

BYLAWS OF BLUE MEADOWS FARM HOMEOWNERS' ASSOCIATION

A NONPROFIT CORPORATION

ARTICLE ONE

NAME AND REGISTERED OFFICE

The name of the Corporation is Blue Meadows Farm Homeowners' Association, herein after referred to as the "Association". The registered address is P. O. Box 6301, Harrisburg, PA 17112, but meetings of members and directors may be held at the model sales office of Blue Meadows Farm or such other places within the State of Pennsylvania as may be designated by the Board of Directors.

ARTICLE TWO

SEAL

The corporate seal shall have inscribed thereon the name of the Corporation, and the words, "Corporate Seal, Pennsylvania".

ARTICLE THREE

DEFINITIONS

- A. "Association" shall mean and refer to Blue Meadows Farm Homeowners' Association, its successors and assigns.
- B. "Property" shall mean and refer to all that certain real property described in the Declaration of Covenants and Easements, amendments thereto and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- C. "Common Area" shall mean and refer to that portion of the Property designated on a Final Plan as Common Area, as a Street, excluding those streets dedicated to the Township, as herein defined or as right-of-way, open space, pedestrian path and any improvements thereon and any other property, real, personal or mixed, acquired by the Association.
- D. "Lot" shall mean and refer to any plot of land shown on any recorded subdivision map of the property with the exception of the common area.

- E. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of the fee simple title to any lot which is a part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- F. "Declarant" shall mean and refer to Alex A. DiSanto and Dona DiSanto, his wife, their successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped lot from the declarant for the purpose of development.
- G. "Declaration" shall mean and refer to the Declaration of Covenants and Easements applicable to the properties recorded in the Office of Recorder of Deeds for the County of Dauphin, State of Pennsylvania on February 3, 1988 in Miscellaneous Book 1066, Pages 079 through 111, inclusive.
- H. "Member" shall mean and refer to those persons that are lot owners of record.

*ARTICLE FOUR
MEETINGS OF MEMBERS*

- A. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association. Subsequent regular annual meetings of the members shall be held on the 2nd Monday of each November of each year thereafter, at 7:00 o'clock P.M.. If the day 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.
- B. Special meetings of the members may be called at any time by the President, or by the Board of Directors upon written request by two (2) Board Members, or on written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the Class A membership, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the Class B membership. Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto unless all members entitled to vote are present. (Said Class A and Class B membership herein before defined in Article IV of said declaration at recorded page 87).

C. Written notice of each meeting of the members shall be given by, or at the direction of, the Corresponding Secretary or person authorized to call the meeting, by mailing or delivering a copy of such notice, proxy form when required, postage prepaid, not less than ten (10) days nor more than sixty (60) days before such meeting to each member, addressed to the member's address last appearing on the books of the Association, or supplied in writing by such member to the Association for the purpose of notice. Such written notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

D. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the Class A membership and one-third (1/3) of the votes of the Class B membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration and amendments thereto, or these Bylaws and amendments thereto. If, however, such quorum shall not be present or represented at any meeting, the meeting shall be adjourned. Another meeting shall be called and written notice mailed or delivered in accordance with Article V, Section 13 of said covenants, but in the event that no quorum is present, business shall be conducted as if a quorum were present and the majority vote of those members present shall be deemed the action of the membership.

At all meetings of members, each member may vote in person, or by proxy. All proxies shall be in writing and filed with the Recording Secretary. Every proxy shall be revocable and shall automatically cease on conveyance by the member of his or her lot, or thirty (30) days after date of execution, whichever occurs first. All proxies must be received by the Recording Secretary at least three (3) business days before the meeting at which to be voted.

ARTICLE FIVE
BOARD OF DIRECTORS

A. The affairs of this Association shall be managed by a Board of five (5) Directors, who shall be members of the Association: The President, Vice President, Treasurer, Corresponding Secretary and Recording Secretary. All Board members shall be voting Directors.

B. At the first annual meeting, the members shall elect a Board of five (5) Directors, three (3) of which shall be for terms of one (1) year and the remaining two (2) shall be for terms of two (2) years. All terms shall be for a period of two (2) years for all subsequent annual elections. The two highest vote getters shall serve the two (2) year terms.

