

**BY-LAWS OF
OB2 FOUNDATION, INC.**

ARTICLE I: NAME

The name of the corporation will be OB2 Foundation, Inc. (hereinafter "OB2 Foundation").

ARTICLE II: MISSION AND GOALS

The mission of OB2 Foundation is to provide enhanced recreational opportunities to those who use the Barnegat Bay or the Atlantic Ocean.

Therefore, the goals of OB2 Foundation are:

- 2.1** To make improvements to the oceanfront and bayfront that enable all users to benefit from the natural environment.
- 2.2** To improve the safety of the oceanfront and bayfront for all users.
- 2.3** To support other local organizations that will support the above goals, such as the First Aid Squad, Police and Fire Departments.
- 2.4** To enhance activities for children of the communities near the Ocean and Barnegat Bay so they may further their knowledge of their surroundings.
- 2.5** To support youth groups like the Boy Scouts, Girl Scouts and Junior Lifeguards who involve themselves with Jersey Shore related activities.
- 2.6** To support any group that wishes to use the Jersey Shore area for a recreational sport or learning experience.
- 2.7** To provide small Scholarships to students interested in the marine environment.

ARTICLE III: BOARD OF TRUSTEES

3.1 Powers and Duties

A. All corporate powers of OB2 Foundation shall be exercised by, or under the authority of, the Board of Trustees.

B. The business, property and affairs of OB2 Foundation shall be managed by the Board of Trustees, which shall have and may exercise all the powers of OB2 Foundation to do all such lawful acts and things as are not by law or by the Certificate of Incorporation or other certificate filed pursuant to law, or by these by-laws, expressly prohibited. Without limiting any of the foregoing, the Board of Trustees shall have the following authority:

1. To elect new members of the Board.
2. To elect a President, one or more Vice-Presidents, a Secretary and a Treasurer.
3. To decide on appropriate methods to be used to achieve the purposes of OB2 Foundation.
4. To decide whether or not to accept restricted or designated gifts and to decide under what conditions such gifts shall be accepted, while maintaining consistency with OB2 Foundation's goals, objectives and intentions.
5. To pay all reasonable expenses in connection with securing contributions, grants, endowments, etc.
6. To maintain one or more checking, savings, or other accounts to pay OB2 Foundation expenses or to fulfill other lawful purposes of OB2 Foundation.

3.2 Initial Board of Trustees:

The initial Board of Trustees shall consist of the persons named in Paragraph 7 of the Certificate of Incorporation, and such other persons as may be duly nominated and elected to serve on the initial Board of Trustees until the first Annual Meeting after the second anniversary of OB2 Foundation's incorporation.

3.3 Number of Trustees:

The Board of Trustees shall consist of not less than three (3) nor more than five (5) members; however, should the number of Trustees fall below three (3), then the Board of Trustees may continue to carry on the business and activities of OB2 Foundation and shall exercise best efforts to add Trustees so that the entire Board numbers at least three (3). The Board of Trustees shall constitute the entire corporation of OB2 Foundation.

3.4 Manner of Selection and Terms of Office:

A. The initial Board of Trustees shall serve until the first Annual Meeting of OB2 Foundation after the second anniversary of OB2 Foundation's incorporation, as determined by the records of the New Jersey Secretary of State.

B. At the first Annual Meeting after the second anniversary of OB2 Foundation's incorporation, OB2 Foundation's Board of Trustees shall elect a new Board of Trustees consisting of three (3) classes of equal or nearly-equal membership: One class shall be elected for a three (3) year term; one class shall be elected for a two (2) year term; and one class shall be elected for a one (1) year term. Thereafter, one-third, more or less, of the Board of Trustees shall be elected each year at the Annual Meeting by a majority vote of the Board of Trustees then in office, and each Trustee so elected shall serve for a term of three (3) years. The Board of Trustees shall be selected from a slate submitted by the Nominating Committee at least (30) days before the Annual Meeting. Nominations may also be accepted from the floor.

