

ARTICLE 1

NAME

Section 1.01 Name.

The name of the non-profit corporation is Summerfield Association (the "Association").

ARTICLE 2

DEFINITIONS

Section 2.01 Definitions.

Any capitalized term used in these By-Laws but not otherwise defined shall have the meaning as set forth in the Declaration or in the Pennsylvania Uniform Planned Community Act.

ARTICLE 3

PURPOSES AND POWERS

Section 3.01 Purposes of the Association.

The purposes of the Association are:

(a) The ownership, management, operation and maintenance of certain real estate and the improvements located thereon in a residential Community known as Summerfield, situated in Pequea Township, Lancaster County, Pennsylvania, including the Common Elements; and

(b) The implementation, administration and enforcement of a certain Declaration of Covenants, Restrictions and Easements for Summerfield (the "Declaration") dated October 17, 2011, and recorded in the Office of the Recorder of Deeds for Lancaster County, Pennsylvania at Instrument Number 5956888, with Nathan and Lynare Pipitone as the Declarant, with a partial assignment of Declarant's rights to Millfield Construction Co., trading as Millfield, as the same may be further hereafter amended; and

Section 3.02 Powers of the Executive Board.

The Executive Board shall have such powers, subject to any restrictions set forth in the Declaration, as are now, or may hereafter be, granted by the Pennsylvania Non-Profit Corporation Law of 1988, as amended from time to time, to do and perform the following:

(a) To own, operate, maintain, insure, repair, restore, manage, improve, regulate and restrict the Common Elements and all improvements of any kind whatsoever in the Community, to the extent provided in the

Summerfield Association By-Laws

Declaration;

(b) To maintain the Common Elements, to the extent provided in the Declaration, in good repair and to make all repairs, restorations and improvements necessary to maintain the Common Elements;

(c) To determine its own expenses and necessary reserves and to raise all moneys required therefore by levying upon and collecting assessments against the Members and the Units;

(d) To establish, promulgate, amend, repeal, distribute, approve, reject and enforce rules governing the use, occupancy, maintenance and regulation of the Common Elements and all improvements of any kind located in the Community, to the extent provided in the Declaration;

(e) To enforce the provisions of the Declaration;

(f) To bring, prosecute, defend and settle litigation for or against the Association, and to satisfy any adverse judgment entered against it;

(g) To secure and maintain policies of liability insurance insuring against its liability in connection with the Common Elements, to the extent provided in the Declaration or determined by the Executive Board;

(h) To otherwise perform and conduct all duties and powers imposed upon or granted to it by the Declaration (including the power and duty to enforce the Declaration with respect to each Unit), these By-Laws, any other document relating to the Association, by the Pequea Township Zoning and the Lancaster County Subdivision and Land Development Ordinances, as amended, or other applicable law;

(i) To take and carry out all actions reasonably necessary and proper to enforce the provisions of the Declaration;

(j) To perform any other acts necessary or property to carry out any of the duties and obligations of the Association;

(k) To suspend the voting right and the right to use the recreational facilities of a Member during any period during which such Member shall be default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of public rules and regulations;

(l) To collect assessments authorized in the Declaration and, on behalf of the Association, collect and remit to the Association assessments authorized in the Declaration;

(m) To declare the office of a Member of the Executive Board to be vacant in the event such Member shall be absent for three (3) consecutive regular meetings of the Executive Board; and

(n) Employ a manager, an independent management company, or such other employees as they deem necessary and to prescribe their duties.

Section 3.03 Duties of the Executive Board

It shall be the duty of the Executive Board:

(a) To supervise all Officers, agents and employees of the Association, and to see that their duties are properly performed;

(b) As more fully provided in the Declaration:

(i) Fix the amount of the annual assessment against each Unit as more fully set forth herein, generally at least thirty (30) days in advance of each annual assessment, and fix any special assessments that are from time-to-time deemed necessarily or desirable;

(ii) Send written notice of each annual assessment to every Owner subject thereto generally at least thirty (30) days in advance of each annual assessment. (Provided however, that failure to observe the timing as specified in subparagraphs (i) and (ii) for filing annual assessment of any notice thereof shall not be deemed to invalidate any annual special assessments); and

(iii) Foreclose the lien against any Property for which assessments are not paid within thirty (30) days after due date or to bring an accident law against the Owner personally obligated to pay the same.