- C. The Board of Directors shall, at the first January meeting, from among the five (5) members elected by the membership, elect a President, Vice President, Treasurer, Recording Secretary and Corresponding Secretary. Each Officer shall serve for a one (1) year term. There shall be no restrictions on the number of successive terms a Director or officer may serve.
- D. Each Director, during their term as a Director of the Association, shall receive a credit toward their annual assessment. The amount of this credit will be set annually by the Directors and shall not exceed the amount of the annual assessment. Any Director may also be reimbursed for his actual expenses incurred in the performance of his duties by vote of the majority of the Board members.
- E. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting. The written approval shall be kept with the Recording Secretary's Minutes.

*ARTICLE SIX
NOMINATION AND ELECTION OF DIRECTORS*

- A. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, 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 shall make as many nominations for election to the Board of Directors but not less than the number of vacancies that are to be filled. Such nominations shall be made from among members. The elections shall be held at the annual November meeting of members every year, and officers shall serve as the Board of Directors from January 1st to December 31st of the following year.
- B. Election of the Board of Directors shall be by secret written ballot by the members. At such election the members or their proxies may cast only one (1) vote per lot with respect to each vacancy. The persons receiving the largest number of votes shall be elected. In the event there is a tie, balloting shall continue among those tied until the tie is broken and one is elected by the largest number of votes.

C. Only Class A members in good standing shall be qualified to serve as Directors, and be placed in nomination. No member may be nominated from the floor or by the Nominations Committee unless they are in good standing at the time of nomination and at the time of the election. A member in good standing is one who has paid all Homeowner Association initial and annual assessments, and is no more than thirty (30) days past due on any assessment. A member of the Homeowners' Association will be deemed to be a member not in good standing if his or her voting rights have been revoked pursuant to the Declaration of Covenants and Easements.

D. The election will be conducted in the following manner:

1. The treasurer and/or recording secretary will maintain a list of all the members in good standing. All members in good standing at the time of the elections will receive a ballot upon entering the annual meeting from either the treasurer, recording secretary or member of the Nominations Committee who is not a candidate for a director.
2. After the balloting, a member of the Nomination Committee, who is not a candidate, shall collect the ballots in the ballot box. These two committee members shall observe the count of the ballots.
3. Once the votes are counted, all members of the Nominations Committee shall sign the ballot tally sheet listing the number of votes received by each candidate, and the number of invalid or illegal ballots (example: a vote for someone who is not a member in good standing, a blank ballot).
4. The Nominations Committee Chairman will read the names of those candidates who have a plurality of the votes, giving the count only for those elected. The tally sheet shall be filed with the records of the Recording Secretary.
5. The membership may request a recount during the remainder of the meeting.
6. Before adjournment, all the ballots will be destroyed.

- E. Any Director may be removed from the Board, with or without cause, by a two-thirds (2/3) vote of members or their proxies. In the event of death, resignation, or removal of a Director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

The Board shall select the successor in the following manner:

1. The Board will select the member who was a candidate for Director in the most recent election and was the sixth highest vote getter (the five highest vote getters being elected as the Directors).
2. In the event that the sixth highest vote getter declines the position as Director, the Board will select the next highest vote getter as a successor for the vacant position. This process shall continue until such position is filled.
3. In the event of either a tie between the next highest vote getters or there were no candidates who were not selected as Directors at the most recent election, or there are no candidates for the position, then a special election in accordance with Article IV of the covenants shall be held and the person elected shall serve for the unexpired term of his or her predecessor.

*ARTICLE SEVEN
MEETINGS OF DIRECTORS*

- A. Regular meetings of the Board of Directors shall be held monthly without notice, at such place, date and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall on a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.
- B. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than five (5) days' notice to each Director.
- C. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

- D. All meetings of the Board shall have a session for member's comments upon the written request of any member.

ARTICLE EIGHT
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- A. The Board of Directors shall have power to:

1. Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests thereon in addition to those in the covenants, and to establish penalties for the infraction thereof;
2. Suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and an opportunity to respond, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
3. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
4. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
5. Employ professional services, independent contractors, or such other employees as they deem necessary, and to prescribe their duties.