3.5 Resignations, Removal from Office, and Vacancies:

A. Any Trustee may resign at any time by written resignation delivered to the President of OB2 Foundation.

B. After thirty (30) days prior written notice, and after an opportunity to be heard on the issues, any Trustee may be removed from office, with or without cause, by the affirmative vote of two-thirds (2/3) of the Board of Trustees. In addition, all Trustees are expected to attend at least 75 percent of the meetings of the Board within a 12 month period.

C. All vacancies may be filled by a majority vote of the remaining Trustees then in office. Trustees to fill vacancies shall be chosen from a slate submitted by the Nominating Committee thirty (30) days in advance of the election to fill a vacancy. Nominations may also be accepted from the floor. Any Trustee chosen to fill a vacancy shall be elected only for the unexpired term of the vacating Trustee. The Board of Trustees shall have the discretion not to fill a vacancy, and thus to reduce the size of the Board, subject only to Paragraph 3.3.

3.6 Quorum; Action in Lieu of Meeting:

A. The presence of one-half of the entire Board of Trustees (or, if there is then an odd number of Trustees then in office, the presence of over fifty percent (50%) of the entire Board of Trustees) shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of those voting, whether in person or by proxy, at any meeting at which there is a quorum, shall be the act of OB2 Foundation, except as may be otherwise specifically provided by statute. At any meeting where less than a quorum is present, a majority of the members present may adjourn any such meeting of the Board of Trustees from time to time without notice.

B. Any action may be taken by the Board of Trustees without a meeting, if prior to such action a written consent thereto is signed by all of the Trustees and such written consent is filed with the Secretary of OB2 Foundation.

3.7 Voting:

A. At every meeting each Trustee shall be entitled to one vote in person.

B. OB2 Foundation may conduct any business on specific issues by voting through a written, signed, and dated proxy which sets forth the particular issues before OB2 Foundation and the signer's vote on those issues. To be voted, such a proxy shall be delivered to the Secretary of OB2 Foundation in advance of the meeting at which the vote on the specific issues are taken. All proxies shall be filed with the minutes of OB2 Foundation. Voting by proxies shall not be permitted for any vote of OB2 Foundation which requires a two-thirds majority. As to such votes requiring a two-thirds majority, the vote of two-thirds of those in attendance at a meeting at which there is a quorum shall suffice.

3.8 No Compensation:

No Trustee shall receive any compensation, directly or indirectly, for services as a Trustee of OB2 Foundation. However, the Board of Trustees shall permit reimbursement of any reasonable expenses that may have been incurred by the Trustee when connected to the operation of OB2 Foundation.

ARTICLE IV: OFFICERS

4.1 Identification of Officers:

The officers of OB2 Foundation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, and such other officers as the Board of Trustees may from time to time determine.

4.2 Terms and Elections of Officers:

A. The officers shall be elected at the Annual Meeting of the Board of Trustees each year from among the Board of Trustees and shall hold office for a one (1) year term or until their successors are elected.

B. Any officer of OB2 Foundation may resign as an officer at any time by written resignation submitted to the President of OB2 Foundation.

C. After thirty (30) days prior written notice, and after an opportunity to be heard on the issues, any officer may be removed from office, with or without cause, by a two-thirds (2/3) vote.

D. In the event of the death, disability, removal, or resignation of any officer of OB2 Foundation, the Board of Trustees shall elect his or her successor to serve out the vacating officer's unexpired term.

4.3 Powers and Duties of Officers:

A. The officers, agents and employees of OB2 Foundation shall perform duties and exercise the powers usually incident to the offices or positions held by them respectively and/or such other duties and powers as may be assigned to them from time to time by the Board of Trustees or the Chief Executive Officer.

B. The President shall be the Chief Executive Office of OB2 Foundation. The President shall preside at all meetings; shall have and exercise general charge and supervision of the affairs of OB2 Foundation; and shall do and perform such other duties as may be assigned to him by the Board of Trustees. The President shall serve as a non-voting, ex officio member of all committees, with the exception of the Nominating Committee.

