

**BYLAWS**

**OF**

**HARBOR RIDGE GOLF COMMUNITY  
HOMEOWNERS' ASSOCIATION**

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**BYLAWS**  
**OF**  
**HARBOR RIDGE GOLF COMMUNITY**  
**HOMEOWNERS ASSOCIATION**

**ARTICLE 1 - INTRODUCTORY**

1.01 Bylaws

These Bylaws are intended to govern the administration of the Harbor Ridge Golf Community Homeowners Association, an unincorporated association, together with the management and administration of the Common Elements and Property located in Harborcreek Township, Erie County, Pennsylvania.

1.02 Purposes and Powers

The Association has not been incorporated under the Pennsylvania Nonprofit Corporation Law of 1988. The Association shall have the purposes and powers as may be granted by the Pennsylvania Nonprofit Corporation Law of 1988 or any successor legislation.

The primary purpose or purposes for which the Association is organized are to own and maintain common green areas, a swimming pool, tennis courts and appurtenances, streets, boulevards, stormwater management facilities, sidewalks and other common areas in, and to enforce covenants to preserve the appearance of, the Planned Community while maintaining its potential exemption under §501(c)(4) of the Internal Revenue Code and its Regulations as they now exist or as they may be amended.

The Association does not contemplate pecuniary gain or profit, incidental or otherwise.

No part of the net earnings of the Association shall inure to the benefit of any Director or Officer of the Association or any private individual (except that reasonable compensation may be paid for services rendered); and no such person shall be entitled to share in the distribution of any of the corporate assets of this Association upon dissolution except as may be required by the Act.

The Association shall not engage in any act which would (i) be construed as propaganda or an attempt to influence legislation or to intervene in any political



campaign on behalf of any candidate for public office; or (ii) not be permitted to be carried on by a corporation exempt from federal income tax under §501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

## **ARTICLE 2 - DEFINITIONS**

2.01 Terms otherwise not defined herein or in the Declaration or Plat shall have the meaning specified or used in the Act.

2.02 "Act" means the Pennsylvania Uniform Planned Community Act, 68 Pa. Cons. Stat. §5101 et seq., as amended.

2.03 "Additional Real Estate" means real estate which may be added to the Planned Community and which is described in Exhibit E to the Declaration. The Excluded Lots are part of the Additional Real Estate.

2.04 "Association" means the Harbor Ridge Golf Community Homeowners' Association, its successors and assigns.

2.05 "Authority" means any municipal authority created by the Township, or of another municipality providing service to the Planned Community, such as the Erie City Water Authority.

2.06 "Board" means the Board of Directors of the Association.

2.07 "Bylaws" means these bylaws of the Association.

2.08 "Common Elements" means Common Facilities or Controlled Facilities, as defined in the Act.

2.09 "Common Facilities" means any real estate within the Planned Community which is owned by the Association. The term does not include any Unit.

2.10 "Controlled Facilities" means any real estate within the Planned Community that is not a Common Facility but is maintained, improved, repaired, replaced, regulated, managed insured and/or controlled by the Association.

2.11 "Declarant" means Woodberry Development, Inc. The term also includes all successors to any Special Declarant Rights.

2.12 "Declaration" means the Declaration of the Planned Community, as amended, the original of which has been recorded on \_\_\_\_\_, 2000, in the office of the Recorder of Deeds of Erie County, Pennsylvania, at Record Book \_\_\_\_, page \_\_\_\_, et seq.

2.13 "Future Facilities" means the Common Elements, if any, created in any portion of the Additional Real Estate.

2.14 "Member" means a member of the Association.

2.15 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit in the Planned Community. The term includes contract sellers, but does not include contract purchasers. The term does not include those having an interest merely as security for the performance of an obligation. The Declarant may be an Owner.

2.16 "Planned Community" means Harbor Ridge Golf Community, A Planned Community, established by the Declaration.

2.17 "Plat" means the plat of the Planned Community, recorded in the office of the Recorder of Deeds of Erie County, at Map No. 2000-\_\_\_\_, as amended from time to time. A copy of the Plat is Exhibit B to the Declaration.