- B. It shall be the duty of the Board of Directors to:

1. Cause to be kept a complete record of all its acts and corporate affairs and to present a financial statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of all members who are entitled to vote;
2. Supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

3. As more fully provided in the Declaration, to:
 - a. Fix the amount of the annual and special assessments against each Lot at least thirty (30) days in advance of each annual assessment period or advance of each special assessment;
 - b. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period or special assessment; and
 - c. Foreclose the lien against any property for which assessments are not paid within ninety (90) days after due date or to bring an action at law against the owner personally obligated to pay the same.
4. Issue, or to cause an appropriate office to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
5. Procure and maintain adequate liability and hazard insurance on property owned by the Association;
6. Procure and maintain adequate officers and Directors liability insurance;
7. Cause all officers or employees having fiscal responsibilities to be bonded;
8. Cause the Common Area to be maintained;
9. Cause an annual audit of the Association's books at the end of each fiscal year;
10. Prepare an annual budget to be approved by two-thirds (2/3) of the membership present at the annual or special meeting prior to any expenditures to be incurred for the next fiscal year, and to distribute a copy of such to the members within thirty (30) days of completion, and
11. Insure in all checks issued by the Treasurer are signed by the President or Secretary or Vice President.

ARTICLE NINE
OFFICERS AND THEIR DUTIES

The officers of the Corporation, who shall be one and the same as the Board of Directors, shall consist of a President, a Vice President, a Corresponding Secretary, a Recording Secretary, and Treasurer, and such other officers as the Board may, from time to time, by resolution create. Each additional new Officer shall be elected by the qualified members as set forth in Article 6, paragraph B.. No person shall hold more than one office.

- B. The officers of this Association shall be elected by the Board members, as set forth in Article 6, paragraph B., and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.
- C. Any officer may resign at any time by giving written notice to the Recording Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.
- D. The duties of the officers are as follows:
 - 1. The President shall be the chief executive officer of the Association, and:
 - a. Shall preside at all meetings of the Board of Directors;
 - b. Shall see that all orders and resolutions of the Board of Directors are carried into effect, subject, however, to the right to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Board or Association;
 - c. Shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Association;
 - d. May countersign all checks issued by the Treasurer;
 - e. Shall be ex-officio a member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of President of a Corporation; and
 - f. Shall sign all leases, deeds, and other written instruments.

2. The Vice President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board. The Vice President shall:
 - a. File suit in District Justice Court on behalf of the Association against any member who is ninety (90) days or more past due in paying Association assessments.
 - b. May countersign all checks issues by the Treasurer.
3. The Recording Secretary:
 - a. Shall attend all meetings of the Association and Board of Directors and act as clerk thereof, and record all the votes of the Association and the minutes of all its transactions in a book to be kept for that purpose;
 - b. May perform like duties for all committees when required;
 - c. Shall perform such other duties as may be prescribed by the Board, under whose supervision he or she shall be; and
 - d. May countersign all checks issued by the Treasurer.
4. Corresponding Secretary:
 - a. Shall give, or cause to be given, notice of all meetings of the Association and Board of Directors;
 - b. Shall perform such other duties as may be prescribed by the Board, under whose supervision he or she shall be;
 - c. Shall keep in safe custody the corporate seal of the Corporation, and when authorized by the President, affix the same to any instrument requiring it;
 - d. Shall keep appropriate current records showing the members of the Association together with their addresses;

- e. May countersign all checks issued by the Treasurer, and;
- f. Shall perform such other duties as required by the Board.

5. The Treasurer:

- a. Shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors;
- b. Shall have custody of the corporate funds and investments;
- c. Shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association;
- d. Shall keep the funds and investments of the Association in a separate account to the credit of the Association;
- e. Shall endorse all checks of the Association;
- f. Prepare a statement of income and expenditures to be presented to the members at its regular annual meeting, and deliver a copy of such to the members within thirty (30) days of completion; and
- g. Prepare a monthly statement of accounts to be presented to the Board at its regular monthly meetings.
- h. The annual statement shall individually summarize revenues and expenses associated with the single family homes, townhouses and the common area.

**ARTICLE TEN
INDEMNIFICATION**

- A. To the full extent permitted from time to time by law, each person who was or is a party or is threatened to be made a party to any threatened, pending or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this Association, by reason of the fact that such person is or was a Board of Director, officer, or member of any committee of this

A. (Cont'd)

Association, shall be indemnified against judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan), settlements, and reasonable expenses, including attorneys fees and disbursements, incurred by the person in connection with the proceeding. The indemnification provided by this section shall continue as to a person who has ceased to be an Association Board of Director, officer, or member of the committee of this Association and shall apply whether or not the claim against the person arises out of matters occurring before the adoption of this section.