C. At the request of the President, or in the event of his or her absence, or disability, the Vice-President of OB2 Foundation shall perform the duties and possess and exercise the powers of the President, and to the extent authorized by law, the Vice-President of OB2 Foundation shall have such other powers as the Board of Trustees may determine and shall perform such other duties as may be assigned by the Board of Trustees.

D. The Secretary shall have charge of such books, documents and papers as the Board of Trustees may determine and shall have the custody of the corporate seal. The Secretary shall distribute agendas in advance of meetings of OB2 Foundation, and shall attend and keep the minutes of all meetings. The Secretary may sign with the President or Vice-President of OB2 Foundation, in the name of and on behalf of OB2 Foundation, any contracts or agreements authorized by the Board of Trustees. The

Secretary may affix the seal of OB2 Foundation. In general, the Secretary shall perform all the duties incident to the office of Secretary subject to the control of the Board of Trustees, and shall do and perform such other duties as may be assigned by the Board of Trustees.

E. The Treasurer shall have custody of all funds, property and securities of OB2 Foundation, subject to such regulations as may be imposed by the Board of Trustees. When necessary or proper, the Treasurer may endorse on behalf of OB2 Foundation for collection checks, notes and other obligations, and shall deposit the same, to the credit of OB2 Foundation at such bank or banks or depository as the Board of Trustees may designate. The Treasurer shall sign all receipts and vouchers, and together with such other officer or officers, if any, as shall be designated by the Board of Trustees, he or she shall be one of the persons authorized to sign all checks of OB2 Foundation as required by Paragraph 7.1 except in cases where the signing and execution thereof shall be expressly designated by the Board of Trustees or by these By-Laws to some other officer or agent of OB2 Foundation. The Treasurer shall make such payments as may be necessary or proper to be made on behalf of OB2 Foundation. He or she shall enter regularly on the books of OB2 Foundation to be kept by him or her for that purpose full and accurate account of all moneys and obligations received and paid or incurred by him or her for or on account of OB2 Foundation and shall bring such books to meetings of OB2 Foundation and shall exhibit such books at all reasonable times to any OB2 Foundation Trustee on request. In general, the Treasurer shall perform all the duties incident to the office of Treasurer, including preparation of all required IRS filings, subject to the control of the Board of Trustees.

ARTICLE V; COMMITTEE OF THE BOARD OF TRUSTEES

5.1 Executive Committee:

The Executive Committee shall be composed of the Officers of OB2 Foundation. The Executive Committee shall meet at the call of The President and/or any officers of OB2 Foundation to conduct the affairs of OB2 Foundation between meetings of the Board of Trustees. Any and all action taken by the Executive Committee shall be subject to ratification by the Board of Trustees of OB2 Foundation.

5.2 Appointment of Committees:

With the exception of the Nominating Committee which shall be elected by the Board of Trustees, the President shall appoint the members of committees and shall designate all chairpersons of standing and any other committees. All committees shall serve at the pleasure of the Board and under such rules and regulations as the Board of Trustees of OB2 Foundation deems necessary or advisable for the efficient operation and functioning of OB2 Foundation. Committees shall be appointed after each Annual Meeting. Non-members of the Board of Trustees shall be eligible to serve as committee members, but may not chair any committee or vote.

5.3 Standing Committees:

A. Gifts and Grants Committee:

The Committee shall review all grants, proposals, and awards for funding through OB2 Foundation. This Committee shall be responsible for recommending acceptance of all grant proposals, and allocations for funding any items through OB2 Foundation, with approval of the Board of Trustees.

B. Finance Committee:

The task of this committee shall be to advise the Board of Trustees on any matters relating to the financial operation of OB2 Foundation, to prepare the annual budget of OB2 Foundation, and to advise the Board of Trustees on any investments of OB2 Foundation funds.