(c) Issue or cause an appropriate Officer to issue upon demand by any Member a certificate containing all of the applicable information set forth in Section 5407 of the Uniform Planning Community Act, said certificate being herein known as the "Resale Certificate". A reasonable charge may be made by the Board for the issuance of Resale Certificates.

(d) Procure and maintain adequate assurance that all Officers or employees having fiscal responsibilities be bonded as it may deem appropriate.

(e) Carry out the maintenance responsibilities as set forth in the Declaration.

The Board's duties as above specified may be delegated, except that the duties of supervising the Officers of the Association may not be delegated.

ARTICLE 4

BUSINESS OFFICES

Section 4.01 Initial Office.

The Association shall have its initial principal office address of:
3 Whipporwill Drive, Lancaster, PA 17603

Section 4.02 Maintain Office.

The Association shall have and continuously maintain a registered office in the Commonwealth of Pennsylvania.

ARTICLE 5

MEMBERSHIP, VOTING RIGHTS AND MEETINGS

Section 5.01 Membership.

Each Owner of a Unit, including Declarant (for as long as Declarant owns a Unit), shall be a Member of the Association at such time as set forth in the Declaration.

Each membership shall be appurtenant to, and not severable from, ownership of a Unit, and shall be held in the name of the record owner of the Unit, whether or not the Unit is owned jointly, in common, or in any other form of tenancy. Each Unit shall have one, and only one, membership regardless of the number of co-tenants, joint-tenants or tenants by the entirety holding interests in the Unit. Owner shall refer to the Record Owner or Owners of a Unit.

Section 5.02 Duration of Membership.

Each membership shall initially commence upon the recording of the Declaration. Thereafter, membership shall be transferred to each successive record Owner of a Unit as of the date and hour of the completion of settlement on the conveyance of a Unit to a new Owner.

Section 5.03 Voting.

Members may vote on those items submitted for their vote by the Executive Board. Each Member shall be entitled to one vote on all matters on which Members are entitled to vote. Members shall not be entitled to cumulative voting for the election of Executive Board Members. Except where a higher percentage of votes is required in these By-Laws, the Declaration, or applicable law, the vote of the majority of Members shall be controlling.

Section 5.04 Matters Requiring Vote of Membership.

Among other matters that may from time be submitted to the Members for a vote by the Executive Board, the Members shall in any event be entitled to vote at the annual meeting of the Members of the Association provided in these By-Laws for the election of Executive Board Members, the amendment of these By-Laws, and on any amendment of the Declaration as permitted herein or required by the Declaration or by law. Nomination for election to the Executive Board may be made by a nominating committee, and may also be made from the floor at the annual meeting. The nominating committee shall consist of one (1) Member of the Executive Board and two (2) or more Members of the Association who are not Members of the Executive Board. The nominating committee may be appointed by the Executive Board prior to each annual meeting to serve from the close of

such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee may make, although it is not required to make, as many nominations as there are expected vacancies on the Executive Board. Such nominations may be made from among Members or non-members of the Association; however, in no case shall the nominating committee nominate Members of the Executive Board such that it would violate the requirements in Section 6.01 that at least two (2) Members of the Executive Board shall be Members of the Association.

Section 5.05 Annual Meeting of Members

The annual meeting of the Members of the Association, beginning in the year in which the period of Declarant Control ends, shall be held no later than the first Monday of April of each year, at 7:00 o'clock p.m. Each subsequent regular annual meeting of the Members shall be held on the same day of the same month each year thereafter, at the hour of 7:00 o'clock p.m., unless an alternate date is chosen by the Executive Board. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday, or on such alternate date as may be chosen by the Executive Board and as shall be designated in the notice of the meeting, for the purpose of electing Executive Board Members and transacting such other business as may properly be brought before the meeting.