B. The Association may purchase and maintain insurance on behalf of a person who is or was an Association Board of Director, or member of a committee of this Association against any liability asserted against and incurred by the person in or arising from that capacity, whether or not this Association would have been required to indemnify the person against the liability under the provision of the Articles of Incorporation of this Association.

C. The Association hereby adopts and includes in its Bylaws the present and future provisions of the Directors Liability Act, Act No. 1986-145, November 23, 1986 (42 Pa. C.S.S. para. 8361 et seq.) regarding the personal liability and indemnification of corporate shareholders, officers and members of committees.

*ARTICLE ELEVEN
COMMITTEES*

The Board shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

*ARTICLE TWELVE
BOOKS AND RECORDS*

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member upon five (5) days written notice of intention to inspect, with the exception that records of payments by members of monthly and special assessments shall not be open for inspection by the general membership. Those records shall be available for all members of the Board of Directors. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

*ARTICLE THIRTEEN
ASSESSMENTS*

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which the assessment is made. Any assessments which are not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) percent per annum. If the assessment not paid within ninety (90) days of due date, the Association by its Vice President shall file suit with the District Justice against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his or her lot.

*ARTICLE FOURTEEN
AMENDMENTS*

- A. These Bylaws may be amended, at a regular or special meeting of the members or their proxies as set forth in Article 10, Section 6, page 30 of the covenants, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.
- B. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

*ARTICLE FIFTEEN
MISCELLANEOUS*

- A. The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of each year, except that the first fiscal year shall begin on the date of Incorporation.
- B. Meetings shall be conducted in accordance with Roberts Rules of Order, Newly Revised.

*ARTICLE SIXTEEN
AMENDMENTS TO THE DECLARATION*

- A. Any language contained in the original Declaration and its subsequent amendments which is inconsistent with the language contained in this Article, with these Bylaws is hereby void and this Article shall control.
- B. As more fully provided for in the Declaration, the Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than fifty-one percent (51%) of both voting classes. Any and all amendments shall be recorded.
- C. The Declaration is hereby amended as follows:
 - 1. Article V, Section 8 (d) - add the following sentence: "The Board may offer a discount to Lot Owners who pay their annual assessments in full at the beginning of the fiscal year. The discount rate will be determined by the Board."
 - 2. Article VI, Section 2 (d) - add: "unless said vehicle is kept out of sight within the Lot Owner's garage."
 - 3. Article VI, Section 2 (g) - deleted in its entirety and replaced with the following: "(g) drying or airing of any clothing or bedding shall only be permitted within the area of the property of a single family home Lot Owner within Blue Meadows Farm so long as such clothing or bedding does not remain outdoors overnight. Clothes hanging devices shall be limited to retractable clothesline or non-permanent clothes hanging trees or portable racks so long as such clothes hanging devices are not left to remain overnight."

4. Article VI, Section 2 (h) - delete "including vehicle repairs" from the first sentence. Add a second sentence which reads as follows: "Personal vehicle repairs which are minor in nature may be conducted on the property of the Lot Owner so long as such repairs are conducted out of sight within the Lot Owner's garage and such activity does not become an annoyance or nuisance to the residents of Blue Meadows Farm."

5. Article VI, Section 2 (i) - deleted in its entirety and replaced with the following: "vegetable gardens shall be permitted on the property of a single family home Lot Owner so long as such gardens do not exceed a 144 square foot area and such area is maintained as not to become an annoyance or nuisance to the residents of Blue Meadows Farm."

6. ADD - Article VI, Section 2 (l) - which reads "parking in the town house parking lots shall be limited to those vehicles owned by the occupants of such town house residents and their guests. Parking for the occupants shall be limited to those parking spaces assigned to their particular town house unit. Visitor parking shall be limited to those areas designated as visitor parking."

- U. Lots 59, 60 and 61 are hereby released from Article VI of the Declaration in its entirety. For all other intents and purposes, Lots 59, 60 and 61 shall be included as members of the Blue Meadows Farm Homeowners' Association and subject to all other items in the Declaration of Covenants.

IN WITNESS WHEREOF, we, being all of the Directors of the Blue Meadows Farm Homeowners' Association, have hereunto set our hands this 4th day of May, 1992.

George J. Sawicki
Director

John P. ...
Director

David J. ...
Director

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Director

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Director

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