2.18 "Property" shall mean and refer to that certain real property described in the Plat, and which is a part of the Planned Community, and that portion of the "Additional Property", as so designated on said Plat, if and when such property is added to the Planned Community by the Declarant.

2.19 "Special Declarant Rights" has the meaning set forth in the Act at 68 Pa. Cons. Stat. §5103.

2.20 "Township" means The Township of Harborcreek, Erie County, Pennsylvania, the principal office of which is located at 5601 Buffalo Road, Harborcreek, PA 16421.

### **ARTICLE 3 - MEMBERSHIP VOTING RIGHTS**

#### **3.01 Association Membership**

Every Owner of a Unit that is a part of the Planned Community shall be a Member of the Association. Membership shall be appurtenant to and may not be

separated from ownership of any Unit.

### 3.02 Addition of Members

If the Declarant adds Additional Real Estate to the Planned Community and new Units are thereby added to the Planned Community, the Owner of each such new Unit shall be a Member.

If the Declarant adds Additional Real Estate to the Planned Community and new Units are thereby added to the Planned Community, the owner of each Unit thereby added shall become a Member upon the date the Declaration is amended to add such additional Unit to the Planned Community.

### 3.03 Votes of Members

Each Unit shall be entitled to one vote. When a person owns more than one Unit, that person shall be entitled to one vote for each Unit owned. Cumulative voting is not permitted.

### 3.04 Reallocation of Votes upon Addition of Real Estate

If the Declarant adds Additional Real Estate to the Planned Community and new Units are thereby added to the Planned Community, or if the Declarant or the Association permits one or more of the owners of an Excluded Lot to become a Member of the Association, each Unit thereby added shall be entitled to one vote and all existing Units shall continue to have one vote.

## **ARTICLE 4 - MEETINGS OF MEMBERS**

### 4.01 Annual Meetings

The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings of the Members, unless otherwise established, shall be held on the same day of the same month of each year thereafter. 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 that is not a legal holiday.

### 4.02 Place of Meetings

Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Owners as may be designated by the Board.

### 4.03 Special Meetings

Special meetings of the Members may be called at any time by the President or by the Board or on written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of the membership. No business shall be transacted at a special meeting except as stated in the notice.

### 4.04 Notice of Meetings

Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by either hand

delivering or mailing a copy of the notice, postage prepaid, at least ten (10) but not more than sixty (60) days before each annual or regularly scheduled meeting and at least ten (10) but not more than forty-five (45) days before each special meeting, to each Member entitled to vote at the meeting, to the mailing address designated in writing by Unit Owner. The notice shall specify 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 these

Bylaws; any budget or assessment changes; and, in the case of a special meeting, the purpose of the meeting. The cost of providing notice of any meeting shall be an expense of the Association.

#### 4.05 Quorum

The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation of the these Bylaws.

#### 4.06 Voting by Unit Owners other than Natural Persons

If the Owner of a Unit is a corporation, joint venture, partnership or unincorporated association, the natural person who shall be entitled to cast the vote for that Unit shall be the person named in the certificate executed by that entity pursuant to its governing documents. If the Owner of a Unit is a trust, the trustee or trustees shall be deemed to be the owner for voting purposes.

#### 4.07 Voting by Multiple Persons Owning a Unit

If the ownership of a Unit is in more than one person, the natural person who shall be entitled to cast the vote of the Unit shall be the person named in a certificate executed by all of the Owners of the Unit and filed with the Secretary of the Association or, in the absence of that named person from the meeting or in the event of failure to execute and file such a certificate, the person owning such Unit who is present. If more than one of the multiple Owners are present, the vote allocated to that Unit may be cast only in accordance with their unanimous agreement. There shall be deemed to be unanimous agreement if any one of the multiple Owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. Such a certificate shall be valid until revoked by a subsequent certificate similarly executed. Whenever the approval or disapproval of a Unit Owner is required by this paragraph, the approval or disapproval shall be made only by the person who would be entitled to cast the vote of the Unit at any meeting of the Association.

#### 4.08 Proxies

Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given under this paragraph except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice.

A proxy terminates one year after its date unless it specifies a shorter term.