Section 5.06 Special Meeting of Members.

Special meetings of the Members may be called to be held at the registered office of the Association, or at such other place designated in the call of the meeting (but not outside of the County of Lancaster, Commonwealth of Pennsylvania), at any time, by the President of the Association, or by resolution of the Executive Board, or upon written request of Members holding not less than one-fourth (1/4) of the outstanding voting rights.

Section 5.07 Notice of Members' Meetings.

Notices of Members' regular or special meeting shall be hand-delivered or sent prepaid by United States mail by the Secretary to the mailing address of each Unit or to any other mailing address previously designated in writing by the Unit Owner to the Association. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or By-Laws; any budget or assessment changes; and, any proposal to remove an officer or Member of the Executive Board. Notice of any special meeting shall be given at such time as the Secretary may fix, but not less than ten (10) days nor more than sixty (60) days in advance of the meeting. Upon neglect or refusal of the Secretary to issue the Notice, the Members making the request may do so.

Section 5.08 Quorum at Members' Meeting.

A quorum shall be deemed to be present throughout any meeting of the Members if persons entitled to cast at least 20% of the total votes are present in person or by proxy at the beginning of the meeting. In the event the Articles of Incorporation of the Association, the Declaration or these By-Laws state a larger number necessary to constitute a quorum that larger number shall control. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time-to-time, without further notice other than announcing the adjournment at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5.09 Proxy.

At any meeting of the Members for the purpose of electing Executive Board Members, any Member may vote by proxy or by mailing or delivering its ballot to the Secretary of the Association, so long as the executed ballot or proxy is received at or before the election meeting. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable only by giving actual notice of revocation to the person presiding over a meeting and shall automatically cease upon conveyance by the Member of his Unit. The proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one (1) year after its date unless it specifies a shorter term.

ARTICLE 6

EXECUTIVE BOARD

Section 6.01 Executive Board.

The affairs of the Association shall be governed and conducted by its Executive Board, which shall be comprised of three (3) persons ("Executive Board Members"), to be elected or appointed in accordance with these By-Laws and the applicable provisions of the Declaration. The Executive Board shall manage the affairs of the Association. Prior to the end of the period of Declarant Control, none of the Directors need be Members of the Association. Upon termination of Declarant Control at least two (2) of the Executive Board Members must be Members of the Association.

(a) Meetings. For purposes of this Subsection 6.01(a), the term "First Election Meeting" shall mean the first meeting of the Association that shall occur no later than sixty (60) days after twenty-five (25%) percent of the total Units intended to be included in the Community are conveyed to Owners other than the Declarant. The term "First Transitional Meeting" shall mean the meeting of the Association that shall be held no later than sixty (60) days after fifty (50%) percent of the Units intended to be included in the Community are conveyed to Owners other than the Declarant. The term "Second Transitional Meeting" shall mean the meeting of the Association that shall be held no later than sixty (60) days after seventy-five (75%) percent of the units intended to be included in the

Summerfield Association By-Laws

Community are conveyed to Owners other than the Declarant, or two (2) years after the Declarant has ceased to sell Units in the ordinary course of its business. Subject to the right of the Declarant to alter the following procedure so as to have all or part of the transition process occur earlier than as hereafter described, the transition from an Executive Board comprised solely of Directors appointed by the Declarant to a Board comprised solely of Directors elected by the Owners shall occur as follows:

(1) First Election Meeting. At the First Election Meeting, the Owners shall elect one (1) Owner to serve on the Board, and the Declarant shall appoint two (2) Directors. The Owner-elected Director shall serve until the first transitional meeting of the Association.

(2) First Transitional Meeting. At the First Transitional Meeting, the Owners, other than the Declarant, shall elect one (1) Owner to serve as Director, who shall (unless the owner is re-elected) replace the one Owner elected at the First Election Meeting. The candidate receiving the highest number of votes shall be the new Director. The Director elected pursuant to this Subsection shall serve until the Second Transitional Meeting.