C. Fund-Raising Committee:

The task of this committee shall be to advise the Board of Trustees on, and to direct, the solicitation of grant, and contributions to OB2 Foundation. This committee shall develop funding strategies, advise, structure, and shall implement annual fund-raising activities of OB2 Foundation as directed by the Board of Trustees of OB2 Foundation. The Fund-Raising Committee shall use its best efforts not to conflict with the fund-raising activities of other groups promoting recreational use of the Barnegat Bay or Atlantic Ocean.

D. Nominating Committee:

The Nominating Committee shall be elected by the Board of Trustees, shall be composed of a least three (3) Trustees, and shall present all nominations to the Board of Trustees for OB2 Foundation action.

E. Public Relations Committee

This committee shall act as an information center for OB2 Foundation. This committee shall formulate, develop, implement and execute public relations and information campaigns to promote public, private and corporate acceptance of OB2 Foundation, as well as assist the Finance and Fund-Raising Committee in the annual campaign of funding for OB2 Foundation.

F. Audit Committee

An audit committee will be formed if necessary. The Foundation will follow the financial reporting rules of the NJ Division of Consumer Affairs, Charities Registration Section. An audit is only required if the gross revenue exceeds \$500,000.00. Otherwise, the Foundation will complete the necessary federal and state tax filings and they will be certified by the officers.

If necessary, this committee shall select the independent auditor and shall ensure that the annual audit of OB2 Foundation occurs as required by Section 7.3. The following shall not be members of the Audit Committee; any member of the Finance or the Fund-Raising Committee; the Treasurer; and the Trustees authorized to sign checks and negotiable instruments on behalf of OB2 Foundation.

5.4 Other Committees:

The Board of Trustees, or the President with the approval of the Board of Trustees, may establish other committees as needed for the efficient operation of OB2 Foundation.

5.5 Quorums: Voting

A. At any meeting of a committee, the presence of a majority of committee members shall be necessary to constitute a quorum for all purposes, except as otherwise

prohibited by law, and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the committee, except as may be otherwise specifically provided by statute. In the absence of a quorum, or when a quorum is present, a meeting may be adjourned from time to time by vote of the majority of those present in person, without notice to those in attendance other than by announcement at the meeting.

B. Any action required or permitted to be taken at any meeting of any committee thereof may be taken without a meeting, if prior to or after such action a written consent thereto is signed by all members of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the committee.

ARTICLE VI: MEETINGS

6.1 Annual Meetings:

OB2 Foundation's Board of Trustees shall in each year hold an Annual Meeting in the month of September. The date, time and place for the Annual Meeting shall be announced by the Secretary in writing at least thirty (30) days before the Annual Meeting.

6.2 Special Meetings:

Special Meetings shall be held as deemed necessary by the President or upon the written request of two (2) members of the Board of Trustees. The secretary shall give at least ten (10) days written notice of all Special Meetings of the Board of Trustees. In the notification of each Special Meeting, the agenda for said meeting shall be specified. If the President of OB2 Foundation deems that an emergency exists, he or she shall call a meeting of the Board of Trustees via telephone notice to all OB2 Foundation Trustees.

6.3 Regular Meetings:

The Board of Trustees may meet as needed, in addition to the Annual Meeting and/or Special Meetings.

ARTICLE VII: FINANCES

7.1 Banking

Funds of OB2 Foundation shall be deposited in a bank under national or state supervision. The Board of Trustees shall authorize two (2) members of the Board of Trustees to sign negotiable instruments on behalf of OB2 Foundation, and all checks or drafts drawn on the funds of OB2 Foundation shall require the signatures of the two authorized Trustees.

7.2 Treasurer's Reports

The Treasurer shall keep or supervise the keeping of the accounts of OB2 Foundation in such form as shall be deemed by him or her, and shall submit an annual report to the Board of Trustees at the Annual Meeting, as well as such other reports as may be required by the Board of Trustees from time to time.

7.3 Annual Audit

If necessary, OB2 Foundation shall retain an independent certified public accountant to conduct, annually, an audit of OB2 Foundation and to report on the financial condition and operation of OB2 Foundation. The organization will follow the Rules of NJ Division of Consumer Affairs, Charities Registration Section as noted in Section 5.3.