## **ARTICLE 5 - PERIOD OF DECLARANT CONTROL**

### **5.01 Period of Declarant Control**

The Declarant shall control the Association for the period commencing on the date of the first conveyance of a Unit to a person other than the Declarant and ending seven (7) years after the date of the first conveyance of a Unit to a person other than the Declarant, unless either (a) such period of Declarant control must terminate earlier as required by 68 Pa. Cons. Stat. §5303(c)(3), or (b) Declarant voluntarily surrenders control. During this period of Declarant control, the Declarant shall appoint and remove the Officers and members of the Board except as set forth in the following paragraphs of this Article 5.

Within sixty (60) days of the date upon which One Hundred Twenty-one (121) Units are conveyed to persons other than the Declarant, a meeting of the Members shall be conducted at which the Members other than the Declarant shall elect at least one (1) and not less than twenty-five percent (25%) of the members of the Board.

Within sixty (60) days of the date upon which Two Hundred Forty-one (241) Units are conveyed to persons other than the Declarant, and only if there shall then be four (4) or more positions on the Board, a meeting of the Members shall be conducted at which the Members other than the Declarant shall elect not less than thirty-three percent (33%) of the members of the Board.

If Declarant determines, in its beset good-faith judgment, that the total number of Units which may be created will be less than Four Hundred Eighty-one (481), then upon such determination Declarant shall recalculate the total number of Units which may be created. Within sixty (60) days of the date upon which twenty-five percent (25%) of the Units to be conveyed, as so determined by the Declarant, are conveyed to persons other than the Declarant, a meeting of the Members shall be conducted at which the Members other than the Declarant shall elect at least one (1) and not less than twenty-five percent (25%) of the members of the Board. Within sixty (60) days of the date upon which fifty percent (50%) of the Units to be conveyed, as so determined by the Declarant, are conveyed to persons other than the Declarant, and only if there shall then be four (4) or more positions on the Board, a meeting of the Members shall be conducted at which the Members other than the Declarant shall elect no less than thirty-three percent (33%) of the members of the Board.

### **5.02 Termination of Declarant Control**

Upon the termination of the period of Declarant control, the Members shall conduct a meeting at which the Members shall elect a new Board in accordance with Paragraph 6.04 of these Bylaws.





## **ARTICLE 6 - BOARD OF DIRECTORS**

### **6.01 General Powers**

All powers of the Association shall be exercised by and under the authority of the Board. The business, property and affairs of the Association shall be managed under the direction of the Board.

### **6.02 Qualification**

Directors shall be natural persons of full age and need not be residents of the Commonwealth of Pennsylvania nor members of the Association.

### **6.03 Number of Directors**

The Board shall consist of three (3) Directors, and after the period of Declarant control, one (1) shall be an owner of a single family unit, one shall be an owner of a patio condominium unit and one shall be an owner of a townhouse condominium unit.

### **6.04 Term of Office**

At the first meeting of the Members immediately following the period of Declarant control, the Members shall elect by a majority of the votes cast at a meeting at which a quorum is present -- one (1) Director for term of three (3) years, one (1) Director for a term of two (2) years, and one (1) Director for a term of one (1) year. At each annual meeting thereafter the Members shall elect one (1) Director for a term of three (3) years.

### **6.05 Term Limits**

A Director whose term is expiring may seek reelection for an additional term. There shall be no limit on the number of terms a Director may serve.

### **6.06 Resignation and Removal**

A Director may resign at any time by tendering his or her resignation in writing to the Chairperson. The resignation shall become effective upon receipt or at such subsequent time as shall be specified in the notice.

A Director may be removed at any time, with or without cause, by a vote of not less than two-thirds (2/3) of the whole number of Directors present at any meeting of the Board. The Members, by a two-thirds vote of all persons present and entitled to vote at any meeting of the Members at which a quorum is present may remove any member of the Board with or without cause, other than a member of the Board appointed by the

Declarant.

Resignation or removal as a Director shall also constitute resignation or removal as an Officer of the Association.

#### 6.07 Compensation

Directors shall receive no compensation for any services rendered in their capacities as Directors. However, nothing contained in these Bylaws shall be construed to preclude any Director from receiving compensation from the Association for other services actually rendered or for expenses incurred in serving the Association as a Director or in any other capacity. In addition, any Director may be reimbursed for actual expenses incurred in performance of his or her duties.