(3) Second Transitional Meeting. At the Second Transitional Meeting the Owners other than the Declarant shall elect three (3) candidates, of whom at least two shall be Owners, to serve as Directors who shall replace the Owner elected member and the remainder of the Directors appointed by the Declarant. The three (3) candidates receiving the highest number of votes shall be the three (3) new Directors. The Directors elected pursuant to this Subsection shall serve until the annual meeting of this Association next following the Second Transitional Meeting.

(4) Non-Voting Member. From and after the Second Transitional Meeting, the Declarant shall have the right to appoint one additional non-voting member to the Board to serve until sixty (60) days after the Declarant conveys the last Unit to an Owner. The Association shall give the non-voting member and the Declarant the same notice as must be given for each other member of the Executive Board for all meetings of the Executive Board, and the Association at the same time as notices are given to the Executive Board members or the Owners as the case may be. The non-voting members shall have the right to attend all Board and Committee meetings, and shall also be entitled to receive financial reports and all other materials that are distributed to each other member.

(5) Annual Meetings. Commencing with the first Annual Meeting after the Second Transitional Meeting, the Members shall elect three (3) candidates as Members of the Executive Board, of whom at least two (2) shall be Owners, and who shall (unless re-elected) replace the three (3) Directors serving from the Second Transitional Meeting. At the Annual Meeting next following the Second Transitional Meeting, the candidate receiving the highest number of votes shall serve for a three-year term, the candidate receiving the next highest number of votes shall serve for a two-year term, and the candidate receiving the third highest number of votes shall serve a one-year term. Thereafter, at each subsequent Annual Meeting, one place on the Executive Board shall expire, and one new member of the

Executive Board (unless the Board Member is re-elected) shall be elected to the Board.

Section 6.02 Regular Executive Board Meetings.

Regular meetings of the Executive Board shall take place immediately following the annual meeting of the Members, and at such other times as the Executive Board may agree, but not less often than once every three months. Regular Executive Board meetings may be held without formal notice and notice need not be given by the Secretary, so long as each Executive Board Member is given actual personal notice (verbally or in writing) of the time and place for the meeting. Should said meeting fall upon a legal holiday then that meeting shall be held at the same time on the next day, which is not a legal holiday.

Section 6.03 Special Executive Board Meetings.

Special meetings of the Executive Board may be called by or at the request of the President of the Association or any two (2) Executive Board Members. Such special meetings shall be held at the registered office of the Association or at such other location within the Commonwealth of Pennsylvania as may be determined by the person calling such special meeting and as shall be designated in the notice of special meeting.

Section 6.04 Notice of Special Executive Board Meetings.

Notice of any special meeting of the Executive Board shall be given at least three (3) days previously thereto by written notice delivered personally or sent by first class mail or telegram to each Executive Board Member at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Executive Board Member may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Executive Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or these By-Laws. The Executive Board, by unanimous written consent, may waive notice of any special meeting of the Executive Board.

Section 6.05 Quorum of Executive Board.

At least two (2) of the members of the Executive Board shall be necessary to constitute a quorum for the transaction of business at any meeting of the Executive Board. If less than all members of the Executive Board are present at the meeting, any Executive Board Member present may adjourn the meeting from time to time without further notice.

Section 6.06 Majority Vote.

The act of a majority of the Executive Board Members shall be the act of the Executive Board, except where otherwise provided by law or by these By-Laws.

Section 6.07 Vacancy in Executive Board.

Any vacancy occurring in the Executive Board, or any Executive Board position to be filled by reason of any increase in the number of Executive Board Members resulting from any amendment of the Declaration, shall be filled by the Executive Board appointing a replacement for the remaining term; except that a vacancy in an Executive Board position appointed by the Declarant shall be filled by the Declarant appointing a replacement. An Executive Board Member appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

Section 6.08 Compensation of Executive Board.

Executive Board Members as such shall not receive any state salaries for their services, but by resolution of the Executive Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Executive Board; provided, that nothing herein contained shall be construed to preclude any Executive Board Member from serving the Association in any other capacity and receiving compensation therefore.