7.4 Fiscal Year

The fiscal year of OB2 Foundation shall begin January 1, and shall end December 31.

ARTICLE VIII; ANNUAL REPORTS OF OB2 Foundation

The Board of Trustees shall publish an annual report of OB2 Foundation in such form and manner as the Board of Trustees, in its discretion, deems appropriate. The annual published report shall include, but shall not be limited to, the financial condition of OB2 Foundation; the amount of grants awarded by OB2 Foundation, the type and category of grants awarded; the population served by specific grant awards; and evaluation of the effectiveness of the grant OB2 Foundation awarded; and/or administrative programs supported by the grant of OB2 Foundation.

ARTICLE IX: INDEMNIFICATION OF TRUSTEES AND OFFICERS

Each OB2 Foundation Trustee and Officer, whether or not then in office, and his or her heir's, executors, administrators, and assigns, shall be indemnified by OB2 Foundation against all damages, costs and expenses reasonably incurred by or imposed upon him or her, or his or her estate in connection with or resulting from any action, suit, or proceedings civil or criminal, to which he or she or his or her estate shall or may be a party, or with which he, she, or it shall or may be threatened by reason, directly or indirectly, of his or her being or having been a Trustee or Officer of OB2 Foundation, except in relation to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for malfeasance or gross negligence in the performance of his or her duty as such Trustee or Officer, and shall also be indemnified against any damages, costs or expenses reasonably incurred by or imposed upon him or her, or his or her estate, in connection with or resulting from the settlement of any such action, suit or proceeding in which such Trustee or Officer was not liable for malfeasance or gross negligence in the performance of his or her duty as a Trustee or Officer. The costs and expenses against which any such Trustee or Officer shall be indemnified shall be those actually paid or for which liability is actually incurred, irrespective of whether such costs or expenses are taxable costs as defined or allowed by statute or rule of court. A Trustee or Officer shall not be deemed to have been liable for malfeasance or gross negligence as to any matter wherein he or she relied upon the opinion or advice of legal counsel selected by the Board of Trustees or acting in any such matter for OB2 Foundation. Such rights of indemnification shall be in addition to any other right with respect to any such damages, costs and expenses to which such Trustees or Officer may otherwise be entitled against OB2 Foundation or any other person, including such indemnification as provided by N.J.S 2A:53A-7 et. seq or elsewhere as provided by law.

ARTICLE X: AMENDMENTS

The By-Laws of OB2 Foundation may be amended by two-thirds (2/3) vote of all of the OB2 Foundation Trustees at an Annual or Special Meeting of the Board of Trustees, provided notice of the character of the proposed amendment shall have been given to the Trustees at least thirty (30) days before such amendment is voted upon. Such amendments shall be consistent with the purpose, objective and intentions of OB2 Foundation.

ARTICLE XI; DISSOLUTION

Upon the dissolution or other termination of OB2 Foundation, no part of the property of OB2 Foundation or any of the proceeds shall be distributed to or inure to the benefit of any of the members, Trustees or Officers of OB2 Foundation, but all such property and proceeds, subject to the discharge of valid obligations of OB2 Foundation, shall be distributed exclusively to Federal, State or local government bodies or to other charitable or educational organizations which would then qualify under the provisions of Section 501 (e) (7) of the Internal Revenue Code and the Regulations as they now exist or as they may hereafter be amended.

ARTICLE XII: RESTRICTION ON ACTIVITIES

No part of the net earnings of OB2 Foundation shall inure to the benefit of, or be distributable to its members, trustees, directors, officers or other private persons, except that OB2 Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of Section 501 (c) (7) purposes. No substantial part of the activities of OB2 Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and OB2 Foundation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Notwithstanding any other provision of these articles, OB2 Foundation shall not carry on any other activities not permitted to be carried on (a) by a corporation/organization exempt from Federal income tax under Section 501 (c) (7) of the Internal Revenue Code (or corresponding section of any future federal tax code) or (b) by a Scholarship Fund, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code (or corresponding section of any future Federal tax code).