#### 6.08 Standard of Care and Personal Liability

A Director shall stand in a fiduciary relation to the Association and shall perform duties as a Director including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in the best interests of the Association, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (1) One or more Officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented;
- (2) Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such persons;
- (3) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

In discharging the duties of their respective positions, the Board, committees of the Board and individual Directors may, in considering the best interests of the Association, consider to the extent they deem appropriate:

- (1) The effects of any action upon any or all groups affected by such action, including employees, suppliers, customers and creditors of the Association, and upon communities in which offices or other establishments of the Association are located;
- (2) The short-term and long-term interests of the Association, including benefits that may accrue to the Association from its long-term plans and the possibility that these interests may be best served by the continued independence of the Association;
- (3) The resources, intent and conduct (past, stated and potential) of any person seeking to acquire control of the Association; and
- (4) All other pertinent factors.

The consideration of these factors shall not constitute a violation of this Paragraph 6.08.

The Board, committees of the Board and individual Directors shall not be required, in considering the best interests of the Association or the effects of any action, to regard any corporate interest or the interests of any particular group affected by such action as a dominant or controlling interest or factor. In exercising the powers vested in the Association, the fiduciary duty of the Directors shall not be deemed to require them to act as the Board of Directors, a committee of the Board or an individual Director solely because of the effect such action might have on an acquisition or potential or proposed acquisition of control of the Association or the consideration that might be offered or paid to Members in such an acquisition.

Absent breach of fiduciary duty, lack of good faith or self-dealing, any act as or failure to act of the Board, a committee of the Board or of an individual Director shall be presumed to be in the best interests of the Association.

Directors shall not be personally liable for monetary damages for any action taken, or any failure to take any action, unless:

- (1) The Director has breached or failed to perform the duties of the office of Director under this Article, and
- (2) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this paragraph shall not apply to:

- (1) The responsibility or liability of a Director pursuant to any criminal

statute, or

- (2) The liability of a Director for the payment of taxes pursuant to local, state or federal law.

#### 6.09 Action Taken Without a Meeting

The Directors shall have the right to take any action in the absence of a meeting that 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 of the Directors.

### **ARTICLE 7 - NOMINATION AND ELECTION OF DIRECTORS**

#### 7.01 Nomination

Nomination for election to the Board 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 Chairperson, who shall be a Member of the Board, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members, to serve from the close of the annual meeting until the close of the next annual meeting, and the appointment shall be announced at each annual meeting. The Nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The nominations may be made from among Members of non-Members.

Anything to the contrary notwithstanding, the foregoing provisions of this Paragraph 7.01 shall not apply to any appointment to the Board made by the Declarant during the period of Declarant control.

#### 7.02 Election

Election to the Board shall be by secret written ballot. At the election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Bylaws. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### 7.03 Filing Vacancies Caused by Resignation

Notwithstanding the foregoing, if a Director resigns or is removed, the Board shall

fill the vacancy in its membership for the unexpired portion of any term.

## **ARTICLE 8 - MEETINGS OF DIRECTORS**

### **8.01 Regular Meetings**

Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but such meetings shall be held at least once during each year.

### **8.02 Special Meetings**

Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

### **8.03 Notice and Waiver**

Board members shall be given written notice of the time and place of each meeting. If amendment of the Bylaws or the removal of a Director or Officer is to be taken up at the meeting, the notice shall set forth such fact and shall include or enclose with the notice a copy of the proposed amendment or a summary of the changes to be effected thereby. The notice shall be delivered to each Director either personally or by first class mail, facsimile or other reasonable means to his or her residence or place of business not less than twenty-four (24) hours prior to the meeting. If mailed, such notice shall be mailed, postage prepaid, at least three (3) days before the meeting and will be deemed to be delivered when deposited in the United States mail and addressed to the Director at his or her address as it appears on the records of the Association.

Attendance of the Director at any meeting shall constitute a waiver of notice of such meeting except where such Director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Whenever notice of any kind is required to be given under the provisions of these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, will be deemed equivalent to the giving of such notice. Such waiver must, in the case of a meeting at which amendment of the Bylaws are to be taken up, specify the general nature of the business to be transacted.