Section 6.09 Chairman and Meeting Secretary.

Meetings of the Executive Board shall be presided over by a Chairman to be chosen at the meeting. The Secretary of the Association shall act as secretary of every meeting, but if the Secretary is not present, then the persons present at such meeting shall choose any person present to act as secretary of the meeting.

Section 6.10 Action Without Meeting.

Subject to the further specific provisions of these By-Laws, any action required or permitted to be taken at any meeting of the Executive Board may be taken without a meeting, if prior to such action, a written consent thereto is signed by all members of the Executive Board and the written consent is filed with the minutes of proceedings of the Executive Board.

Section 6.11 Election to the Executive Board.

Election to the Executive Board shall be by secret written ballot. At such election each Member or its proxy may cast in respect to each vacancy, one (1) vote. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 7

OFFICERS

Section 7.01 Officers.

The officers of the Association shall be a President, a Vice President, who shall at all times be a member of the Executive Board, a Secretary, a Treasurer, and such other Officers as the Board may from time to time, by resolution, create. Officers may hold more than one office; however, the President may not also hold the office of Vice President. Declarant shall appoint the initial officers of the Association and they shall serve until successor officers are elected by the Executive Board at the first regular annual meeting of the Board after the period of Declarant Control has ended for a one (1) year term. The officers shall thereafter be elected annually by the Executive Board at the regular annual meeting of the Board following the annual meeting of Members. The officers shall have the authority and shall perform the duties as set forth in these By-Laws, and as may be prescribed from time to time by the Executive Board.

Section 7.02 Officer's Vacancy.

The Executive Board shall fill any vacancy occurring in any office, including any new office to be created in the future, by appointing a replacement. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office. Any appointments of other officers as designated in § 7.01 above shall be at the pleasure of the Board and under the terms and conditions set forth in the appointment.

Section 7.03 Removal of Officers.

Each officer shall serve at the pleasure of the Executive Board. Officers may be removed at any time by a majority vote of the full Executive Board. Any Executive Board Member may resign at any time and said resignation is effective on the date received at the Association offices or the effective date designated in the resignation, whichever is later.

Section 7.04 President.

The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Members and of the Executive Board. He may sign, with the Secretary or any other proper officer of the Association authorized by the Executive Board, any deed, mortgage, bond, contract, or other instrument which the Executive Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Executive Board or by these By-Laws or by statute to some other officer or agent of the Association. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Executive Board from time to time.

Section 7.05 Vice President.

In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Executive Board.

Section 7.06 Secretary

The Secretary shall: (i) keep the minutes of the meetings of the Executive Board in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; and (iii) be custodian of the Association's records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws.

Section 7.07 Treasurer.

The Treasurer shall have charge and custody of and be responsible for all funds of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever; and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws. If required by the Executive Board, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Executive Board shall determine, which cost shall be an expense of the Association.

ARTICLE 8

ASSESSMENTS FOR COMMON EXPENSES

Section 8.01 Annual General Assessments.

Subject to the further provisions below concerning special and unit assessments, the general assessments levied by the Association pursuant to the Declaration shall be in the form of annual general assessments. The total annual assessment levied by the Association for any year shall be apportioned equally among the Units, except for Limited Common Expenses, or as otherwise provided in the Declaration or herein or by applicable law. The Executive Board shall fix annual general assessments no later than December thirty-first of each year for each succeeding year. In the event that annual general assessments, as part of the Association's budget, are disapproved by the Members of the Association, or in the event that the Executive Board fails for any reason to adopt a budget for any fiscal year, then the annual general assessment for the immediately preceding fiscal year shall be deemed to continue in effect until a budget has been adopted by the Executive Board (and not

disapproved by the Members) on the basis of which a new annual general assessment may be determined.

Section 8.02 Other Assessments.

