNESS WHEREOF, this AMENDMENT TO BY-LAWS OF THE FLAGSHIP INTERVAL ASSOCIATION, INC., has been executed on this 15th day of August, 2002 by and on behalf of The Flagship Interval Association, Inc., and it is certified that such Amendment to By-Laws has been approved by Court Order as set forth above.

THE FLAGSHIP INTERVAL ASSOCIATION, INC.

Attest:

Harvey A. Williams
HARVEY WILLIAMS, Secretary

By: Sandra Johnson
SANDRA JOHNSON, President

STATE OF NEW JERSEY)
) ss:
COUNTY OF ATLANTIC)

I hereby certify that on this 21st day of September, 2002, personally appeared before me **SANDRA JOHNSON** an **HARVEY WILLIAMS**, President and Secretary, respectively, and acknowledged under oath, to my satisfaction, that they are the persons who are named in and who executed this instrument, and that they signed, sealed, and delivered this instrument as their act and deed for the purposes expressed herein.

ROBERT J. HUESTON
An Attorney at Law of New Jersey

RECORD & RETURN TO:
Hueston, McNulty & Mueller, P.C.
237 Route 37 West
Toms River, New Jersey 08755
(732) 240-2300