### **8.04 Quorum**

A quorum of the Directors is deemed present throughout any meeting if persons



entitled to cast fifty percent (50%) of the votes on the Board are present at the beginning of the meeting. In addition to those Directors who are actually present at the meeting, Directors shall be deemed as present at such meeting if a telephone or similar communications device by means of which all persons participating in the meeting can hear each other at the same time is used. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board, unless a greater number is required under the provisions of the Nonprofit Corporation Law of 1988, the Articles of Incorporation or any provision of these Bylaws.

After a quorum has been established at a meeting of the Board, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number required for a quorum shall not affect the validity of any action taken by the Board at the meeting or any adjournment thereof.

A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place.

#### 8.05 Action Taken Without a Meeting

Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Association.

#### 8.06 Specific Powers

The Board shall have power to:

- (1) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests on the Common Elements, and establish penalties for the infraction of the rules and regulations;
- (2) Suspend the voting rights of a Member after notice and hearing 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 Members by other provisions of these Bylaws;
- (4) Declare the office of a member of the Board to be vacant in the event that member shall be absent from three (3) consecutive

regular meetings of the Board;

- (5) Employ a manager, an independent contractor, or other employees as they deem necessary, and prescribe their duties;
- (6) Enter into agreements, contracts, deeds, leases and other written instruments or documents in the name of the Association and authorize the execution, delivery and, if appropriate, the recording thereof; and
- (7) Establish reasonable charges for the provision of resale certificates and statements of unpaid assessments, for the preparation and recording of amendments to the Declaration, and for copies of Association documents other than the annual financial statement.

#### 8.07 Specific Duties

It shall be the duty of the Board to:

- (1) Cause the Common Elements to be maintained in good, clean, attractive and sanitary condition, order and repair;
- (2) Adopt and publish rules and regulations governing the use of the Common Elements and to administer such rules and regulations and any rules and regulations set forth in the Declaration or herein regarding the Common Elements;
- (3) Procure and maintain adequate property insurance on the Common Elements in an amount not less than eight percent (80%) of the actual cash value of the insured property, exclusive of land, excavations, foundations and other items normally excluded from property policies. Such insurance shall provide and include those matters set forth in §5312(d) of the Act;
- (4) Procure and maintain comprehensive general liability insurance, including medical payment insurance, protecting the Association, in an amount determined by the Board covering all occurrences commonly insured against for death, bodily injury and property damage, arising out of or in connection with the use, ownership, or maintenance of the Common Elements. Such insurance shall provide and include those matters set forth in §5312(d) of the Act;

- (5) Cause an annual financial statement to be prepared consisting of at least a balance sheet and a statement of revenues and expenses of the Association, and furnish to any Member, within thirty (30) days of receiving a written request, a copy of the annual financial statements and, if such financial statements are audited, reviewed or compiled by an independent certified public accountant or independent public accountant, a copy of the independent accountant's report on the financial statements;
- (6) Accept the transfer and conveyance from Declarant of any Common Facility or Controlled Facility which Declarant offers to convey to the Association; and
- (7) Furnish resale certificates to Owners as required by the Act.

## **ARTICLE 9 - OFFICERS AND THEIR DUTIES**

### 9.01 Enumeration and Qualification of Officers

The Officers of this Association shall be a President, a Vice Present, a Secretary and a Treasurer, and other Officers as the Board may from time to time by resolution create. The President shall at all times be Members of the Board. The Treasurer may be a corporation, but if the Treasurer is a natural person, he or she shall be at least twenty-one (21) years of age.

### 9.02 Election of Officers

The Officers shall be elected by the Board. The election of Officers shall take place at the first meeting of the Board following each annual meeting of the Members.

### 9.03 Term

The Officers of this Association shall be elected annually by the Board and each Officer shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

### 9.04 Special Appointments

The Board may elect other Officers as the affairs of the Association may require, each of whom shall hold office for the period, have the authority, and perform the duties that the Board may, from time to time, determine.

#### 9.05 Resignation and Removal

Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Resignation of an Officer shall take effect on the date of receipt of the notice or at any later time specified in the notice, and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

#### 9.06 Vacancies

A vacancy in any office may be filled by appointment by the Board. The Officer appointed to fill a vacancy shall serve for the remainder of the term of the Officer he or she replaces.