In addition to the annual general assessments provided for above, the Association may levy in any assessment year:

(a) Special Assessments for repair, replacement or maintenance: Special Assessments applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any unexpected repair, replacement or cost in connection with the operation, maintenance, repair, restoration, and management of the Community facilities; and

(b) Unit Assessments: Unit Assessments against an individual Owner and Unit for the cost of any maintenance, repairs or replacements of the Common Elements arising out of or caused by the willful or negligent act or omission of the Unit Owner, his family, guests or invitees. Upon the failure by the Owner to promptly pay for same or reimburse the Association (as applicable), the Board may levy and assess a Unit Assessment against the Owner and the Units that he owns.

(c) Deficiency Assessment: Assessments for any insufficiency of the annual assessment for a preceding assessment year to cover the actual costs incurred by the Association in such year.

(d) Special Assessments for Capital Improvements: By an affirmative vote of at least two-thirds of the Members, the Association may levy Special Assessments for construction of new facilities or for other capital improvements.

Section 8.03 Assessment of Units Owned by Declarant.

Any Common Expense benefiting fewer than all of the Units may be assessed exclusively against the Units benefited. The unoccupied Lots owned by the Declarant (or a Builder who has purchased lots from Declarant in order to build and sell new units) on which Units have not been constructed or where houses are under construction or completed but for which no certificate of occupancy has been issued, in general do not directly benefit from many of the expenses of the Association that generally relate to occupied houses. Therefore, notwithstanding the Declarant's (or Builder's) ownership of Lots in the Community, the Association shall not levy any annual or special assessments against the Declarant (or Builder) for Lots owned by Declarant (or Builder) that have no Dwelling, are being constructed, are vacant or for which no certificate of occupancy has been issued. Declarant shall voluntarily pay its share of Common Expenses that directly benefit the Units that it owns, as reasonably determined in its discretion. During the Declarant Control Period (as defined in the Declaration), the Declarant may make loans or voluntary contributions to defray or satisfy any deficiency in expenses of the Association and the Community allocated as special assessments, excluding those special assessments due and payable by Lot Owners other than the Declarant.

Section 8.04 Non-Refundable Contribution at Purchase.

Every Owner, at the time of such Owner's purchase of a Unit from the Declarant, shall pay to the Association the sum specified by Declarant in the Agreement of Sale, which shall be equal for all Units. This amount shall be deposited in the Association's general operating account(s) or reserve accounts as the Board determines. The Association shall use such amounts in its reasonable discretion, subject to the duties and obligations imposed upon it by this Declaration and the Act. The Association shall have the right to impose a fee on the resale or transfer of Units, of at least \$300, in accordance with the provisions of the Act. Each such fee shall be payable in the time and manner as determined from time to time by the Board.

Section 8.05 Delinquent Assessments.

Each Member is obligated to pay to the Association the assessments delineated herein. The assessments are secured by the continuing lien upon the Property against which the assessment is made. Any assessments which are not paid when due shall be deemed as delinquent. If the assessment is not paid within thirty (30) days after due date, the assessment shall bear a late charge of \$25.00 plus interest from the date of delinquency at the rate prescribed in the Declaration, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the continuing lien against the Property, and interest, costs, and reasonable attorneys fees if any such shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit.

ARTICLE 9

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 9.01 Contracts.

The Executive Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

Section 9.02 Checks.

All checks, drafts or other orders for the payment of money, and notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as from time to time be determined by resolution of the Executive Board. In the absence of such determination by the Executive Board, such instrument shall be signed by the Treasurer and countersigned by the President or Vice President of the Association, but in all events, two (2) different officers must sign the instrument.

Section 9.03 Deposits.

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Executive Board may select.

Section 9.04 `Gifts.

The Executive Board may make and accept on behalf of the Association any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Association.

ARTICLE 10

BOOKS AND RECORDS

Section 10.01 Books and Records.

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Executive Board and committees having any of the authority of the Executive Board. The Executive Board shall present a statement summarizing all of its acts and corporate affairs to the Members at the annual meeting of the Members. Additionally, the Executive Board shall present a summary statement at any special meeting, when such statement is requested at least five (5) days prior to such special meeting in writing by one-fourth (1/4) of the Members who are entitled to vote.