#### 9.07 Multiple Offices

The offices of Secretary and Treasurer may be held by the same person. If the office of Secretary and Treasurer are not held by the same person, then the offices of Vice President and Secretary, or the offices of Vice President and Treasurer, may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Paragraph 9.04 of these Bylaws.

#### 9.08 President

The President shall preside at all meetings of the Board; see that orders and resolutions of the Board are carried out; sign all leases, mortgages, deeds, and other written instruments; prepare, execute, certify and record amendments to the Declaration on behalf of the Association; and have the general powers and duties of supervision and management usually vested in the office of the President.

#### 9.09 Vice President

The Vice President shall act in the place and stead of the President in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge all other duties as may be required of him or her by the Board.

#### 9.10 Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring the seal; serve notice of meetings of the

Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform all other duties as required by the Board.

#### 9.11 Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse funds as directed by resolution of the Board; sign all checks and promissory notes of the Association; keep proper books of account; and prepare and annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members within thirty (30) days of completion.

#### 9.12 Delegation of Duties

The Secretary and Treasurer may delegate all or some of their duties to a manager or management company approved by the Board.

#### 9.13 Standard of Care and Personal Liability

An Officer of the Association shall perform his or her duties as an Officer in good faith, in a manner he or she reasonably believes to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. A person who so performs his or her duties shall not be liable by reason of having been an Officer of the Association.

### **ARTICLE 10 - COMMITTEES**

#### 10.01 Nominating Committee

The Board shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purpose. Any such committee, to the extent provided in the resolution of the Directors or in these Bylaws, shall have and may exercise all of the powers and authority of the Board, except that no such committee shall have any power or authority to do any of the following: (a) fill any vacancy on the Board; (b) adopt, amend or repeal any provision of the Bylaws; (c) amend or repeal any resolution of the Board; or (d) act on matters committed by the Bylaws or any resolution of the Board to another committee of the Board.

#### 10.02 Term of Office

Each committee member shall continue in office until his or her successor is appointed or until his or her death, resignation or removal, unless the committee which he or she is a member shall be sooner terminated by the Board.

#### 10.03 Resignation or Removal of Committee Members

A member of any committee may resign at any time by tendering his or her resignation in writing to the President.

The Board may by majority vote remove any member from a committee, with or without cause.

#### 10.04 Committee Meetings

Meetings of any committee may be called by the chairperson of such committee by giving notice of such meeting, setting forth its time and place and delivered personally or by mail, telephone, facsimile or other reasonable means to the residences or places of business of the committee's members as listed in the Association's records at least twenty-four (24) hours prior to such meeting. Unless otherwise provided in these Bylaws, the majority of the members of any committee shall constitute a quorum for the transaction of business. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting so as to reduce the number of committee members present to fewer than the number required for a quorum shall not affect the validity of any action taken at the meeting. Each committee shall report to the Board as necessary with recommendations.

#### 10.05 Committee Action Taken Without a Meeting

Actions of any committee may be taken without any formal meeting of such committee if taken in accordance with the provisions of these Bylaws.

### **ARTICLE 11 - OPERATIONS**

#### 11.01 Registered Office

The registered office of the Association shall be at 4720 Wattsburg Road, Erie, Pennsylvania, 16504, or at such other place as the Board may designate. The Association may also have offices at such other places as the Board may from time to time appoint or the activities of the Association may require.

#### 11.02 Fiscal Year

The fiscal year of the Association shall begin on the first date of April and end on the 31st day of March.

#### 11.03 Execution of Documents and Checks

All checks, drafts, promissory notes, orders for the payment of money, contracts, leases or other instruments executed in the name of the Association which involve in the aggregate the receipt or expenditure of a sum in excess of \$1,000 in any twelve (12) month period shall be signed by an authorized representative of the Association and countersigned by either the President, Vice President, Secretary or Treasurer.

#### 11.04 Books and Records

The Association shall keep minutes of the proceedings of the Board. The Association shall also keep the original or a copy of its Bylaws, including all amendments thereto to date, certified by the Secretary. The Association shall also keep appropriate, complete and accurate books of records of account. The records provided for herein shall be kept at either the registered office of the Association, or at its principal place of business wherever situated.

Every Director shall, upon written demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purchase, books and records of account and minutes of the proceedings of the Board, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of such person as a Director. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of

the Director. The demand under oath shall be directed to the Association at its registered office in this Commonwealth or at its principal place of business wherever situated.

#### 11.05 Real Property Transactions

The Association shall make no purchase of real property nor sell, mortgage, encumber, lease away, or otherwise dispose of its real property, unless authorized by persons entitled to cast at least 80% of the votes in the Association, including 80% of the votes allocated to Units not owned by the Declarant.

#### 11.06 Fees for Services

Whenever the lawful activities of the Association involve, among other things, the charging of fees for its services, it shall have the right to receive such income and, in so doing, may receive revenues in excess of expenses which shall be applied to the maintenance and operation of the lawful activities of the Association.

No dividend shall be paid and no part of the income of the Association shall be distributed to its Directors or Officers. However, the Association may pay compensation in a reasonable amount to its Directors or Officers for services not rendered as a Director or Officer and for expenses incurred by Directors or Officers in serving the Association as a Director or Officer or in any other capacity.

#### 11.07 Annual Financial Report

Within 180 days after the close of the Association's fiscal year, the President shall cause an annual financial statement of the Association to be prepared consisting of at least a balance sheet and a statement of revenues and expenses for the Association. Promptly after its preparation the President shall present the annual financial statement at a meeting of the Directors for their review and approval. The annual financial statement shall be filed with the minutes of the meeting of the Board.

The cost of preparing the annual financial statement shall be a common expense of the Association.

### **ARTICLE 12 - CONTRIBUTION AND ASSESSMENTS**

#### 12.01 Initial Contribution to Association



Upon either (a) the close of the sale of a Unit from the Declarant, or (b) the joinder of an Excluded Lot into the Association, the purchaser of the Unit from the Declarant or the Owner of the former Excluded Lot, as the case may be, shall pay an initial contribution of \$200 to the Association. All such funds collected shall be deposited in an account of the Association, which account shall be administered by the Board. The purpose of the initial contribution is to provide capital for the Association to operate when the Declarant conveys to the Association the responsibility for the maintenance of one or more of the Common Elements.

#### 12.02 Purpose of Assessments

Annual and Special Assessments, as hereinafter set forth, levied by the Association shall be used to establish and maintain a fund to assure maintenance and repair of the Common Elements, to discharge the obligations of the Association, and otherwise to promote the health, safety and welfare of the residents of the Planned Community.

#### 12.03 Annual Assessment

The Association may levy annual assessments against the Owner of each Unit for the purpose of establishing and maintaining a fund which will be sufficient to discharge the obligations and expenses of the Association. The Board shall fix the amount of the annual assessment.

#### 12.04 Special Assessment

In addition to the annual assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of any improvement upon the Common Elements, including any fixtures and personal property related to the Common Elements, provided that any such assessment shall have the assent of two-thirds (2/3) of the Members who are entitled to vote in person or by proxy at a meeting duly called for this purpose.

#### 12.05 Notice and Quorum for Assessment Action

Any action authorized under Paragraphs 12.03 or 12.04 above shall be taken at a meeting of the Members called for that purpose, written notice of which shall be sent to all Members not less than thirty (30) nor more than sixty (60) days in advance of the meeting. At the first meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting,

shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting relying on a reduced quorum shall be held more than sixty (60) days following the preceding meeting.

#### 12.06 Uniform Rate of Assessment

Each Unit shall be responsible for that fractional share of the Common Expenses of the Association the numerator of which is one (1) and the denominator of which is the total number of Units in the Planned Community. All assessments must be fixed at a uniform rate for all Units.

#### 12.07 Assessment of Added Units

If one or more Units are added to the Association, and if the Association has levied an assessment for the fiscal year in which such Units are added, each Unit added to the Planned Community shall be responsible for an assessment in an amount of the product of the amount of the assessment imposed on each Unit owner during the fiscal year multiplied by a fraction the numerator of which is the number of days between the date the Unit was added to the Planned Community and the date upon which the then-current fiscal year of the Association ends, and the denominator of which is 365.