Section 10.02 Financial Records.

The Association shall keep records sufficiently detailed to enable the Association to comply with section 5407 of the Act (relating to resales of units). All financial and other records shall be made reasonably available for examination by a Unit Owner and authorized agents.

Section 10.03 Availability of Copies of Records.

The Declaration, Articles of Incorporation, By-Laws, books, records and papers of the Association shall at all times during reasonable business hours be subject to the inspection by any Member at the offices of the Association. Copies of the Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available at the offices of the Association during reasonable business hours which may be purchased at reasonable cost.

ARTICLE 11

FISCAL YEAR

Section 11.01 Fiscal Year.

The fiscal year of the Association shall begin on January 1 and end on December 31 in each year except the first fiscal year shall begin on the date of incorporation of the Association.

ARTICLE 12

SEAL

Section 12.01 Corporate Seal.

The Executive Board shall maintain a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Association.

ARTICLE 13

WAIVER OF NOTICE

Section 13.01 Waiver.

Whenever any notice is required to be given under the provisions of the Pennsylvania Non-Profit Corporation Law of 1988, as amended from time to time, or under the provisions of the Articles of Incorporation or the By-Laws of the Association, a waiver of notice thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 14

INDEMNIFICATION

Section 14.01 Indemnification.

Every person who is or shall be or shall have been an officer, Executive Board Member, employee, agent or other representative of the Association, or a personal representative of any of the aforesaid, shall be indemnified by the Association to the fullest extent allowed by law.

Section 14.02 Directors and Officers Insurance.

The Association may purchase and maintain insurance on behalf of the aforesaid persons to the extent authorized by law or by the Declaration. The Association shall maintain directors' and officers' liability

insurance for so long as an Executive Board Member appointed by the Declarant remains on the Executive Board.

ARTICLE 15

DELEGATION OF POWERS OF BOARD AND OFFICERS

Section 15.01 Delegation of Powers of Board.

The powers of the Executive Board may not be delegated to other persons or agents, unless otherwise provided herein or in the Declaration, but shall be reserved to those individuals who have been duly elected or appointed as Executive Board Members.

Section 15.02 Delegation of Powers of Officers.

The day to day operating authority of the officers, with respect to the handling of complaints, the enforcement of the provisions of the Declaration and these By-Laws, the collection of assessments, the contracting for the ordinary and necessary maintenance and repairs for the Community, the payment of ordinary and necessary bills, and any and all management issues, and such other powers as the Executive Board may by resolution specifically identify, may be delegated to a managing agent to conduct the ordinary daily business of the Association, on such terms as the Executive Board establishes.

ARTICLE 16

COMMITTEES

Section 16.01 Committees of the Board.

The Association may appoint such Committees as are deemed appropriate in the sole discretion of the Executive Board, said Committees to be appointed by and in the numbers prescribed by the Executive Board. Such Committees may consist of:

(a) Maintenance Committee: A Maintenance Committee, which shall advise the Executive Board on all matters pertaining to the maintenance, repair or improvement of the Community, and shall perform such other functions as the Executive Board in its discretion, determines;

(b) Architectural Control Committee: An Architectural Control Committee (the "ACC") which shall review any construction, reconstruction, alteration or modification of any Unit proposed by the Owner of such Unit and which shall recommend to the Board rules and regulations governing the procedures for the same, consistent with the provisions of the Declaration.

(c) Other Committees: Such other committees as the Executive Board may create from time to time, either on a temporary or permanent basis, for the benefit of the Community.

ARTICLE 17

AMENDMENTS TO BYLAWS

Section 17.01 Declarant Control Period.

During the period of Declarant Control, these By-Laws may only be altered, amended or repealed by vote an affirmative vote of a majority of the Executive Board present at any regular meeting or special meeting of the Board, subject to the power of a majority of the Members to change such action.

Section 17.02 Subsequent Periods.

These By-Laws may only be altered, amended or repealed, and new By-Laws may be adopted, by the affirmative vote of the Members present, in person or by proxy, at a regular or special meeting.