#### 12.08 Collection of Assessments

Any assessment authorized hereunder may be levied and collected on a monthly, quarterly, semi-annual or annual basis as determined by the Board.

#### 12.09 Period of No Assessments

No assessment shall be made by the Association prior to the earlier of (i) the date Declarant conveys title to any Common Facility to the Association, or (ii) the date Declarant conveys the responsibility for the repair, maintenance, management, control, insurance, taxes or assessments of any Controlled Facility to the Association.

#### 12.10 Commencement of Assessments and Due Dates

The annual assessments provided for in this Article 12 shall commence as to all Units on the first day of the month following the date upon which the Declarant first transfers to the Association the responsibility for the care of maintenance of any part of the Common Elements. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year. The Board shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject to the assessment. The due dates shall be established by the Board.

The Association shall, on demand, and for a reasonable charge, furnish a certificate signed by an Officer of the Association setting forth whether the assessments on a specified Unit have been paid.

#### 12.11 Creation of Lien and Person Obligation of Assessments

The Owner of each Unit is obligated to pay to the Association any and all annual special assessments imposed by the Association on the Unit of the Owner. Any assessment imposed is secured by a continuing lien on the Unit against which the assessment is made. Any assessment that is not paid when due shall be delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the assessment or foreclose the lien against the Unit, and interest, costs, reasonable attorneys' fees of the action and any other amount authorized by §5315 of the Act shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for the assessments by nonuse of any Common Elements or abandonment of his or her Unit. Sale or transfer of any Unit shall not affect the assessment lien. No sale or transfer shall relieve the Unit owner from liability for any assessment which is due at the time of transfer or from any resulting assessment lien.

### **ARTICLE 13 - INDEMNIFICATION OF OFFICERS AND DIRECTORS**

#### 13.01 Indemnification

The Association shall indemnify to the full extent required by law, and may indemnify or agree to indemnify to the full extent permitted by law nor or hereafter enacted, any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of that person's being or having been a Director, Officer, employee or agent of the Association or of any other enterprise at the request of the Association.

Any indemnification by the Association in accordance with this Article 13 shall be paid by the Board on behalf of the Association and shall constitute a common expense and shall be assessed and collectible as such.

#### 13.02 Advances

Expenses incurred in defending a civil or criminal action, suit or proceedings may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Association.

#### 13.03 Non-Exclusivity

The indemnification and advancement of expenses provided by, or granted pursuant to, these Bylaws shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of the Board or pursuant to the direction of any court of competent jurisdiction or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

#### 13.04 Insurance

The Association has no obligation to purchase insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Association against any liability asserted against or incurred by him or her in any such capacity, or arising out of his or her status as such. Such insurance may be provided by the Association at the sole discretion of the Board.

The Association may create a fund of any nature, which may, but need not be, under the control of a trustee, or may otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to these Bylaws or otherwise.

#### 13.05 Continuation

The indemnification and advancement of expenses provided by, or granted pursuant to, these Bylaws shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Director, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

### **ARTICLE 14 - AMENDMENTS**

#### 14.01 Amendment of Bylaws

These Bylaws may be altered, amended, repealed or supplemented and new Bylaws may be adopted only by a two-thirds (2/3) vote of the whole number of Directors

present at any meeting of the Board.

Notwithstanding the foregoing, if any attempted amendment of these Bylaws would have a material effect upon any of the rights, privileges, powers or options of the Declarant, such amendments shall be effective only upon express, written approval of Declarant.

#### 14.02 Conflicts

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

### **ARTICLE 15 - DISSOLUTION**

#### 15.01 Dissolution

Upon the dissolution of the Association, after payment or provision for the payment of all of the liabilities of the Association has been made, the remaining assets shall be distributed exclusively as required under §501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provisions of any subsequent federal tax law) as the Board shall determine.

Woodberry Development, Inc., being the Incorporator of the Harbor Ridge Golf Community Homeowners' Association, signs these Bylaws on \_\_\_\_\_, 2000.

WOODBERRY DEVELOPMENT, INC.

By \_\_\_\_\_  
John W. Schaefer, President

ATTEST:

\_\_\_\_\_  
John W. Schaefer, Secretary